

**BASE PROSPECTUS
of**

**TIMBERLAND
SECURITIES INVESTMENT PLC**

(incorporated as a public limited liability company under the laws of Malta)

for the Issuance of

**Luxembourg Fixed Rate Bearer Notes, Luxembourg Fixed Rate Registered Notes, Maltese Fixed Rate
Registered Notes and German Fixed Rate Bearer Notes**

dated

29 April 2022

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This document constitutes a base prospectus (the **Base Prospectus**) for the purposes of Article 8 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the **Prospectus Regulation**). This Base Prospectus has been approved by the Central Bank of Ireland (the **Central Bank**), as competent authority under the Prospectus Regulation. The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes (as defined below) that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to the Notes which are to be admitted to trading on a regulated market or which are to be offered to the public in any Member State of the EEA.

This Base Prospectus has been prepared for the issuance of Luxembourg fixed rate bearer notes, Luxembourg fixed rate registered notes, Maltese fixed rate registered notes and German fixed rate bearer notes (together the **Notes**) issued from time to time by Timberland Securities Investment plc (the **Issuer**).

The purpose of this Base Prospectus is the offer to the public and/or the admission to trading of the Notes described herein. This Base Prospectus is to be read together with the information provided in (a) the supplements to this Base Prospectus, if any (the **Supplements**), (b) all other documents whose information is incorporated herein by reference (see section "*Documents incorporated by reference*" below) as well as (c) the respective Final Terms (the **Final Terms**).

Information on how to use this Base Prospectus is set out on page 5 et seq. and a table of contents is set out on page 14 et seq.

Application may be made for the Notes to the Vienna Stock Exchange and/or the Malta Stock Exchange or any other stock exchange for the Notes issued pursuant to this Base Prospectus to be admitted to listing and to trading on their multilateral trading facilities (MTF) within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (**MiFID II**). In addition, application may be made to list Notes on any regulated market which qualifies as "regulated market" within the meaning of MiFID II. Application may be made for the Notes to be listed on one or more markets and organised trading facilities (OTF), which may be regulated or unregulated. For the avoidance of doubt, "markets" and "OTF" is not limited to EU-/EWR markets and/or EU-/EWR OTF and includes any non-EU/EWR market(s) and/or OTF such as, but not limited to, at the SIX Swiss Exchange AG. The Notes are subject to, and governed by, its relevant terms and conditions (the **Terms and Conditions**) fully described in the section entitled "*Terms and Conditions of the Notes*". Unless the Notes have been redeemed early or purchased and cancelled in accordance with the relevant Terms and Conditions, the Issuer will redeem each Note on the Maturity Date specified in

the relevant Terms and Conditions by paying the relevant redemption amount (as defined in the Terms and Conditions) to the relevant holder of such Note.

The Issuer may request the Central Bank in accordance with Article 25 of the Prospectus Regulation to provide the competent authorities in the Republic of Austria, the Kingdom of Belgium, the Republic of Bulgaria, the Republic of Croatia, the Republic of Cyprus, the Czech Republic, the Kingdom of Denmark, the Republic of Finland, the French Republic, the Hellenic Republic, Hungary, the Italian Republic, the Republic of Malta, the Kingdom of Norway, the Republic of Poland, the Portuguese Republic, Romania, the Slovak Republic, the Republic of Slovenia, the Kingdom of Spain and the Kingdom of Sweden (and together with the Republic of Ireland collectively, the **Public Offer Jurisdictions** and each, a **Public Offer Jurisdiction**) with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation. The publication of the Base Prospectus will be made at least one working day prior to the commencement of an offer to the public of the Notes in the relevant Public Offer Jurisdiction.

Any person intending to acquire or acquiring any securities (each an **Investor**) from any person distributing or selling the Notes (each an **Offeror**) should be aware that, in the context of an offer to the public as defined in the Prospectus Regulation, the Issuer may be responsible to the Investor for the contents of the Base Prospectus only if the Issuer is acting in association with that Offeror to make the offer to the Investor. Each Investor should therefore verify with the Offeror whether or not the Offeror is acting in association with the Issuer. If the Offeror is not acting in association with the Issuer, the Investor should check with the Offeror whether anyone is responsible for the Base Prospectus for the purposes of Article 11 of the Prospectus Regulation as implemented by the national legislation of each European Economic Area (**EEA**) member state in the context of an offer of securities to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on the Base Prospectus and/or who is responsible for its contents, it should take legal advice.

The Issuer has authorised the making of a public offer of the Notes by Timberland Invest Ltd., Timberland Capital Management GmbH, Timberland Finance International GmbH & Co KG, Timberland Finance International GmbH & Co KG, Branch Hungary and Timberland Finance GmbH & Co KG, Branch Hungary, as applicable, (each a **Distribution Agent** and collectively, the **Distribution Agents**) in the Public Offer Jurisdictions during the offer period and the Issuer has consented to the use of this Base Prospectus by any other person authorised by the Distribution Agents in connection with any public offer of Notes (under which the offer of the Notes takes place) and the applicable Final Terms in connection with a subsequent resale or final placement of the Notes to the extent and the conditions as set out in the Base Prospectus and the Final Terms during the term of its validity in accordance with Article 12 of the Prospectus Regulation.

Information on the terms and conditions of the offer of Notes by the Distribution Agent is to be provided at the time of the offer by the Distribution Agent.

The Terms and Conditions of the Notes may be complex. An investment in the Notes is suitable only for investors who are in a position to evaluate the risks and who have sufficient resources to be able to bear any losses which may result from such investment. Before subscribing to or otherwise acquiring any Notes, prospective investors should specifically ensure that they understand the structure of, and the risk inherent to, the Notes and should specifically consider the risk factors set out in the section "*Risk Factors*" below.

The Issuer accepts responsibility for the information contained in this Base Prospectus and, to the best of its knowledge the information contained in the Base Prospectus is in accordance with the facts and makes no omission likely to affect the import of such information.

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

If the relevant Final Terms in respect of any Notes include a legend entitled "*Prohibition of Sales to Retail Investors in the European Economic Area*", 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 European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (**MiFID II**); (ii) a customer within the meaning of Directive 2002/92/EC of the European Parliament and of the Council of 9 December 2002 on insurance mediation, where that customer would not qualify as a professional client as defined in Point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC. If the relevant Final Terms include the above-mentioned legend, no key information document required by Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the European Economic Area has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.

The Final Terms in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **Distributor**) should take into consideration the target market assessment; however, a Distributor subject to MiFID II (as amended) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Issuer nor the dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

Neither this Base Prospectus or its delivery nor any other information supplied in connection with the offering, sale or delivery of the Notes (a) is intended to provide the basis of any credit or other evaluation, or (b) should be considered as a recommendation by the Issuer that any recipient of this Base Prospectus, or the recipient of any other information supplied in connection with the offering, sale, or delivery of the Notes, should purchase any Notes. Each investor contemplating acquiring any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer. Save for the approval of the Base Prospectus by the Central Bank and save as described herein, neither this Base Prospectus nor any other information supplied in connection with the offering of the Notes constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe to, or otherwise acquire, any Notes.

The language of the Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Neither the delivery of the Base Prospectus nor the offering, sale or delivery of the Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Notes is correct as of any time subsequent to the date indicated in the document containing the same.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, AND ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS. FOR A FURTHER DESCRIPTION OF CERTAIN RESTRICTIONS ON THE OFFERING AND SALE OF THE NOTES AND ON DISTRIBUTION OF THIS DOCUMENT, SEE SECTION "*SELLING RESTRICTIONS*".

This Base Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale or delivery of Notes may be restricted by law in certain jurisdictions. The Issuer does not represent that this Base Prospectus may be lawfully distributed, or that the Notes may be lawfully offered or sold, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which is intended to permit an offering to the public or sale of the Notes or the distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States of America (**United States**) and the European Economic Area including the Public Offer Jurisdictions (see section "*Selling Restrictions*").

Any websites included in this Base Prospectus are for information purposes only and do not form part of the Base Prospectus.

Supplements (if any) to this Base Prospectus will be approved by the Central Bank and published in accordance with Article 21 of the Prospectus Regulation.

The Base Prospectus is valid for a period of twelve months from the date hereof. The obligation to supplement the Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Base Prospectus is no longer valid.

HOW TO USE THIS BASE PROSPECTUS

INTRODUCTION – WHO IS THE ISSUER?

The Notes will be issued by the Issuer – Timberland Securities Investment plc. The payment of amounts due under the Notes is subject to the Issuer's financial position and its ability to meet its obligations.

TYPES OF NOTES

This Base Prospectus provides information about the following Notes that may be issued in connection with the Base Prospectus.

The following types of Notes can be issued under the Base Prospectus:

- i. Luxembourg fixed rate bearer notes;
- ii. Luxembourg fixed rate registered notes;
- iii. Maltese fixed rate registered notes; and
- iv. German fixed rate bearer notes.

WHAT OTHER DOCUMENTS DO I NEED TO READ?

This Base Prospectus contains all information which is necessary to enable investors to make an informed decision regarding the financial position and prospects of the Issuer and the rights attaching to the Notes. Some of this information is incorporated by reference and some of this information is completed in an issue-specific document called the Final Terms. Prospective investors should read the documents incorporated by reference, as well as the Final Terms in respect of such Notes, together with this Base Prospectus.

WHAT INFORMATION IS INCLUDED IN THE FINAL TERMS?

While this Base Prospectus includes general information about all Notes, the Final Terms is the document that sets out the specific details of each particular issuance of Notes. For example, the Final Terms will contain:

- i. a reference to the terms and conditions that are applicable to the particular issuance of Notes;
- ii. the issue date;
- iii. the scheduled redemption; and
- iv. any other information needed to complete the terms included in this Base Prospectus for the particular Notes (identified by, e. g., the words 'as specified in the relevant Final Terms' or other equivalent wording).

Wherever the Terms and Conditions of the Notes provide optional provisions, the Final Terms will specify which of those provisions apply to a specific issuance of Notes.

ROADMAP FOR THE BASE PROSPECTUS

This Base Prospectus is split up into a number of parts and further divided into sections, each of which is briefly described below.

General Information:

Section " RISK FACTORS " provides details of the principal risks associated with the Issuer.	p. 19 et seq.
Section " DOCUMENTS INCORPORATED BY REFERENCE " provides details of the documents incorporated by reference which form part of this Base Prospectus.	p. 41
Section " USE OF PROCEEDS " provides details of what the Issuer intends to do with the subscription monies it receives for the Notes it issues.	p. 42
Section " DESCRIPTION OF THE PARTIES " provides an overview on the Issuer, inter alia on its corporate legal structure and its financial position, and a description of the several other parties providing services in connection with each issue of Notes.	p. 147 et seq.
Section " TAXATION " provides a mandatory warning notice with respect to tax legislation applicable in the Public Offer Jurisdictions.	p. 161
Section " GENERAL INFORMATION " provides additional, general disclosure in relation to the issuances under the Base Prospectus and the Issuer not included in other sections of the Base Prospectus.	p. 167 et seq.

Special Information relating to the Notes:

Section " RISK FACTORS " provides details of the principal risks associated with the the Notes.	p. 32 et seq.
Section " SUBSCRIPTION FOR NOTES " sets out details of the arrangements between the Issuer and the certain financial service providers as to the offer and sale of Notes.	p. 43 et seq.
Section " DESCRIPTION OF THE NOTES " provides details of how an investment in the Notes works and a description of the instruments the Issuer may issue under the Base Prospectus.	p. 45 et seq.
Section " TERMS AND CONDITIONS OF THE NOTES " sets out the terms and conditions which govern the Notes.	p. 49 et seq.
Section " NOTEHOLDER MEETING PROVISIONS " sets out the provisions which, in case applicable, for convening meetings of Noteholders to consider matters affecting their interests.	p. 125 et seq.
Section " FORM OF FINAL TERMS " sets out the template of the Final Terms, a document which will be filled out for each issue of Notes and which will complete the Terms and Conditions in respect of each such issue of Notes.	p. 132 et seq.
Section " SELLING RESTRICTIONS " sets out certain selling restrictions that apply to the Notes.	p. 162 et seq.
Section " OFFER TO THE PUBLIC " provides for additional, general information in relation to each issuance of Notes under the Base Prospectus not included in other sections of the Base Prospectus.	p. 164 et seq.

RESPONSIBILITY STATEMENT

The Issuer, Timberland Securities Investment plc, having its registered office at Aragon House, St. George's Park, St. Julian's STJ 3140, Malta, accepts responsibility for the information contained in this Base Prospectus. The Issuer declares that the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and makes no omission likely to affect its import.

The Issuer states, that

- a) the Base Prospectus has been approved by the Central Bank of Ireland (the **Central Bank**), as competent authority under Regulation (EU) 2017/1129;
- b) the Central Bank has only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;
- c) such approval should not be considered as an endorsement of the Issuer that is the subject of this Base Prospectus or of the quality of the securities that are the subject of final terms according to this Base Prospectus;
- d) investors should make their own assessment as to the suitability of investing in the Notes.

The Issuer is not required by law to update the Base Prospectus subsequent to the date hereof, except in accordance with Article 23 of the Prospectus Regulation, which stipulates that every significant new factor, material mistake, or material inaccuracy relating to the information included in a prospectus which may affect the assessment of the Notes and which arises or is noted between the time when the Base Prospectus is approved and the closing of the relevant offer period or the time when trading on a regulated market begins, whichever occurs later, shall be mentioned in a supplement to the prospectus without undue delay.

Where a claim relating to the information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national law of the member states of the European Economic Area, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

The Base Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any Notes offered by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation. For further information on certain selling restrictions with respect to the offered Notes, see section "*Selling Restrictions*".

CONSENT TO THE USE OF THE BASE PROSPECTUS

The Issuer hereby consents to the use of the Base Prospectus (under which the offer of the Notes takes place) and the applicable Final Terms in connection with a subsequent resale or final placement of the Notes to the extent and the conditions as set out in the Base Prospectus and the Final Terms during the term of its validity in accordance with Article 5 of the Prospectus Regulation.

The Issuer accepts responsibility for the information given in the Base Prospectus, in any supplement thereto as well as in the Final Terms also with respect to the subsequent resale or final placement of the Notes by financial intermediaries, who obtained the consent to use the Base Prospectus, any supplement thereto as well as the Final Terms.

Such consent can be given to all (so-called general consent) or only one or several specified financial intermediaries (so-called individual consent) and will be determined in the relevant Final Terms.

Such consent can be given in relation to the following member states, in which the Base Prospectus is valid or into which it has been passported as specified in the Final Terms: the Republic of Austria, the Kingdom of Belgium, the Republic of Bulgaria, the Republic of Croatia, the Republic of Cyprus, the Czech Republic, the

Kingdom of Denmark, the Republic of Finland, the French Republic, the Hellenic Republic, Hungary, the Republic of Ireland, the Italian Republic, the Republic of Malta, the Kingdom of Norway, the Republic of Poland, the Portuguese Republic, Romania, the Slovak Republic, the Republic of Slovenia, the Kingdom of Spain and the Kingdom of Sweden.

The Issuer's consent to the use of the Base Prospectus is given under the condition that each financial intermediary complies with the applicable selling restrictions and the terms and conditions of the offer. Furthermore, in connection with the consent to the use of the Base Prospectus the Issuer may impose the condition that the financial intermediary using the Base Prospectus commits itself towards its customers to a responsible distribution of the Notes. This commitment is made by the publication of the financial intermediary on its website stating that the Base Prospectus is used with the consent of the Issuer and subject to the conditions set forth with the consent. The consent to the use of the Base Prospectus will be given for the period as set out in the Final Terms.

The distribution of this Base Prospectus, any supplement thereto and the Final Terms as well as the offer, sale and the delivery of the Notes may be restricted by law in some jurisdictions. Each financial intermediary and/or each person, who is in the possession of this Base Prospectus, a supplement thereto and the Final Terms, must be informed of and comply with such restrictions. The Issuer reserves the right to withdraw its consent to the use of this Base Prospectus in relation to certain financial intermediaries.

In the event of an offer being made by a financial intermediary, the financial intermediary shall provide information to investors on the terms and conditions of the Notes at the time of that offer.

Any financial intermediary using the Base Prospectus shall state on its website that it uses the Base Prospectus in accordance with this consent and the conditions attached to this consent.

New information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms, as the case may, will be published and will be found on the website of the Issuer (www.timberland-securities-investment.com) (or any successor website, in which case an automatic redirection will be ensured by the Issuer).

ADDITIONAL INFORMATION

DISSEMINATION OF INFORMATION

No person is authorised to disseminate or make any representations in connection with the issue and offering of Notes other than the information contained in this Base Prospectus and the relevant Final Terms. If such information is nevertheless disseminated or assured, such information must not be regarded as authorised by the Issuer or any paying agent or other person mentioned in this Base Prospectus.

Neither the provision of this Base Prospectus in accordance with these Rules nor the offering, sale or delivery of Notes constitutes a guarantee that

- (i) the information contained in this Base Prospectus is accurate at a time after the date of publication of this Base Prospectus or at a time after the publication of a supplement or a supplement thereto approved by the Central Bank, or
- (ii) no material adverse change in the Issuer's business or financial condition which is material in connection with the issue and sale of the Notes occurred at any time after the date of publication of this Base Prospectus or at any time after the publication of any addendum to or supplement to this Base Prospectus approved by the Central Bank,
- (iii) any other information relating to the issue of the Notes was accurate at any time other than the time it was notified or dated. The Distributors, Paying Agent(s) and other person mentioned in this Base Prospectus expressly refrain from reviewing the assets, liabilities, financial position and profit or loss of the Issuer

during the term of the Notes or from advising investors on any information that becomes available to the Distributors, Paying Agent(s) or any other person mentioned in this Base Prospectus.

Neither the Distributors, Paying Agent(s) nor any other person mentioned in this Base Prospectus other than the Issuer is responsible for any information or documents contained or incorporated by reference in this Base Prospectus and to the extent permitted by applicable law in any jurisdiction excludes liability and warranty for the accuracy and completeness of the information contained in such documents.

The Distributors, Paying Agent(s) or any other person mentioned in this Base Prospectus has not independently verified this information and assumes no liability for its accuracy.

If, after approval of this Base Prospectus and before the close of the public offering, important new circumstances or material inaccuracies arise with regard to the information contained in the Base Prospectus which could influence the assessment of the securities, the Issuer is obliged under the Prospectus Regulation to supplement the Base Prospectus accordingly. Supplements (if any) to this Base Prospectus will be approved by the Central Bank and published in accordance with Article 21 of the Prospectus Regulation.

This Base Prospectus must be read and construed together with all supplements, if any, and together with all documents incorporated by reference in this Base Prospectus. Any new information regarding financial intermediaries unknown at the time of the approval of the Base Prospectus or the transmission of the Final Terms is available at www.timberland-securities-investment.com. All websites included in the Base Prospectus are for information purposes only and are not part of the Base Prospectus.

The Notes are not suitable for all investors. Investors should make their own enquiries about the Issuer's net assets, financial position and results of operations before deciding to purchase the Notes and should make their own assessments of the Issuer's creditworthiness and their own assessment of the Notes. Neither this Base Prospectus nor any other information given in connection with the Notes constitutes a recommendation by the Issuer or Distributing Agents, Paying Agent(s) nor any other person mentioned in this Base Prospectus to the investor to purchase the Notes.

This Base Prospectus does not constitute an offer and may not be used for the purpose of making an offer in any jurisdiction in which such offer is unlawful or to any person to whom such offer would be unlawful.

The Issuer, Distribution Agents, Paying Agent(s) or any other person mentioned in this Base Prospectus make no representation that this Base Prospectus will be lawfully distributed or that the Notes will be lawfully offered in accordance with the requirements of the applicable laws in accordance with applicable registration requirements or other legal requirements or applicable exemptions and assume no liability for the support of the offer or the distribution. In particular, the Issuer, Distribution Agents, Paying Agent(s) or any other person mentioned in this Base Prospectus have not taken any action in those jurisdictions where such action is necessary for the purpose of the offer or dissemination.

I. FORWARD LOOKING STATEMENTS

This Base Prospectus contains certain forward-looking statements. Forward-looking statements are statements that relate not to historical facts, but to future events or circumstances. They can be identified by words such as "believe", "assume", "await", "assure", "estimate", "plan", "intend", "hope", "predict", "forecast", "project", "intends", "endeavors", "expects", "targets" or "may" or similar expressions. Forward-looking statements are based on current estimates and assumptions made by the Issuer to the best of its knowledge, and are subject to risks and uncertainties that could cause the actual financial condition and results of operations of Timberland Securities Investment plc to differ materially (in particular to the negative) from those expressed or implied in the forward-looking statements. The Issuer is under no obligation to update any forward-looking statements or to conform them to future events or developments to the extent otherwise required by law.

These forward-looking statements are based on assumptions, uncertainties and other factors, the occurrence or non-occurrence of which could cause the Issuer's actual results, including its financial condition and profitability, to differ materially from those expressed or implied in the forward-looking statements. These

expressions can be found wherever information is contained in this Base Prospectus regarding the Issuer's plans, intentions, beliefs, or current expectations relating to the Issuer's future financial condition and results of operations, plans, liquidity, business prospects, growth, strategy and profitability, investments and capital expenditure requirements, future growth in demand as well as the economic and regulatory environment which the Issuer is subject to. Since the aforementioned outline in detail factors which could exert an influence on the business development of the Issuer, and the segments in which the Issuer is active, they should be read carefully. The Section "Risk Factors" contains a detailed description of various risks. If these risks were to materialize, this could adversely affect the actual outcome of the matters described in the forward-looking statements contained in this Base Prospectus, in particular where such statements relate to the development of the Issuer's business, financial condition, cash flows, results of operations and prospects.

In light of the aforementioned uncertainties and assumptions, future events mentioned in this Base Prospectus may not occur. In addition, the forward-looking estimates and forecasts reproduced in this Base Prospectus from third-party sources could prove to be inaccurate (for further information on the third-party sources used in this Base Prospectus, see section "*Information provided by third parties and references to specified internet pages*"). Actual results, performance or events may turn out to be better or worse compared to the results, performance and events described in the forward-looking statements, in particular due to:

- changes to the general economic, commercial or legal conditions,
- political or regulatory changes,
- changes in the competitive environment of the Issuer,
- other factors, which are explained in greater detail in the Section "Risk Factors"; and
- factors which are not known to the Issuer at the current time.

Moreover, it should be noted that all forward-looking statements only contain a statement as of the date of this Base Prospectus and that the Issuer does not assume any obligation, except as required by law, to update any forward-looking statement or to conform any such statement to actual events or developments.

Beyond its statutory obligation, the Issuer does not intend to update these kinds of forward-looking statements and/or to adapt them in light of future events or developments.

II. FIGURES AND CURRENCY INFORMATION

Figures in this Base Prospectus in units of thousand / million / billion and percentages have been rounded according to commercial practice. Totals or subtotals contained in tables may differ slightly from the unrounded amounts stated elsewhere in this Base Prospectus due to commercial rounding. Furthermore, due to rounding, individual figures and percentages may not add up exactly to totals or subtotals contained in tables or elsewhere in this Base Prospectus. With respect to the financial information contained in this Base Prospectus, "n/a" means that the relevant figure is not available, while a zero ("0") means that the relevant figure is available but has been rounded to zero.

This Base Prospectus contains currency denominations in Euro. Currency denominations have been identified and abbreviated as either "Euro" or "EUR" before the amount.

III. INFORMATION PROVIDED BY THIRD PARTIES AND REFERENCES TO SPECIFIED INTERNET PAGES

Information in this Base Prospectus which is derived from third party studies on the market environment, market developments, growth rates, market trends and competitive situation has not been verified by the Issuer. The Issuer has accurately reproduced any such third party information and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Prospective investors are, nevertheless, advised to consider this data with caution. For example, market studies are often based on information or assumptions that may not be accurate or appropriate, and their methodology is inherently predictive and speculative. The fact that information from the aforementioned third-party sources

has been included in this Base Prospectus should not be considered as a recommendation by the relevant third parties to invest in, purchase, or take any other action with respect to, shares in the Issuer.

In addition, the sources of market data included in this Base Prospectus were partly prepared before the COVID-19 pandemic and have not been updated for the potential effects of this pandemic. The Issuer is not able to determine whether the third parties who have prepared such sources will revise their estimates and projections in the light of the potential impact of the COVID-19 pandemic on future market developments.

Irrespective of the assumption of responsibility for the content of this Base Prospectus by the Issuer (see section "*Responsibility Statement*"), the Issuer has not independently verified the figures, market data or other information on which third parties have based their studies. Accordingly, the Issuer makes no representation or warranty as to the accuracy of any such information from third party studies included in this Base Prospectus. In addition, prospective investors should note that the Issuer's own estimates and statements of opinion and belief are not always based on studies of third parties.

Moreover, information on market environment, market developments, growth rates, market trends and competitive situation in the segments in which the Issuer is active is based on estimates by the Issuer. These assessments, in turn, are based in part on internal market observations and on various market studies. Any information that is derived in such way is not based on impartial sources could therefore deviate from assessments by competitors of the Issuer or future statements by independent sources.

In preparing this Base Prospectus, reference has been made to the third party sources mentioned in the text or footnotes. These sources are not part of the Base Prospectus.

The contents of the websites mentioned in this Base Prospectus including any websites accessible from hyperlinks on the Issuer's website, and of any other websites referenced in this Base Prospectus are for information purposes only and are not part of this Base Prospectus.

IV. PUBLICATION OF THIS BASE PROSPECTUS

This Base Prospectus, once approved by the Central Bank, shall be filed with the Central Bank and published on the website of the Issuer at www.timberland-securities-investment.com or any successor website thereof.

Paper copies of this Base Prospectus may also be obtained free of charge during normal business hours from Timberland Securities Investment plc (Aragon House, St. George's Park, St. Julian's STJ 3140, Malta).

V. IDENTIFICATION OF THE TARGET MARKET

With regard to the product governance requirements under (i) Directive 2014/65/EU of the European Parliament and of the Council of 15 June 2014/65/EU, (ii) Articles 9 and 10 of Commission Delegate Regulation (EU) 2017/593 supplementing MiFID II and (iii) local implementing measures (together the **MiFID II requirements**) and rejecting any liability, whether in tort, contract or otherwise which any "manufacturer" (for the purposes of MiFID II requirements) is subject to in relation to the Notes offered, the Notes have been subject to a product release process. As a result, it was determined that the Notes are directed at retail investors, professional clients and eligible counterparties (each as defined in MiFID II) (the **Target Market Determination**) and the Notes are eligible for distribution under MiFID II using all eligible distribution channels. Irrespective of the target market regulation, the market price of the Notes may fall and investors may lose all or part of their invested capital. The Notes offer no guaranteed income and no capital protection. An investment in the Notes is only acceptable to investors who do not require guaranteed income or capital protection, who are able (alone or in conjunction with a suitable financial or other advisor) to evaluate the merits and risks of such an investment and who have sufficient financial resources to compensate for any losses. The target market will be determined without prejudice to any contractual, statutory or regulatory restrictions on the sale of the Notes offered, see section "*Selling Restrictions*". For the avoidance of doubt, the Target Market Definition does not constitute (i) an assessment of suitability or appropriateness (for the purposes of MiFID II) nor (ii) a recommendation to any investor or group of investors to subscribe for the Notes or take any other action with respect to the Notes.

VI. WARNING NOTICES

If specified in the Final Terms, the Notes will provide for a (qualified) subordination clause ((qualifizierte) Rangrücktrittserklärung) and a pre-insolvency enforcement block (vorinsolvenzliche Durchsetzungssperre)¹.

On the basis of the Final Terms, the Noteholder undertakes to assert all claims arising from the Notes, in particular claims for payment of interest and repayment of principal (including any other amounts payable under the Notes), for as long as and to the extent that such claims are not asserted, how the partial or complete fulfilment of these claims would lead to over-indebtedness (*Überschuldung*) of the Issuer within the meaning of § 17 German Insolvency Code (*Insolvenzordnung*) or imminent insolvency (*drohende Zahlungsunfähigkeit*) within the meaning of § 18 German Insolvency Code (*Insolvenzordnung*) or insolvency (*Zahlungsunfähigkeit*) within the meaning of § 19 German Insolvency Code (*Insolvenzordnung*) as amended (pre-insolvency enforcement block).

The pre-insolvency enforcement block expressly applies to the period before the opening of possible insolvency proceedings. Consequently, the Noteholder may already not demand fulfilment of existing claims arising from the Notes if the Issuer is over-indebted or insolvent or threatens to become so at the time of the Noteholder's demand for payment.

With reference to the above, the pre-insolvency enforcement block can lead to a permanent, indefinite non-performance of the Noteholder's claims.

In the event of insolvency of the assets of the Issuer or the liquidation of the Issuer, the claims arising from the Notes shall rank behind all non-subordinated claims and all subordinated claims within the meaning of section 39 (1) nos. 1 to 5 German Insolvency Code (*Insolvenzordnung*).

This leads first of all to the fact that the Noteholder's claims are not satisfied until the claims of the non-lower-ranking insolvency creditors (see § 38 German Insolvency Code (*Insolvenzordnung*)) have been satisfied. All creditors who at the time of the opening of the insolvency proceedings have a justified claim to assets (here: a claim for payment) against the debtor (here: the Issuer) qualify as insolvency creditors.

In addition, the Noteholder's claims will only be satisfied after the claims of the subordinate insolvency creditors (see § 39 German Insolvency Code (*Insolvenzordnung*)) have been satisfied, provided that distributable insolvency assets still exist. The subordinated claims within the meaning of § 39 (1) German Insolvency Code (*Insolvenzordnung*) are

- (1) the interest and default surcharges on claims of the creditors of the insolvency proceedings which have been running since the opening of the insolvency proceedings;
- (2) the costs incurred by the individual creditors of the insolvency proceedings by their participation in the proceedings;
- (3) fines, administrative fines and periodic penalty payments as well as such incidental consequences of a criminal offence or administrative offence which make it obligatory to pay money;
- (4) claims for free performance by the debtor; and
- (5) under the conditions laid down in paragraphs 4 and 5, claims for repayment of a shareholder's loan or claims arising out of legal acts economically equivalent to such a loan.

¹ In the terminology of the court decision of the German Federal Court of Justice (*Bundesgerichtshof*) of 6 December 2018 (Reference: IX ZR 143/27). Respective terms may be used differently in the relevant Final Terms but shall have the same legal meaning.

The Noteholder may assert claims arising from the Notes, in particular the claim to payment of interest and repayment of the capital, outside of insolvency proceedings of the Issuer only from any (a) future profits, (b) a liquidation surplus or (c) from other free assets of the Issuer.

However, the terms and conditions of the Notes do not include a waiver agreement or a declaration by the Noteholder of a waiver with regard to claims which exist in connection with the Notes in the Noteholder's favour.

In the event of a payment by the Issuer in breach of a payment prohibition, the Issuer is entitled to demand repayment of the amount received from the payee and to take legal action.

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RISK FACTORS

This section provides details of the principal risks associated with the Issuer and the Notes. References to the "Issuer" are references to Timberland Securities Investment plc, and references to the "Notes" are references to the

- i. Luxembourg fixed rate bearer notes,
- ii. Luxembourg fixed rate registered notes,
- iii. Maltese fixed rate registered notes, and
- iv. German fixed rate bearer notes,

respectively, issued under this Base Prospectus.

In purchasing the Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make payments due in respect of the Notes. The Issuer may not be aware of all relevant factors and certain factors which the Issuer may currently deem not to be material may become material over time and could likewise impair the business operations of the Issuer and have a material adverse effect on its business, cash flows, results of operations and its financial condition.

Prospective investors in the Notes should ensure that they fully understand the nature of the Notes, as well as the extent of their exposure to risks associated with an investment in the Notes. They should consider the suitability of an investment in the Notes in light of their own particular financial, fiscal and other circumstances. In particular, prospective investors should be aware that the Notes may decline in value and should be prepared to sustain a substantial or total loss of their investment in the Notes and ensure that their acquisition is fully consistent with their financial needs and investment policies, is lawful under the laws of the jurisdiction of their location or incorporation and/or in which they operate, and is a suitable investment for them to make. All recipients of this Base Prospectus and prospective investors are urged to consult an investment advisor as to the suitability or otherwise of an investment in any of the Notes before making an investment decision. An informed investment decision can only be made by investors after they have read and fully understood this Base Prospectus, and, in particular, the Terms and Conditions, the risk factors associated with an investment in the Notes, the risk factors associated with the markets generally, and the inherent risks associated with the Issuer's business. In the event that an investor in the Notes does not seek professional advice and/or does not read and fully understand the provisions of this Base Prospectus, there is a risk that such investor may acquire an investment which is not suitable for his or her risk profile. Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in, or incorporated by reference into, this Base Prospectus or any supplement thereto;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes where the currency for principal payments is different from the potential investor's currency;
- understand fully the respective Terms and Conditions of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes may be complex financial instruments. Investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. Prospective investors should consider these factors before deciding to purchase Notes to be issued under the Base Prospectus. In addition, prospective investors should be aware that the risks described below may combine and thus intensify one another.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay principal or other amounts under or in connection with the Notes may occur for other reasons, which may not be or may not have been considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should consider all information provided in this Base Prospectus and should consult with their own professional advisers (including their financial, accounting, legal and tax advisers) and also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

Words and expressions defined in the Terms and Conditions or elsewhere in this Base Prospectus have the same meanings in this section.

This section is divided into a number of sub-sections, details of which are set out in the table below:

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Within the different categories, each individual Risk Factor has been indicated by a title. Where a Risk Factor may be categorised in more than one category, such Risk Factor appears only once and in the most relevant category for such Risk Factor. The most material risk in a category is presented first under that category. The assessment of materiality was based on the probability of occurrence and expected magnitude of negative impact. Subsequent Risk Factors in the same category are not ranked in order of materiality of occurrence.

I. SPECIAL AND MATERIAL RISK FACTORS RELATING TO THE ISSUER

Based on the strategic orientation of the Issuer with its business segments their offering of products and concentration on the core markets in Europe, especially in regard to Austria, Ireland, Germany, Malta, Hungary, Grand Duchy of Luxembourg, the general economic developments in these countries, in combination with developments on the international financial and capital markets are of great importance for the assets, liabilities, financial position and profit or loss of the Issuer.

It can be expected that the global spread of the coronavirus will significantly slow down global economic growth since its beginning in the year 2020. It is also possible that the burden will last longer depending on the course of the pandemic. Some countries, including the aforementioned countries, may also experience a recession. The negative factors are disruptions in global supply chains as well as a drop in demand due to purchasing restraints in affected countries and quarantine measures among others. Based on current information, the effects on the European, especially in regard to Austria, Ireland, Germany, Malta, Hungary, Grand Duchy of Luxembourg, economy are still difficult to assess.

The recent global coronavirus pandemic has led to periods of significant volatility in financial and other markets and could harm the Issuer's business and results of operations. The COVID-19 pandemic has led to periods of significant volatility in the global economy and in financial, commodity and global capital markets and could affect demand for the Issuers products, related supply, production and distribution chains and/or Issuers financing and the financial health and credit risk associated with Issuers customers. In addition, recent actions by federal, state and local governments in various countries to address the pandemic may also have a significant adverse effect on the markets in which the Issuer conducts its business. The extent of the impacts resulting from the COVID-19 pandemic and other events beyond the Issuer's control will depend on future developments, which are highly uncertain at this time, including new information that may emerge concerning the spread of the pandemic and actions taken to contain the coronavirus or its impact, among others.

Any service interruption could lead to an interruption of the business of the Issuer. The global spread of the coronavirus SARS-CoV-2 and the measures taken to contain the virus or the COVID-19 pandemic, in particular its impact on suppliers and delivery chains, service providers as well as the imposition of quarantine measures and curfews by which third-party suppliers and service providers could be affected could harm the business activities of the Issuer. The Issuer intends to work closely with its suppliers and service providers to avoid supply- and service-related problems. However, it cannot rule out that it will not experience supply and service problems in the future. If the Issuer fails to maintain its relationships with current or future suppliers and service providers, if suppliers and service providers offer pricing and other terms that are not satisfactory or if a supplier or service provider fails to supply goods and services, that meet the Issuer's quality, quantity and cost requirements, or fails to do so in time, the Issuer may be unable to fulfill customers' orders in a timely and cost-effective manner, which could result in damage claims, order cancellations, decreased sales or loss of market share and the reputation of the Issuer being harmed.

The occurrence, continuation or escalation of one or more of these developments may significantly negatively impact the Issuer's respective business, results of operations and financial condition.

Further, it can be expected that global economic growth to slow markedly in the year 2022. In addition to a significant slowdown in the economic development of the United States, activity in the Eurozone is also likely to decline in the first half of the year before a recovery is expected to set in as the pandemic is pushed back. Many emerging and developing countries will probably also lose momentum

initially due to weaker global trade and the economic downturn in the United States. A further negative factor for the global economy is expected to be weaker growth in China, which will be dampened by the coronavirus as well as the ongoing transformation of the economy and the uncertain process in the Chinese real estate market. Further risks are the unforeseeable consequences of an escalation of protectionist measures by the US government.

In Europe, inter alia in Austria, Ireland, Germany, Malta, Hungary, Grand Duchy of Luxemburg, the effects of the coronavirus are likely to have a severe impact on private consumption, investment and export activity in 2022, possibly even longer depending on the development of the pandemic. In addition, manufacturing companies in particular could suffer from a renewed escalation of trade conflicts in the triad US-China-Europe.

In 2022, political uncertainties will also continue to be at the forefront. These are shaped by US foreign policy. In addition to the ongoing effects of the European sovereign debt crisis, there will be increasing political and economic uncertainties concerning the further development of the European Union as a whole. Existing tensions between the European Union (EU) and Turkey, and also with Russia, as well as continuing geopolitical conflicts, especially in Ukraine, and increasingly frequent terrorist attacks pose further risks with regard to the security, monetary and economic policy situation throughout Europe.

Extremely low interest rates will continue to be one of the main challenges for the financial sector. It is still not foreseeable to what extent and intensity financial markets will react to the overall developments.

If, for example, the stabilising measures in the eurozone fail to have the intended effect, or economic growth increasingly slows down, or further turbulence occurs on the financial and capital markets, this could also have a negative impact on the assets, liabilities, financial position, and profit or loss of the Issuer. Due to the continuing high level of uncertainty in the macro-political environment and the resulting high volatility in financial and capital markets, forward-looking statements regarding future business performance are subject to a high degree of uncertainty.

Effects of the Corona Crisis

Due to the uncertain duration and consequences of the pandemic, the effects on sales and earnings for the current fiscal year 2022 and potentially beyond cannot be quantified at present. However, in view of the current development in connection with the coronavirus, the situation in many of the Issuer's core markets is challenging. At present, the economic consequences of the coronavirus pandemic for the Issuer's sales, earnings and liquidity cannot yet be specifically estimated. The Issuer expects the coronavirus pandemic to have a considerable impact on sales, earnings and liquidity in the 2022 financial year and potentially beyond.

1. RISKS RELATED TO THE ISSUER'S FINANCIAL SITUATION

Risks in connection with a possible insolvency of the Issuer

The Noteholders assume the credit risk of the Issuer. In the case of an insolvency of the Issuer, the Issuer may not be in a position to pay its debts as they fall due, including the amounts due on the Notes. As a result, the Noteholders may lose part or all of their claims to repayment of their invested capital.

Risks in connection with the Issuer being a going concern

The audit reports for the audited financial statements for the years ended 31 December 2020 and 31 December 2021 contain a paragraph headed "Material Uncertainty Related to Going Concern". These paragraphs state that, in the auditors' opinion, due to the Issuer's financial position a material uncertainty exists that may cast significant doubt on the Issuer's ability to continue as a going concern.

If the Issuer was not able to continue as a going concern, the Issuer may not be in a position to pay its debts as they fall due, including the amounts due on the Notes. As a result, the Noteholders may lose part or all of their claims to repayment of their invested capital.

Risks in connection with refinancings

Depending on market conditions or the financial position of the Issuer, the Issuer may seek new refinancing for the repayment of the Notes, if necessary by issuing new notes. If such refinancing required for repayment is not available – for whatever reason – the Issuer may not be in a position to repay the Notes. If this risk should materialize, the Noteholders may lose part or all of their claims to repayment of their invested capital.

Risk in connection with previous Notes

The Issuer has in the past issued Contingent Notes. In some instances, the amounts due on these Notes were written down in accordance with the relevant Terms and Conditions of these specific Contingent Notes. There is a risk that Contingent Notes might be written down in the future, in which case the Noteholders of Contingent Notes would lose part or all of their claims to repayment of their invested capital.

Risks in connection with credit risks

Noteholders are subject to the risk of partial or total inability of the Issuer to make distribution and/or redemption payments that the Issuer may be obliged to make under the Notes. The worse the creditworthiness of the Issuer, the higher the risk of loss. Prospective investors should note that a materialisation of credit risk with respect to the Issuer may result in the inability of the Issuer to pay interest and/or principal under the Notes.

Risks in connection with the dependency on certain persons providing funding and financings

Mr Kraemer is an indirect shareholder and, and managing director of the company as well of certain service providers (i.e. the Distribution Agents, the Fiscal Agent as well as one of the Listing Agents (Timberland Capital Management)) and thus may exert influence on the Issuer. Hence, the Issuer is dependent on its indirect shareholder and managing director, due to the controlling influence of this indirect shareholder, the financing previously significant by this shareholder and its participation in various Timberland related companies (inter alia refinancing risks). In case Mr. Kraemer should cease to act either as an indirect shareholder or as managing director, the Issuer may not benefit from financings provided by its indirect shareholder. In case no other external sources of (re-) financings are available, this shortfall with respect to a potential source of funding may have an adverse effect on the Issuer's financial position.

Risks in connection with costs related to the Issuer in connection with financing activities

The financing activities of the Issuer are connected with certain costs, such as but not limited to for marketing and distribution of its financing instruments like Notes and others, commissions or other similar fees charged by the Issuer's distribution agents, service providers and others to the Issuer. Those costs reduce the net issue proceeds of the Issuer derived from the issuing of financial instruments such as Notes. Prospective investors should note that these costs may significantly reduce or eliminate any net profits that the Issuer may realize from its business activities in one or more business year and furthermore may result in a financial loss for a business year. This may have a negative impact on the Issuer's ability in payment of interests and repayment of the Notes.

Risks in connection with the integration of potential future acquisitions

The Issuer may in the future seek to make one or more acquisitions to support its business objectives and complement the development of its business in existing and new geographic markets. Such

strategic transaction(s) would, if pursued, demand significant management attention and will require the Issuer to divert financial and other resources that would otherwise be available for its existing business. Furthermore, prospective investors should note that the benefits of potential future acquisitions may take longer to realise than expected and may not be realised fully, or at all, there can be no assurance that the Issuer will be able to successfully pursue and complete the acquisition of any future target(s), and there can be no assurance that the Issuer will be able to identify all actual and potential liabilities to which any target company is exposed prior to the acquisition thereof. Any of these factors could, in the event that an acquisition is pursued, 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.

Risks in connection with investments in financial instruments

The Issuer may apply part of the proceeds received from the sale of the Notes to invest in balance sheets assets such as financial instruments, including, without limitation, shares, bonds, securitised debt instruments, money market instruments and units in collective investment schemes. Such investments 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. In the event that the financial instruments selected for investment by the Issuer lose part or all of their value, the Issuer may be forced to make write-downs (resulting in a loss in the income and loss statement). Losses not covered by corresponding gains may affect the Issuer's ability to service interest on the Notes and to repay principal.

Risks in connection with the impact of a downgraded credit rating

The value of the Notes may be affected by investors' general appraisal of the Issuer's creditworthiness. Such perceptions may be influenced by any credit ratings which may, in the future, be assigned to the Issuer or any company which may form part of its group. A rating is, broadly, the opinion of a rating agency on the credit standing of an issuer, i.e., a forecast or an indicator of a possible credit loss due to insolvency, delay in payment or incomplete payment to the investors. It is not a recommendation to buy, sell or hold securities.

A rating agency may, in particular, suspend, downgrade or withdraw a rating. A rating may also be suspended or withdrawn if an issuer of notes were to terminate the agreement with the relevant rating agency or to determine that it would not be in its interest to continue to supply financial data to a rating agency. A downgrading of the rating may lead to a restriction of access to funds and, consequently, to higher refinancing costs. A rating could also be negatively affected by the soundness or perceived soundness of other institutions operating within the same sector as the Issuer or any company which may form part of its group.

Any downgrade of a credit rating which may, in the future, be assigned to the Issuer and/or any company which may form part of its group 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.

2. RISKS RELATED TO THE LEGAL AND REGULATORY ENVIRONMENT IN WHICH THE ISSUER OPERATES

Risks in connection with laws and regulations

In response to the global financial crisis, a number of regulatory initiatives have been (and are currently being) implemented, adopted, or developed, which could, if deemed applicable to the Issuer, have a negative impact on the Issuer and its operations. Firstly, the implementation of the following regulatory requirements may result in increasing costs which correspondingly would have a negative

effect on the financial position of the Issuer. Secondly, there is a risk of failing to comply with the new regulatory requirements may materialize, and thus this might lead to fines imposed by a competent authority or create reputational risks. Both of the risks could have an adverse impact on the profitability of the Issuer which may affect the Issuer's ability to make repayments on the Notes.

These regulatory initiatives may include the following:

The Capital Requirements Directive and Capital Requirements Regulation

On 27 June 2013, Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (**CRD IV**) and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (**CRR**) were published. CRD IV and CRR introduced, amongst others, stringent capital and liquidity requirements.

Under the new rules, the only capital instruments eligible as own funds are: (i) Common Equity Tier 1 instruments (**CET 1 instruments**), (ii) Additional Tier 1 instruments (**AT 1 instruments**) (CET 1 instruments and AT 1 instruments together constituting **Tier 1 instruments**), and Tier 2 instruments (**Tier 2 instruments**).

Institutions are required at all times to satisfy the following capital ratios for own funds: (i) a CET 1 ratio of 4.5 per cent., (ii) a Tier 1 ratio of 6 per cent., and (iii) a total capital ratio of 8 per cent., all of which are expressed as a percentage of the institution's total risk exposure amount, which total risk exposure amount is, broadly, the sum of risk-weighted exposure amounts for credit risk and the own funds requirements for market risk and operational risk.

The CRR also imposes liquidity requirements, namely the liquidity coverage ratio, whereby institutions are required to hold liquid assets, the total value of which would cover the net liquidity outflows that might be experienced under severe stressed conditions over a period of 30 days.

In the event that the Issuer were determined to be subject to CRD IV and CRR, and would hence be subject, amongst others, to the above requirements, this could have a negative impact on the Issuer's business, operational results, financial condition or prospects.

Following the publication of CRD IV and CRR, additional European legislative acts have been published on 7 June 2019 in the Official Journal of the EU:

Both the Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending the Capital Requirements Regulation as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (**CRR II**) as well as the Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending the Capital Requirements Directive IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures (**CRD V**) do set even stricter rules for the financial industry and its participants. CRR II and CRD V entered into force on 27 June 2019. As regards CRR II, the majority of provisions will apply from 28 June 2021. The new rules (inter alia) now impose a binding leverage ratio requiring institutions to maintain Tier 1 capital of at least 3% of their non-risk-weighted assets as well as with respect to new counterparty credit risk and market risk.

Bank Recovery and Resolution Directive

Resolution Tools and MREL (Minimum Requirement for Own Funds and Eligible Liabilities)

Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC,

2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No. 1093/2010 and (EU) No. 648/2012, of the European Parliament and of the Council (known as the Bank Recovery and Resolution Directive and hereinafter referred to as the **BRRD**) entered into force on 2 July 2014. Member States had until 31 December 2014 to adopt and publish laws, regulations and administrative provisions necessary to comply with the BRRD, prior to adopting such measures from 1 January 2015. The BRRD is designed to provide authorities with a set of tools to intervene early and quickly in the affairs of an unsound or failing institutions falling within its remit (the **BRRD Institution**) so as to ensure the continuity of the critical financial and economic functions of the BRRD Institution, whilst minimising the impact of its failure on the economy and financial system.

The BRRD achieves this end by requiring the appointment of a resolution authority (the **Resolution Authority**) that is empowered to intervene using a number of resolution tools in the event that the following requirements are satisfied cumulatively (each of the following an **Intervention Event**): (a) a BRRD Institution is failing or likely to fail, (b) there is no reasonable prospect that alternative private sector measures would prevent the failure of a BRRD Institution, and (c) a resolution action is in the public interest.

One of the resolution tools is the bail-in tool whereby Resolution Authorities are, amongst others, empowered to write down or convert into common equity certain liabilities of a failing BRRD Institution. The bail-in tool ensures that not only shareholders but also creditors of the failing institution suffer appropriate losses and bear an appropriate part of the costs arising from the failure of the institution.

Resolution Authorities will have to exercise their bail-in powers in a way that results in: (i) common equity tier 1 capital instruments (such as ordinary shares) being written down first in proportion to the relevant losses, (ii) thereafter, the principal amount of other capital instruments (additional tier 1 capital instruments and Tier 2 capital instruments) being written down on a permanent basis or converted into common equity tier 1 capital instruments in accordance with their order of priority, and (iii) thereafter, other eligible liabilities being written down on a permanent basis or converted into common equity tier 1 capital instruments in accordance with a set order of priority.

In the event that the Issuer were deemed to fall within the remit of the BRRD and an Intervention Event were deemed to occur, the Resolution Authority may determine that 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. This would not constitute an event of default and investors in notes will have no further claims in respect of any amount so written off, converted to equity or otherwise applied to absorb losses as aforesaid.

Each institution falling within the remit of the BRRD has to ensure that it meets, at all times (on an individual basis and, in the case of EU parent undertakings, also on a consolidated basis), a minimum requirement for own funds and eligible liabilities. Such minimum requirement shall be determined by the Resolution Authority and shall be calculated as the amount of own funds and eligible liabilities expressed as a percentage of the total liabilities and own funds of the institution. If the Issuer were to be deemed to fall within the remit of the BRRD, there is a risk that the Issuer may not be able to meet these 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.

On 7 June 2019, Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the Bank Recovery and Resolution Directive as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC (BRRD II) as well as Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 806/2014 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (SRMR II) were published in the Official Journal of the EU. Both BRRD II and SRMR II entered into force on 27 June 2019. SRMR II applies from 28 December 2020.

Investment Firms Regulation (IFR) and Investment Firms Directive (IFD)

The prudential rules relevant to investment firms will be changing following the introduction of the Investment Firms Regulation ((EU) 2019/2033) (IFR) and Investment Firms Directive ((EU) 2019/2034) (IFD) by the European Commission. The new regime will likely amount to a significant shift in the current rules and the strong potential for increased regulatory capital requirements for most investment firms subject to transitional phasing in. Costs of the implementation incurred in connection with the above requirements could have a negative impact on the Issuer's financial condition as its profitability might deteriorate. Correspondingly, the Issuer's ability to pay interest and/or principal on the Note might deteriorate or may be adversely impacted.

The new regime forms part of a body of work on the Capital Markets by the European Commission. It follows a review of the legislation that applies to investment firms, particularly around capital, liquidity and other risk management requirements, in order to ensure proportionate rules and better supervision for those firms, whilst ensuring a level-playing field between large and systemic financial institutions. The proposal for the new rules was agreed by the European Parliament and Member States on 26 February 2019 and in 18 April 2019 the European Parliament endorsed that proposal. The rules were published in the Official Journal of the European Union on 5 December 2019 and entered into force on 25 December 2019. The IFR becomes directly applicable from 26 June 2021 and Member States have until that date to adopt and publish the measures necessary to transpose the IFD.

Changes in Recognition of Own Funds

Due to regulatory changes, certain existing capital instruments which may be issued by the Issuer in the future may be subject to (gradual) exclusion from own funds or reclassification as a lower category form of own funds.

Changes in CET 1 Criteria

In the course of the global financial crisis, the rules on own funds have come under scrutiny by legislators, regulators and advisory bodies (e.g. the BCBS). In the event that the Issuer were deemed to fall within the remit of the CRD IV/CRD V/CRR/CRR II/IFR/IFD regime, legislative or regulatory changes in the current definitions of what is deemed to qualify as CET 1 capital could reduce the Issuer's CET 1-ratio or otherwise reduce the (eligible) own funds on an individual or a consolidated basis. There can be no assurance that any further changes of the applicable rules as aforesaid, adequate grandfathering or transition periods will be implemented to allow the Issuer, if it were deemed to fall within the remit of the CRD IV/CRD V/CRR/CRR II/IFR/IFD regime, to repay or replace such derecognised CET 1 or other own funds instruments in a timely fashion or on favourable terms. In such case, the Issuer may need to obtain additional own funds or other eligible capital in the future, and such funds, whether in the form of ordinary shares or other capital, may not be available on attractive terms, or at all.

Consolidation

If the Issuer were deemed to fall within the remit of the CRD IV/CRD V/CRR/CRR II regime, then, in addition to potentially complying with capital requirements on an unconsolidated basis, the Issuer itself or group related entities may also be subject to capital requirements on a consolidated basis. Furthermore, any future shareholders of the Issuer which are subject to local supervision in their country of incorporation may, on an individual and on a consolidated basis, be required to comply with applicable local regulatory capital requirements. It is therefore possible that individual entities which may form part of the group of the Issuer may require more own funds, even though the own funds of the Issuer on a consolidated basis are sufficient. Costs of the implementation incurred in connection with the requirements stipulated by the CRR/CRD regime could have a negative impact on the Issuer's financial condition as its profitability might deteriorate. Correspondingly, the Issuer's ability to pay interest and/or principal on the Note might deteriorate or may be adversely impacted.

Other Initiatives

Additionally, stricter and/or new regulatory requirements may be adopted in the future, and the existing regulatory environment in many markets in which the Issuer operates (or may operate in future) continues to develop and change, including, for example, the Banking Union within the EU. The substance and scope of any such (new or amended) laws and regulations as well as the manner in which they are (or will be) adopted, enforced or interpreted may increase the Issuer's financing costs and could have an adverse effect on the Issuer's business, financial condition, results of operations and prospects. As a result, this could adversely impact on the Issuer's ability to pay interest and/or principal under the Notes.

Risks in connection with the Issuer's business model

The Issuer's business model depends on the competitiveness of its services.

It cannot be excluded that there may be competitors on the market who offer services similar to those of the Issuer and who are able to acquire customers and generate profits faster and more successfully with cheaper and/or better offers than the Issuer. This could lead to the Issuer's failure to plan, which could have an adverse effect on its business, assets, liabilities, financial position and profit or loss.

There is also a risk that the services and business of the Issuer may not be competitive. The services and business of the Issuer are in global competition with similar or comparable services and business. Due to changes in customer requirements, the continuous introduction of new products to the market and/or constantly evolving product standards, the Issuer's services and business may become obsolete, unattractive to customers or otherwise uncompetitive. This intense competition could result in lower profit margins, lower revenues and a lower market share. If the Issuer does not succeed in asserting itself in this environment and in developing sufficient economic projects, this could have a significant negative impact on the success of its business activities.

Risks in connection with the fact that the Issuer is exposed to the credit risk of its customers, suppliers and distribution partners

The Issuer intends to conduct transactions (sales) with customers, suppliers and dealers as part of its business activities. There is a risk that one or more of these counterparties may become insolvent and be unable to meet their obligations to the Issuer. In particular, if one of the Issuer's principal clients becomes insolvent or in financial difficulty, the Issuer may not be able to collect any outstanding debt and may be required to write off the debt. Significant or recurring delays in receiving payments or defaults could have a material adverse effect on the Issuer.

Furthermore the Issuer is exposed to the credit risk of cooperation partners, where the Issuer has granted security by way of (a) guarantee(s) in connection with the issuing of notes (see section "*Risks related to the Issuer's business activities and industry*").

Any of the aforementioned circumstances could have an adverse effect on the Issuer's net assets, financial position and results of operations.

Risks in connection with third parties involved

The Issuer is party to contracts with a number of third parties who have agreed to perform several services in relation to the Notes during its lifespan (such as the Listing Agents, the Paying Agents, the Fiscal Agents as well as the Registrar and Transfer Agents). If any such third party fails to perform its obligations under any relevant agreement, for example in case a Paying Agent omits to pay out interest and/or principal) the Issuer may either not be in the position to find an adequate service provider which is able to replace the defaulting party and/or may not be able to claim any compensation or reimbursement (unless legal proceedings have been initiated) for such contractual default. Both consequences may have negative effects on the Issuer's net assets, financial position and results of operations and/or the Issuer's business procedures and operations.

3. LEGAL AND TAX RELATED RISKS

Risks in connection with potential changes in the applicable tax framework

The future development of the Issuer's assets, financial and profit position, inter alia, depends – among other circumstances – on the tax framework applicable to it. Every future change in legislation, relevant decision of the competent fiscal courts and/or the tax authorities' administrative practice may have a negative impact on the Issuer's business.

Risks in connection with certain tax related circumstances

The Issuer is subject to certain tax risks. The development of current tax law is subject to constant change – also in its administrative application. The tax information presented here therefore reflects the current legal situation, current case law, published views of the tax authorities as well as the comments made by the tax literature on the date of the Base Prospectus. Future changes in the law, differing interpretations of the law by tax authorities and courts cannot be ruled out.

The tax burden of the Issuer could increase in particular as a result of future tax audits, new assessments by the competent authorities and possible changes to the applicable tax laws and regulations. The registered office of the Issuer is currently located in Malta. From time to time, however, it is subject to routine tax audits by tax authorities in the countries in which it operates. Future tax audits may lead to additional taxes. In addition, the tax authorities may not be able to accept the deductibility of some interest in the context of the cap or transfer pricing rules. In this case, tax arrears may be incurred during tax audits or as part of the normal taxation process (through tax assessment notices). In addition, changes to the tax regulations are possible. The interpretation of tax laws by courts or tax authorities (including courts or tax authorities in foreign jurisdictions in which the Issuer may operate in the future) may also have a material adverse effect on the business of the Issuer. Any further tax or interest payments resulting from such tax audits or other decisions of the relevant tax authorities could have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

Any of the aforementioned circumstances could have an adverse effect on the Issuer's net assets, financial position and results of operations.

Risks in connection with tax-loss offsetting

The Issuer's ability to use its net operating losses, or NOLs, in Malta and in other jurisdictions is currently limited and may be further limited. In particular, under current corporate income tax rules, tax losses can not be carried back and carried forward for an indefinite period of time. If the indefinite loss-carry forward might not longer apply in Malta, this might have then an impact on the taxes to be paid by the Issuer, i.e. they might be higher and as such this might have an adverse effect on the financial situation of the Issuer.

Risks in connection with potential changes in Consumer Protection Laws

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 in connection with its role as arranger or sub-arranger 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 clients. This may reduce the Issuer's net income and have an adverse effect on its results of operations.

4. RISKS RELATED TO THE ISSUER'S BUSINESS ACTIVITIES AND INDUSTRY

Risks in connection with the Issuer's business

The core business of the Issuer consists of acting as arranger or sub-arranger in respect of the issuance of certain notes (or other debt instruments) by, inter alia, Timberland Securities SPC (acting for the account of several separate segregated portfolios), Timberland Securities II SPC (acting for the account of several separate segregated portfolios) and Timberland Investment S.A. (acting for the account of several separate compartments). As the remuneration is basically calculated on the respective price of the notes (or other debt instruments) issued by the afore-mentioned companies and then distributed to investors, the Issuer consequently will be affected in case of a decline in investors' demand for such notes (or such other debt instruments, as the case may be) issued by Timberland Securities SPC, Timberland Securities II SPC, Timberland Investment S.A. This may impact the ability of the Issuer to service interest on the Notes and to repay principal.

In addition, not only the Issuer is dependent on a constant demand for the notes or debt instruments, but it depends on the respective issuer's ability to pay the applicable arranger fees owed to the Issuer. Any payment default with respect to arranger fees to which the Issuer is entitled may have an adverse effect on the ability to repay any principal or interest under the Notes. The services performed as an arranger or sub-arranger is not exclusive to Timberland Securities SPC, Timberland Securities II SPC or Timberland Investment S.A., which may use from case to case or generally an other arranger, which include related parties (such as other arrangers) and third parties.

Furthermore, the Issuer is a shareholder of the share capital of various other companies, inter alia the E-Stream GmbH & Co KGaA, which is active in the field of (so-called) E-mobility and residential and industrial energy storage systems. In this context the Issuer has, and may as well in the future, (directly or indirectly) invest by way of debt instruments, hybrid instruments and equity instruments into the E-Stream GmbH & Co KGaA, E-Stream Energy GmbH & Co KG and various other companies. According to the latter, the Issuer not only depends on the ability of the E-Stream GmbH & Co KGaA, E-Stream Energy GmbH & Co KG and the respective various other companies to repay the relevant loaned amount or debt or equity capital injections but furthermore depends on the business model of E-Stream GmbH & Co KGaA, E-Stream Energy GmbH & Co KG and the various other companies.

Risks in connection with security granted for certain issuers

The Issuer may, with a view to increasing the marketability of notes or other debt instruments issued by other issuers, such as (inter alia) Timberland Securities SPC, Timberland Securities II SPC, Timberland Investment S.A., E-Stream Energy GmbH & Co KG (each a **Guaranteed Issuer**), and/or any other securitisation vehicle or Issuer in respect of which the Issuer may act as arranger or sub-arranger in the future (a **Future Securitisation Vehicle** and a **Future Issuer**) – without necessarily receiving a remuneration – (i) guarantee the repayment obligations of a Guaranteed Issuer in respect of the aggregate principal amount of bonds (or other debt instruments) issued by a Guaranteed Issuer and/or to grant security interests over its assets in order to secure such repayment obligations, or (ii) guarantee the repayment obligations of one or more of the portfolios and/or compartments of a Guaranteed Issuer, and/or to grant security interests over its assets in order to secure such repayment obligations, or (iii) guarantee the repayment obligations of a Future Securitization Vehicle and/or grant security interests over its assets in order to secure such repayment obligations, and/or (iv) to grant security interests over its assets to one or more banks in order to procure that such banks guarantee the repayment obligations of a Guaranteed Issuer and/or a Future Securitization Vehicle.

In the event that a respective Guaranteed Issuer and/or any Future Securitization Vehicle defaults on its applicable payment obligations under the notes which have been guaranteed and/or secured in the instances prescribed above, this may impact the ability of the Issuer to service interest on the Notes and to repay principal.

As of the date of this Base Prospectus, the Issuer is acting as guarantor to a bond issued by E-Stream Energy GmbH & Co KG in an amount of up to EUR 8 million (plus interest and potential additional costs in connection with said bond) which has a maturity date of 15 November 2029.

Risks in connection with the competitive environment the Issuer is performing its business in

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. In particular, the trend towards consolidation in the global financial services industry (which has increased due to the last financial and economic crisis), is creating competitors with extensive ranges of product and service offerings, increased access to capital and greater efficiency and pricing power. These global financial institutions may be more appealing to customers because of their larger international presence or financial resources. In addition, in all markets, the Issuer also faces competition from established local financial service providers which operate a larger number of branches, offer customers a broad range of banking and financial products and services, and benefit from relationships with a large number of existing customers.

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.

The Issuer may not be in a position to successfully attract and retain qualified employees

The Issuer believes that successful operations depend as well on its ability to recruit and retain highly qualified technical, managerial and marketing personnel who are familiar with key customers, have existing customer relationships and are experienced in the Issuers industry. The Issuer plans to establish and expand its own workforce, and Issuer's success will depend in part on its ability to recruit, retain and develop highly qualified personnel, with the required specific background. Competition for such well-trained and qualified employees is intense, and there can be no guarantee that efforts to retain and motivate managers and key personnel or to attract and retain other highly qualified employees will be successful in the future. To what extent the Issuer will succeed in recruiting and retaining the required specialists and executives who are necessary to effectively manage the business in the future or to develop the business model in line with the corporate strategy cannot be reliably predicted at this time. Due to the difficulties in recruiting specialists and executives for the Issuer's industry, an unsuccessful recruitment and personnel strategy may mean that Issuer's business activities cannot be built up and expanded as planned due to a lack of personnel.

5. OTHER RISKS RELATED TO THE ISSUER'S FINANCIAL SITUATION

Risks in connection with the Issuer's limited operating history

The Issuer was incorporated on 30 January 2015 and therefore has a limited operating history that can be evaluated as a basis for the Issuer's potential performance and the ability to achieve its investment objectives. Consequently, the possibility to assess the Issuer's business plan is limited.

Therefore, any investment in the Notes is subject to the uncertainties associated with the business model and any related operational misjudgement may have a direct effect on the ability of the Issuer to meet its obligations in respect of the repayment of principal and interest under the Notes.

Risks in connection with the dependency on key personnel

The operations of the Issuer are dependent on the abilities of the members of its Board of Directors. If one or more of such persons are unable or unwilling to continue in their present position, the Issuer might not be able to replace them within a short term and this could affect the profitability of the Issuer's operations.

Risks in connection with the global spread of SARS-CoV-2 and the associated outbreak of the COVID-19 pandemic

The global spread of SARS-CoV-2 and the associated outbreak of the COVID-19 pandemic have caused far-reaching disruptions to the global economy, the extent and end of which are currently not foreseeable. A global recession could be imminent. The Issuer considers itself exposed to risks and

associated negative influences with regard to its economic situation as well as to sales, earnings and liquidity as a result of the COVID-19 pandemic.

SARS-CoV-2 has spread throughout the world within a very short period of time and has substantially disrupted large parts of the global economic and financial markets. In particular, the target markets in Europe, which are important for the Issuer, were seriously disrupted by the outbreak and the associated containment measures (such as quarantine measures, plant closures, travel and contact restrictions). A global recession is generally expected, which is already emerging in many countries. An economic downturn is typically characterized by a significant decline in investment and demand. In many industries, production has been – and in some cases still is – stopped completely or at least partially. A lack of income and declines in earnings and profits force many companies to introduce short-time working, to lay off workers and not to extend fixed-term employment contracts, which further slows down private consumption and the willingness to invest. These factors are exacerbated by the rapidly changing global circumstances of the COVID-19 pandemic and uncertainty about the further course of the COVID-19 pandemic, which could lead to an increase in the propensity to save in the private and commercial sector for security and precautionary reasons. A stagnation or decline in investment could lead to lower sales and services provided by the Issuer. An overall decline in demand from private and commercial customers could also indirectly have a negative impact on the Issuer's business.

The extent of the impact of the COVID-19 pandemic and other events beyond the Issuer's control will depend on future developments that are highly uncertain at this time, including new information and knowledge that may become known about the spread of the COVID-19 pandemic, the measures to contain SARS-CoV-2 or its effects.

It is certain that due to the uncertain duration and consequences of the COVID-19 pandemic, the effects on the Issuer's sales, earnings and liquidity for the current fiscal year 2022 and possibly beyond cannot be quantified at present. In view of the current development in connection with COVID-19, the situation in many of the Issuer's target markets is challenging. The Issuer expects that the COVID-19 pandemic will have a significant impact on revenues, earnings and liquidity in fiscal year 2022 and possibly beyond.

Risks in connection with the integration of potential future acquisitions

The Issuer may in the future seek to make one or more acquisitions to support its business objectives and complement the development of its business in existing and new geographic markets. Such strategic transaction(s) would, if pursued, demand significant management attention and will require the Issuer to divert financial and other resources that would otherwise be available for its existing business. Furthermore, prospective investors should note that the benefits of potential future acquisitions may take longer to realise than expected and may not be realised fully, or at all, there can be no assurance that the Issuer will be able to successfully pursue and complete the acquisition of any future target(s), and there can be no assurance that the Issuer will be able to identify all actual and potential liabilities to which any target company is exposed prior to the acquisition thereof.

Any of these factors could, in the event that an acquisition is pursued, 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.

Risks in connection with certain financial instruments issued by the Issuer

The Issuer has issued certain loss-absorbing financial instruments (specific "LAFI"). As a result, on the one hand, in accordance with the terms and conditions for the LAFI, the book value ("current nominal amount" or "current principal amount") of these LAFI of the issuer were reduced as of 31 December 2019 and 31 December 2020. The terms and conditions of the securities issued by the Issuer provide that payments on these notes are dependent on the balance sheet result of the Issuer, i.e.

the securities are subject to a depreciation regime and have other loss-absorbing properties in accordance with the respective securities terms and conditions.

To the extent that the Issuer incurs an annual net loss, the holders of the relevant LAFI-Notes participate in such loss in the proportion in which their current nominal amount (as reduced and/or increased, as the case may be, in the Issuer's previous financial years) is in relation to the total book value of all loss-carrying components of the Issuer. The current nominal amount may and is written down accordingly in such LAFI-instruments. Following an annual net loss, a corresponding reduction in the nominal amount of the current nominal amount, which corresponds to the amount of the LAFI-note holders' share of the annual net loss, must be made.

Therefore, the Issuer was and is not obliged to make payments on these specific LAFI-Notes currently. The current nominal amount of these LAFI-Notes has been reduced to zero euros, so that no further repayment of the capital (or the current nominal amount) has to be made. The reduction of the book value of the LAFI-Notes had also and may have in future as well an adverse effect on any future payment claims of the LAFI-Noteholders under the specific Notes and on the market price and value of the LAFI-Notes, i.e. if they are listed and/or traded on one or more exchanges such as one or more MTF-market. As long as the book value of the notes has not been reinstated from future profits of the issuers, payments on the maturity date in respect of the current nominal amount are excluded in subsequent financial years and in the event of extraordinary termination by the issuer for regulatory or tax reasons, the redemption amount would correspond to the reduced book value of these LAFI-notes of the issuer as determined in the issuer's balance sheet for the financial year of the issuer which is relevant for the maturity date in respect of the respective LAFI-note. As payments on the LAFI-Notes are dependent on the Issuer's net profit or loss for the year and taking into account the provisions of the ranking set out in the Terms and Conditions of the Securities ("Ranking"), interest and principal payments on the LAFI-Notes may also be made in subsequent interest periods and, under certain circumstances, the LAFI-Notes may be redeemed at a current principal amount which is less than the principal amount.

In future business years there may be due to potential earnings the risk, that these LAFI-Notes will have to be written up towards its nominal amount with the effect, that this may have a negative effect on the financial situation of the issuer and its profit and loss situation, especially that the repayment amount and total indebtedness of the issuer may raise due to such LAFI-instruments even without issuing further or beyond the nominal amount of additionally issued (LAFI-) Notes.

6. INTERNAL CONTROL RISKS

Risks in connection with internal risk management processes

The Issuer's risk management techniques and strategies may in the future not be fully effective in mitigating the Issuer's risk exposure in all economic market environments or against all types of risks, including risks that the Issuer may fail to identify or anticipate. Furthermore, audits or other regular reviews of the risk management procedures and methods may, in the future, detect weaknesses or deficiencies in the Issuer's risk management systems. 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.

Risks in connection with operational risk

The Issuer is exposed to operational risk, which is the risk of loss resulting from inadequate or failed internal processes, human errors, malfunctioning 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 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.

Risks in connection with the difficulty of recruiting new qualified personnel

The Issuer's ability to enter new markets (and, to some extent, the Issuer's existing operations), depend on its ability to recruit additional talented individuals with the necessary qualifications and level of experience in financial services. Increasing competition for labour in the Issuer's core markets from other international financial institutions may make it more difficult for the Issuer to attract and retain qualified employees and may lead to rising labour costs in the future. 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.

II. SPECIAL AND MATERIAL RISK FACTORS RELATING TO THE NOTES

1. RISKS RELATED TO ALL NOTES

Market Price Risk and Credit Spread Risks

The market prices of the Notes depends on various factors, such as changes of interest rate levels, the policy of central banks, overall economic developments, inflation rates or the supply and demand for the relevant type of Notes. The market price of the Notes may also be negatively affected by an increase in the Issuer's credit spreads, i.e. the difference between yields on the Issuer's debt and the yield of government bonds or swap rates of similar maturity. The Issuer's credit spreads are mainly based on its perceived creditworthiness but also influenced by other factors such as general market trends as well as supply and demand for such Notes.

Risks related to the offer to the public and/or admission of the Notes to trading on a regulated market or an exchange-regulated MTF market

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid and may be sensitive to changes in financial markets. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case should the Issuer be in financial distress, which may result in any sale of the Notes having to be at a substantial discount to their principal amount or for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors or are not admitted for trading on the regulated market, the "Euro MTF" market or another established securities exchange. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange Rate Risks and Exchange Controls

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

have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

In addition, there is the risk that the Specified Currency is or becomes illiquid and/or subject to currency restrictions including conversion restrictions and exchange controls imposed by authorities with jurisdiction over the Specified Currency. The applicable Final Terms may determine that payments under the Notes may be made in another currency as the Specified Currency due to certain currency restrictions or the illiquidity of the Specified Currency. In such cases the Noteholders could be exposed to specific risks connected to the currency in which payments are actually made. Investors may also suffer disadvantages and losses due to the circumstance that they do not receive payment in the Specified Currency, e.g. if amounts in the Specified Currency are needed to fulfil own payment obligations in the Specified Currency.

Such currency risks generally depend on factors over which the Issuer and the Noteholder have no control, such as economic and political events and the supply of and demand for the relevant currencies. In recent years, rates of exchange for certain currencies have been highly volatile, and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations in the rate that may occur during the term of any of the Notes.

No limit with respect to debt increase in the future

No restriction applies with respect to the amount of debt that the Issuer may borrow on an equal footing or with priority with the Notes. Any assumption of additional liabilities by the Issuer which are not subordinated to the Notes increases the debt of the Issuer and may reduce the amount that the Noteholders of the Notes will receive on their claims in the event of the liquidation or insolvency of the Issuer.

Meeting of Noteholders

In the event that the Issuer intends to amend the Terms and Conditions of the Notes, unless it is only an editorial change, 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. The majority of the Noteholders represented at a creditors' meeting may pass adverse resolutions for all investors; the Noteholders' rights of termination are excluded in certain cases prior to creditors' meetings. The Terms and Conditions provide that Noteholders may adopt certain measures, in particular amendments to the Terms and Conditions, by a majority vote binding on all Noteholders. The resolutions are also binding on creditors who did not participate in the adoption of the resolution or voted against it. Meetings of Noteholders may be quorate (if it is a second meeting) if only one Noteholder is represented or, in respect of resolutions requiring a qualified majority, if at least 25% of Noteholders are represented. A Noteholder is therefore subject to the risk that he is bound by resolutions to which he has not consented and may thereby lose rights from the mandatory convertible bonds against his will.

Changes in interest rates

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes. A Noteholder is exposed to the risk that the price of such Note falls as a result of changes in the market rate of interest. While the rate of interest of a fixed rate note is fixed during the life of such Note, the current rate of interest in the capital markets (so-called market rate of interest) typically changes on a daily basis. As the market rate of interest changes, the price of a fixed rate note also changes, but in the opposite direction. If the market rate of interest increases, the price of a fixed rate note typically falls, until the yield of such Note is approximately equal to the market rate of interest. If the market rate of interest falls, the price of a fixed rate note typically increases, until the yield of such Note is approximately equal to the market rate of interest. If the

Noteholder of a fixed rate note holds such Note until maturity, changes in the market rate of interest are without relevance to such Noteholder as the Note will be redeemed at the principal amount of such Note.

Currency risk

A Noteholder denominated in a foreign currency is exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks. A change in the value of any currency other than euro against the euro, for example, will result in a corresponding change in the euro value of a Note denominated in a currency other than euro and the euro value of interest and principal payments, if any, made in accordance with the terms of such Note. If the underlying exchange rate falls and the value of the euro correspondingly rises, the price of the Note and the value of interest and principal payments, if any, made thereunder expressed in euro falls.

Liquidity-providing activities

The Issuer, any of its affiliates and/or third parties may act as a liquidity-provider for the Notes. Liquidity-providing means to quote bid and ask prices continuously or from time to time at which the relevant liquidity-provider is willing to trade the Notes in a certain volume and at a certain price. Liquidity-providing, carried out especially by the Issuer, any of its affiliates and/or third parties, may increase the liquidity of the Notes, thereby making them more marketable, which may have a positive impact on the value of the Notes. In case no liquidity-providing activities should be carried out, the market for the Notes may be less liquid. Consequently, the Noteholders would be dependend on the possibility to sell their Notes mainly via the stock market or over-the counter but do not have the additional opportunity to sell the Notes to a liquidity-provider.

Change of law

The respective Terms and Conditions of the Notes are based on Luxembourg law respective German law (for the German Fixed Rate Bearer Notes) and, with respect to certain provisions, Maltese Law now in force. No assurance can be given as to the impact of any possible judicial decision or change in applicable laws or administrative practice after the date of this Base Prospectus and thus to the legal enforceability of the Terms and Conditions on the part of the Noteholders.

Credit ratings and other ratings

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. A downgraded or withdrawal of a rating may result in a decrease of the price of the Notes.

Inflation Risk

Inflation causes the rate of return on assets (such as the Notes and income deriving therefrom) to decrease in value. Inflation risk thus relates to the possibility that the value of assets (such as the Notes and income therefrom) will decrease as inflation reduces the purchasing power of a currency. If the inflation rate exceeds the distribution paid on the Notes (if any), the yield on such Notes will become negative.

Commissions to be paid by the Issuer

Distribution commissions or other similar fees charged by the Issuer's distribution agents reduce the total amount of the net issue proceeds. Therefore, the issue proceeds available to the Issuer for the purpose of investing in financial instruments or other assets may be reduced accordingly.

Costs relating to the purchase and sale of the Notes

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) may be incurred in addition to the purchase or sale price of the Notes. To the extent that credit institutions are involved in the process for the purchase or sale of Notes, prospective investors should note that such credit institutions may charge commissions which are either fixed minimum commissions or pro-rata commissions, depending on the order value. In the event that additional parties are involved in the process for the purchase or sale of Notes (including, for instance, domestic dealers or brokers in foreign markets), Noteholders may also be charged brokerage fees, commissions and other fees and expenses. In addition to costs directly related to the purchase of Notes, investors may also be charged other costs, such as custody fees and the fees of any central securities depository with and through which any Notes may be dematerialised. Investors should inform themselves about any additional costs incurred in connection with, amongst others, the purchase, custody or sale of the Notes before investing in the Notes. Prospective investors should note that these costs may significantly reduce or eliminate any profits which may be derived from investing in the Notes.

No full placement of the Notes guaranteed

Offerings comprises typically a maximum volume of Notes. However, it is not certain that all Notes of a certain tranche of Notes will be placed. Under certain circumstances, this may result in the Notes being issued only with a significantly lower volume. This could have a negative impact on the price development and liquidity of the Notes.

Legality of purchase

The Issuer has or assumes no responsibility for the lawfulness of the acquisition of the Notes by a potential investor 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 potential investor with any laws, regulation or regulatory policy applicable to it. A potential investor may not rely on the Issuer, any distributor or financial intermediaries or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes.

Loan-financed investments

A potential investor that finances its investment in the Notes via a loan should not rely on the fact that the income generated by an investment in the Notes will suffice to repay the loan itself and the interest thereon. In the case of a loss of the investment (i.e. a (partial) non-payment with respect to interest and especially to principal), the investor would still have to repay the loan and the interest thereon. Hence, the financial outcome of a loan-financed investment in the Notes would be even more adversely compared to an investment not being financed via lent money.

Trading suspension, interruption or termination

Trading in the Notes on regulated or unregulated markets and any other markets on which the Notes may be listed, may, depending on the rules applicable to such relevant markets, be suspended or interrupted by the relevant markets or by a competent regulatory authority (or stock exchange) upon the occurrence of a number of factors, including (but not limited to): (i) violation of price limits, (ii) breach of statutory provisions, (iii) occurrence of operational problems with respect to the relevant markets, and/or (iv) if required in order to secure a functioning market or to safeguard the interests of Noteholders. Furthermore, trading in the Notes may be terminated, either upon decision of the relevant markets, upon the decision of a regulatory authority (or stock exchange), or upon application by the Issuer.

Noteholders should be aware that the Issuer has no influence on the suspension, interruption, or termination of trading in the Notes (other than where trading in the Notes is terminated upon the Issuer's decision), and Noteholders bear the risks connected with any trading suspension, interruption or termination. Noteholders should be aware that they may not be able to sell their Notes in such instances 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.

2. **RISKS RELATED TO THE NATURE OF THE NOTES AND/OR CLASSIFICATION OF THE NOTES**

Substitution of the Issuer and the Successor Issuer (as applicable)

The Terms and Conditions may contain provisions for the substitution of another company as principal debtor (including, as applicable, a subsequent substitution of the debtor) under the Notes in place of the Issuer. The amounts which Noteholders should receive in respect of the Notes may be affected in the event that the Issuer substitutes another company for itself as issuer of the Notes under the Terms and Conditions.

Risks Associated with Subordinated Notes

The Issuer may issue Notes that qualify as subordinated notes. The obligations of the Issuer under subordinated notes constitute unsecured and subordinated obligations and will rank junior in priority of payment to unsubordinated obligations. In the event of insolvency or liquidation of the Issuer, such obligations will be subordinated to the claims of all unsubordinated creditors of the Issuer so that in any such event no amounts will be payable in respect of such obligations until the claims of all unsubordinated creditors of the Issuer have been satisfied in full. The Issuer expects from time to time to incur additional indebtedness or other obligations that will constitute senior indebtedness, and the subordinated notes do not contain any provisions restricting the Issuer's ability to incur senior indebtedness. Although the subordinated notes may pay a higher rate of interest than comparable Notes which are not so subordinated, there is a real risk that an investor will lose all or some of its investment should the Issuer become insolvent since its assets would be available to pay such amounts only after all of its senior creditors have been paid in full.

Subordinated notes are intended to qualify as *mutatis mutandis* tier 2 capital instruments within the meaning of Article 63 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as amended ("**CRR**"). This treatment is irrespective, whether the Issuer is subject to regulation and supervision in terms of CRR or not.

The subordinated notes will be written down. Accordingly, trading behaviour in respect of the subordinated notes may not follow the trading behaviour associated with other types of securities.

The Issuer may redeem all, but not some, of the subordinated notes at its option at any time prior to maturity upon the occurrence of certain regulatory events. If the Issuer redeems the subordinated notes, holders of such Notes may not be able to reinvest the amounts they receive upon redemption at a rate that will provide the same rate of return as did the investment in the subordinated notes.

In the event of the dissolution, liquidation, insolvency, composition or other proceedings for the avoidance of insolvency of, or against, the Issuer, the obligations under the subordinated notes will be fully subordinated to the claims of unsubordinated creditors of the Issuer and as the case may be as defined in the relevant Final Terms subordinated obligations within the meaning of *mutatis mutandis* applied Section 39 of the German Insolvency Code (*Insolvenzordnung*, "**InsO**") (or any successor provision thereof) of the Issuer which do not qualify as own funds (within the meaning of *mutatis mutandis* the CRR) in the event of a dissolution, liquidation, insolvency, composition or other proceedings for the avoidance of insolvency of, or against, the Issuer,

Accordingly, in any such event no amounts shall be payable in respect of the subordinated notes until the claims of unsubordinated creditors and subordinated creditors of the Issuer, whose claims do not qualify as ownfunds (within the meaning of the CRR), have been satisfied in full. Accordingly, the Noteholder's rights under the Notes will rank behind all unsubordinated creditors and certain subordinated creditors of the Issuer in the event of the insolvency or liquidation of the Issuer. The Issuer's payment obligations under the Notes will rank pari passu amongst themselves and, subject to applicable law from time to time, with all claims in respect of existing and future instruments classified as *mutatis mutandis* tier 2 capital (*Ergänzungskapital*) of the Issuer and the payment of interest payments thereunder.

The only remedy against the Issuer available to Noteholders for recovery of amounts which have become due in respect of the subordinated notes will be the institution of legal proceedings to enforce payment of the amounts. In an insolvency or liquidation of the Issuer, any Noteholder may only claim amounts due under the subordinated notes after the Issuer has discharged or secured in full (i.e. not only with a quota) all claims that rank senior to the subordinated notes.

The Issuer may not have enough assets remaining to pay amounts due under the relevant subordinated notes and the Noteholders of such subordinated notes could lose all or some of the investment. No Noteholder may set off any claims arising under the subordinated notes against any claims that the Issuer may have against the Noteholder.

Functionality of the relevant Clearing System, Distribution Agents and/or any relevant Central Securities Depository

The transfer or registration (as applicable with respect to each type of Notes) of Notes through different clearing systems, such as Clearstream Banking AG and/or Clearstream Banking S.A. and/or Euroclear Bank S.A./N.V. and/or the Central Securities Depository of the Malta Stock Exchange and/or OeKB CSD GmbH and/or SIX SIS AG and/or Euronext Securities Milan (Monte Titoli S.P.A.) and/or in the case of registered Notes through distribution agents and further distributors as appointed from time to time. The Issuer does not assume any responsibility as to whether the Notes are actually transferred to the securities portfolio of the relevant investor. Noteholders have to rely on the functionality of the relevant clearing system and, in the case of registered Notes, on the systems of the relevant distribution agents, other distributors appointed from time to time and, in the case of series of Notes issued in dematerialised form, any central securities depository with and through which any series of Notes may be dematerialised. In the event of operational failure of such functionality and/or systems, including the systems of any central securities depository, Noteholders can be negatively affected.

3. RISKS RELATED TO THE INTEREST AND REDEMPTION STRUCTURES OF CERTAIN TYPES OF NOTES

Risks associated with Notes providing for a fixed interest rate

Notes bearing or paying a fixed rate of interest (or distribution, as defined in the Terms and Conditions) either will pay or, depending on the fulfilment of certain conditions, may pay a fixed amount of interest on specified interest payment dates. Investors who purchase Notes with a fixed rate of interest are exposed to the risk that market interest rates rise and the fixed amount of interest they receive is less than the amount they would have received had they invested in a Note with a floating rate of interest. The market value of Notes with a fixed rate of interest will decrease if potential investors perceive that they can achieve a greater return on an investment by investing in alternative products. If an investor holds a Note bearing a fixed rate of interest through to maturity, changes in the market interest rate may become less relevant to the value as the maturity date approaches. The same risk applies to fixed rate notes providing for an increasing coupon.

Early redemption

The Notes are redeemable in whole at the option of the Issuer prior to the relevant maturity date (in cases there is a maturity date) in the instances prescribed in the Terms and Conditions. Any decision by the Issuer as to whether it will redeem the Notes will be made at the absolute discretion of the Issuer. The feature allowing for optional redemption may condition the market value of the Notes and 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.

In addition, the Issuer may, subject to the relevant Final Terms, always have the right to redeem the Notes if it is required to pay additional amounts (gross-up payments) on the Notes for reasons of taxation as set out in the Terms and Conditions.

Further, prospective investors should note that, in the event that the Issuer were to be deemed to fall within the remit of the CRR or CRR II, any redemption before the applicable maturity date would be subject to the prior permission of the competent authority pursuant to Article 78(1) of the CRR or CRR II respectively. Under the CRR or CRR II, the competent authority may only permit institutions to redeem Tier 2 instruments such as the Notes if certain conditions prescribed by the CRR or CRR II are complied with. These conditions, as well as a number of other technical rules and standards relating to regulatory capital requirements applicable to the Issuer, should be taken into account by the competent authority in its assessment of whether or not to permit any redemption or repurchase. 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. It is therefore difficult to predict whether, and if so, on what terms, the competent authority will grant its prior permission for any redemption or repurchase of the Notes.

4. RISKS RELATED TO CERTAIN OTHER FEATURES OF THE NOTES

Risks associated with Notes issued at a substantial discount or premium

The Notes may be issued at a substantial discount or premium from their principal amount. Hence, the market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing notes with comparable maturities. In addition, a greater price volatility (especially in case of greater market price difference compared to notes not issued at a substantial discount or premium providing for smaller price spreads) may effect a Noteholder's investment strategy adversely as a sale of the Notes may even depend more on a (favorable and foreseeable) price development of the Notes.

Risks associated with Notes subject to optional redemption by the Issuer

Notes which include a redemption option by the Issuer are likely to have a lower market value than similar securities which do not contain an Issuer redemption option. An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they may be redeemed. This may also be the case prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The applicable Final Terms will indicate whether the Issuer has the right to redeem the Notes prior to maturity. The Issuer may exercise its right to redeem the Notes if the yield on comparable Notes in the market falls which may result in the investor only being able to invest the redemption proceeds in Notes with a lower yield. If specified in the applicable Final Terms, the Issuer will have the right to

redeem the Notes, if the Issuer is required to gross-up payments as a result of the imposition of certain taxes. If the Issuer redeems the Notes prior to maturity, a holder of such Notes is exposed to the risk that as a result of such early redemption its investment will have a lower than expected yield.

Risks associated with Notes which allow for the substitution of the Issuer

Subject to certain requirements, the Terms and Conditions contain provisions allowing for substitution of the Issuer through which the Issuer acts. Without prejudice to the requirements of any jurisdiction where any Notes are admitted to trading, for so long as any substitution of the Issuer or the office through which the Issuer acts may be subject to certain further conditions or requirements of such stock exchange or regulated market. Where any further conditions or requirements apply and the Issuer wishes to substitute itself or change the branch through which the Issuer acts, the Issuer may delist the relevant Notes from the relevant stock exchange or regulated market and is not obliged to list the Notes on any other stock exchange or regulated market.

5. RISKS RELATED TO THE TAXATION OF THE NOTES

FATCA associated risks

Distribution payments on Notes, or profits realized by a Noteholder upon the sale or repayment of Notes, may be subject to taxation in the Noteholder's home jurisdiction or in other jurisdictions in which the Noteholder is required to pay taxes. The amount of taxation so payable is therefore subject to changes in tax law and to potential changes in their practical application (both of which may change to the disadvantage of investors).

Besides the above, risks may occur in connection with the FATCA regime. Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (the **Code**), an agreement entered into with the U.S. Internal Revenue Service pursuant to such sections of the Code, or an intergovernmental agreement between the United States and another jurisdiction in furtherance of such sections of the Code (including any non-US laws implementing such an intergovernmental agreement) (collectively referred to as **FATCA**) impose a new reporting regime and, potentially, a thirty per cent withholding tax with respect to (i) certain payments from sources within the United States (ii) so-called 'foreign pass-thru payments' made to certain non-US financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-US financial institution.

The Issuer may be classified as a non-US financial institution for these purposes. If the Issuer becomes subject to withholding tax as a result, the monetary return of Noteholders may be affected. To the extent the Issuer suffers US withholding tax as a result of FATCA, the Issuer may take any action in relation to a Noteholder's investment to ensure that such withholding is economically borne by the relevant Noteholder whose failure to provide the necessary information or to become a participating FFI (i.e., foreign financial institution) gave rise to the withholding.

Risks associated with stamp taxes

Potential purchasers and sellers of Notes should be aware that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Notes are transferred and/or any asset(s) are delivered. Potential purchasers who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

Risks associated with Notes pursuant to which no so-called tax gross-up is paid

If the applicable Final Terms specify that no withholding tax gross-up is applicable, the Issuer is not

obliged to gross up any payments in respect of the Notes and all amounts payable in respect of the Notes shall be made with such deduction or withholding of taxes duties or governmental charges of any nature whatsoever imposed, levied or collected by way of deduction or withholding, if such deduction or withholding is required by law (including pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof ("**FATCA**") or pursuant to any law implementing an intergovernmental approach thereto).

6. OTHER NOTES-RELATED RISKS

Legal investment considerations may restrict certain investments

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

Certain considerations relating to public offers of Notes

As described in the applicable Final Terms, Notes may be distributed by means of a public offer made during an offer period specified in the applicable Final Terms. During such offer period, the Issuer and/or any other person specified in the applicable Final Terms may reserve the right to cancel such offer and/or to scale back applications for such offer in the event of over-subscription. In such circumstances, an applicant investor may not be issued any Notes or may be issued a number of Notes which is less than the amount for which such applicant investor applied. Any payments made by an applicant investor for Notes that are not issued to such applicant investor for any such reason will be refunded. However, there will be a time lag in making any reimbursement, no interest will be payable in respect of any such amounts. The applicant investor may be subject to reinvestment risk.

Conflicts of Interest

The Issuer may, from time to time, act in other capacities with regard to the Notes, such as calculation agent, which allows the Issuer to make calculations in respect of the Notes (e.g. the amount of distributions to be paid) which are binding for the Noteholders.

Where the Issuer acts as calculation agent or the calculation agent is an affiliate of the Issuer, potential conflicts of interest may exist between the Calculation Agent and the Noteholders, including with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Notes that may influence the amount receivable deliverable on redemption of the Notes.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have been previously published and filed with the Central Bank, shall be incorporated by reference in, and form part of, this Base Prospectus:

1. the Memorandum of Association of Timberland Securities Investment Ltd. dated 19 April 2016 (as amended from time to time);
2. the audited Report and Financial Statements of Timberland Securities Investment plc for the period from 01 January 2020 to 31 December 2020; and
3. the audited Report and Financial Statements of Timberland Securities Investment plc for the period from 01 January 2021 to 31 December 2021.

In addition,

- the Memorandum of Association of Timberland Securities Investment Ltd. dated 19 April 2016 (as amended from time to time) can be found on the Issuer's website at: https://timberland-securities-investment.com/dokumente/TSI_Memorandum_of_Association.PDF;
- the audited Report and Financial Statements of Timberland Securities Investment plc for the period from 01 January 2020 to 31 December 2020 can be found on the Issuer's website at: <https://timberland-securities-investment.com/wp-content/uploads/2022/03/Timberland-Securities-Investments-Plc-Annual-Accounts-2020.pdf>;
- the audited Report and Financial Statements of Timberland Securities Investment plc for the period from 01 January 2021 to 31 December 2021 can be found on the Issuer's website at: <https://timberland-securities-investment.com/wp-content/uploads/2022/03/Timberland-Securities-Investments-Plc-Annual-Accounts-2021.pdf>.

USE OF PROCEEDS

The net proceeds from the Notes will be used for general corporate purposes or for the purpose of the general funding of the Issuer and/or will be utilized including, without limitation, directly or indirectly, by being on-lent to group and/or related companies of the Issuer, including the repayment of debt, or otherwise as specified in the relevant Final Terms.

SUBSCRIPTION FOR NOTES

Any terms and expressions not expressly defined in this section shall have the meaning given to such terms and expressions in the Terms and Conditions.

I. BEARER NOTES

Any bearer Note issued but not subscribed for by investors on its Issue Date will be subscribed for by the Issuer for no consideration and held by it for sale on the secondary market during the Offer Period. So long as any bearer Notes are held by the Issuer, any rights attached to such bearer Notes (such as financial rights and voting rights) will be suspended. All outstanding bearer Notes still held by the Issuer after the expiry of the Offer Period will be cancelled forthwith.

Each investor in the bearer Notes which pays the issue price in Euro will, when subscribing for the bearer Notes offered by the Issuer, arrange for the payment of the amount to be invested in the bearer Notes to the account of the Issuer (the **Issuer's Account**) held with the Issuer's Account Bank (as defined in section "*Description of the Parties*" of this Base Prospectus). The amount of bearer Notes to be allocated to each investor will be determined on the subscription date by dividing the Issuer's Account Credit Amount (as defined below) by the issue price. Such amount will be rounded down to the nearest integral multiple of 1 (one). The Total Amount of Notes (as defined below) multiplied by the issue price will equal the aggregate Euro amount of bearer Notes subscribed by the relevant investor. The remainder between the Issuer's Account Credit Amount and the Total Subscription Amount (as defined below) (if any) will be reimbursed to the relevant investor.

Each investor in the bearer Notes which pays the issue price in a currency other than Euro (a **Foreign Currency**) will, when subscribing for the bearer Notes offered by the Issuer, arrange for the payment of the amount to be invested in the bearer Notes in such Foreign Currency to an account held with a local branch of the Collecting Bank or an affiliated subsidiary or correspondent bank of the Collecting Bank in the relevant jurisdiction (each being referred to hereafter as a **Branch**) in the name and on behalf of the Issuer. The relevant Branch will arrange for the transfer of the subscription monies to an account of the Issuer held with the Collecting Bank (as defined in section "*Description of the Parties*" of this Base Prospectus). Upon instruction of the Issuer, the Collecting Bank will immediately convert the subscription monies into a Euro amount (the **Euro Amount**) taking into consideration the then applicable spot rate. Upon instruction of the Issuer, the Collecting Bank will transfer the Euro Amount to the Issuer's Account held with the Issuer's Account Bank. The amount of bearer Notes to be allocated to each investor will be determined on the subscription date by dividing the Issuer's Account Credit Amount by the issue price. Such amount will be rounded down to the nearest integral multiple of 1 (one). The Total Amount of Notes (as defined below) multiplied by the issue price will equal the aggregate Euro amount of bearer Notes subscribed by the relevant investor. The remainder between the Issuer's Account Credit Amount and the Total Subscription Amount (as defined below) (if any) will be reimbursed to the relevant investor.

The Issuer will regularly inform the Noteholders about the number of bearer Notes issued for no consideration or subscribed for by investors during the Offer Period by publishing the relevant information on its website (www.timberland-securities-investment.com). Such information is available free of charge, subject to prior registration on the website. The Issuer will notify the Central Bank of the result of the offering of bearer Notes at the end of the Offer Period.

REGISTERED NOTES

Subject to registered Notes issued in dematerialised form, any registered Note issued but not subscribed for by investors on its Issue Date will be subscribed for by the Issuer for no consideration and held by it for sale on the secondary market during the Offer Period. So long as registered Notes are held by the Issuer, any rights attached to such registered Notes (such as financial rights and voting rights) will be suspended. All outstanding registered Notes still held by the Issuer after the expiry of the Offer Period will be cancelled forthwith.

Each investor in the registered Notes which pays the issue price in Euro will, when subscribing for the registered Notes offered by the Issuer, pay the amount to be invested in the registered Notes to an account held with the Collecting Bank in the name and on behalf of the Issuer. Upon instruction of the Issuer, the Collecting Bank will transfer the subscription monies to the Issuer's Account held with the Account Bank (any amount credited to an Issuer's Account being referred to hereafter as the **Issuer's Account Credit Amount**). The amount of registered Notes to be allocated to each investor will be determined on the subscription date by dividing the Issuer's Account Credit Amount by the issue price. Such amount will be rounded down to the nearest integral multiple of 1 (one) (this amount being referred to hereafter as the **Total Amount of Notes**). The Total Amount of Notes multiplied by the issue price will equal the aggregate Euro amount of registered Notes subscribed by the relevant investor (this amount being referred to hereafter as the **Total Subscription Amount**). The remainder between the Issuer's Account Credit Amount and the Total Subscription Amount (if any) will be reimbursed to the relevant investor.

Each investor in the registered Notes which pays the issue price in a currency other than the Foreign Currency will, when subscribing for the registered Notes offered by the Issuer, pay the amount to be invested in the registered Notes in such Foreign Currency to an account held with a Branch in the name and on behalf of the Issuer. The relevant Branch will transfer the subscription monies to an account of the Issuer held with the Collecting Bank. Upon instruction of the Issuer, the Collecting Bank will immediately convert the subscription monies into a Euro Amount taking into consideration the then applicable spot rate. Upon instruction of the Issuer, the Collecting Bank will transfer the Euro Amount to the Issuer's Account held with the Issuer's Account Bank. The amount of registered Notes to be allocated to each investor will be determined on the subscription date by dividing the Issuer's Account Credit Amount by the issue price. Such amount will be rounded down to the nearest integral multiple of 1 (one). The Total Amount of Notes multiplied by the issue price will equal the aggregate Euro amount of registered Notes subscribed by the relevant investor. The remainder between the Issuer's Account Credit Amount and the Total Subscription Amount (if any) will be reimbursed to the relevant investor.

The Issuer will regularly inform Noteholders about the number of registered Notes issued for no consideration or subscribed for by investors during the Offer Period by publishing the relevant information on its website (www.timberland-securities-investment.com). Such information is available free of charge, subject to prior registration on the website. The Issuer will notify the Central Bank of the result of the offering of registered Notes at the end of the Offer Period.

DESCRIPTION OF THE NOTES

This section "*Description of the Notes*" is an abstract description of the possible structures of instruments the Issuer may issue under this Base Prospectus. In accordance with this Base Prospectus and the applicable Terms and Conditions, the Issuer may issue either (i) Luxembourg fixed rate bearer notes, (ii) Luxembourg fixed rate registered notes, (iii) Maltese fixed rate registered notes and (iv) German fixed rate bearer notes. An overview of certain elements of the Notes is set out below.

All capitalised terms in this section "*Description of the Notes*" which are not otherwise defined herein have the same meaning as in the respective Terms and Conditions.

I. GENERAL FEATURES OF THE NOTES

Form and Securitisation of bearer Notes

The Notes will be issued in bearer form only and may be represented by a Permanent Global Note or a Temporary Global Note exchangeable for a Permanent Global Note. Notes in definitive form and interest coupons will not be issued.

Form and Ownership of registered Notes

The Notes are in registered form. Ownership in respect of the Notes is established by the registration in the Issuer Register. Rights and title of the Noteholders (and its assignees in and to the Notes) shall be transferable only upon notation of such transfer in the Register.

Form and Ownership of registered Notes in dematerialized Form

The Notes are in registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the Electronic Register maintained on behalf of the Issuer at the CSD. Ownership in respect of the Notes is established by the appropriate entry in the Electronic Register. For as long as any of the securities issued by the company shall be and remain dematerialised under the Financial Markets Act (Cap 345 of the Laws of Malta) the terms and conditions relating to such securities including without prejudice to the generality of the foregoing, their issuance, transfer, exchange, redemption and or cancellation shall be governed in accordance with the applicable rules and procedures set out by the relevant central securities depository providing dematerialisation and any other provision shall apply only to the extent that it is not inconsistent with such rules and procedures.

(Qualified) Subordination clause ((qualifizierte) Rangrücktrittserklärung) and pre-insolvency enforcement block (vorinsolvenzliche Durchsetzungssperre)

The Notes may provide for a (qualified) subordination clause ((*qualifizierte*) *Rangrücktrittserklärung*) and may, in addition, provide for a pre-insolvency enforcement block (*vorinsolvenzliche Durchsetzungssperre*). In such scenario, the claims arising from the Notes create subordinated creditor rights in relation to claims of other creditors of the Issuer. This means that, in order to avoid over-indebtedness (*Überschuldung*) within the meaning of § 17 German Insolvency Code (*Insolvenzordnung*) or imminent insolvency (*drohende Zahlungsunfähigkeit*) within the meaning of § 18 German Insolvency Code (*Insolvenzordnung*) or insolvency (*Zahlungsunfähigkeit*) within the meaning of § 19 German Insolvency Code (*Insolvenzordnung*) as amended (pre-insolvency enforcement block) of the Issuer under insolvency law within the meaning of §§ 17, 18 and/or 19 German Insolvency Code (*Insolvenzordnung*), only satisfaction of lower-ranking claims until the claims of the non-lower-ranking insolvency creditors (see § 38 German Insolvency Code (*Insolvenzordnung*)) have been satisfied and in the event of liquidation proceedings being conducted pursuant to § 39 (2) German Insolvency Code (*Insolvenzordnung*), the Issuer must have a right to claim subordination in relation to claims of other creditors of the Issuer with regard to all present and future claims of Noteholders arising from the Notes. These subordinated claims include claims with

respect to payment of interest and repayment of the capital. The respective subordination is agreed in such a way that all claims of Noteholders will only be satisfied in case, and subject to the fact, that all claims and demands of all existing and future creditors of the Issuer described in § 39 (1) Nos. 1 to 5 German Insolvency Code (*Insolvenzordnung*) have been satisfied.

The pre-insolvency enforcement block applies to the period before the opening of possible insolvency proceedings. Consequently, the Noteholder may already not demand fulfilment of existing claims arising from the Notes if the Issuer is over-indebted or insolvent or threatens to become so at the time of the Noteholder's demand for payment.

With reference to the above, the pre-insolvency enforcement block can lead to a permanent, indefinite non-performance of the Noteholder's claims.

This leads first of all to the fact that the Noteholder's claims are not satisfied until the claims of the non-lower-ranking insolvency creditors (see § 38 German Insolvency Code (*Insolvenzordnung*)) have been satisfied. All creditors who at the time of the opening of the insolvency proceedings have a justified claim to assets (here: a claim for payment) against the debtor (here: the Issuer) qualify as insolvency creditors.

In addition, the Noteholder's claims will only be satisfied after the claims of the subordinate insolvency creditors (see § 39 German Insolvency Code (*Insolvenzordnung*)) have been satisfied, provided that distributable insolvency assets still exist. The subordinated claims within the meaning of § 39 (1) German Insolvency Code (*Insolvenzordnung*) are

- (1) the interest and default surcharges on claims of the creditors of the insolvency proceedings which have been running since the opening of the insolvency proceedings;
- (2) the costs incurred by the individual creditors of the insolvency proceedings by their participation in the proceedings;
- (3) fines, administrative fines and periodic penalty payments as well as such incidental consequences of a criminal offence or administrative offence which make it obligatory to pay money;
- (4) claims for free performance by the debtor; and
- (5) under the conditions laid down in paragraphs 4 and 5, claims for repayment of a shareholder's loan or claims arising out of legal acts economically equivalent to such a loan.

The Noteholder may assert claims arising from the Notes, in particular the claim to payment of interest and repayment of the capital, outside of insolvency proceedings of the Issuer only from any (a) future profits, (b) a liquidation surplus or (c) from other free assets of the Issuer.

However, the terms and conditions of the Notes do not include a waiver agreement or a declaration by the Noteholder of a waiver with regard to claims which exist in connection with the Notes in the Noteholder's favour.

In the event of a payment by the Issuer in breach of a payment prohibition, the Issuer is entitled to demand repayment of the amount received from the payee and to take legal action.

Thus, the payments under the Notes may, in case applicable according to the relevant Final Terms, be subject to the provisions relating to a (qualified) subordination clause (*qualifizierte Rangrücktrittserklärung*) and pre-insolvency enforcement block (*vorinsolvenzliche Durchsetzungssperre*).

Payment of Distributions and Interest

The Notes to be issued under this Base Prospectus pay fixed amounts of distributions (or interest, as applicable) specified in the relevant Final Terms. The Notes provide for only one Rate of Distributions (or Interest Rate, as applicable) for each relevant period. Distributions (or interest) will be scheduled to be paid either annually or semi-annually (or as otherwise determined in the Final Terms) in arrears. The respective amount of distributions (or interest) falls due for payment on the relevant Distribution Payment Date (or Interest Payment Date, as applicable).

In addition (and if applicable to the relevant Final Terms), the Notes may (temporarily) pay an increased interest rate subject to the fulfilment of certain conditions stipulated in the relevant Final Terms.

The payment of distributions (or interest) may, in case applicable according to the relevant Final Terms, subject to the provisions relating to a (qualified) subordination clause ((*qualifizierte Rangrücktrittserklärung*) and pre-insolvency enforcement block (*vorinsolvenzliche Durchsetzungssperre*)).

Governing Law

The Notes issued in connection with Option I and Option II shall be governed by, and shall be construed exclusively in accordance with, Luxembourg law except for (i) the qualified subordination clause (if applicable) as governed by the provision *Status* (or *Ranking*, as applicable), which shall be applying mutatis mutandis in the meaning to the laws of Germany (unless mandatory rules and laws of another EU member state apply) and (ii) the provision entitled *Meeting of Noteholders* which shall be subject to the laws of Luxembourg (unless mandatory rules and laws of another EU member state apply).

Notes issued in connection with Option III shall be governed by, and shall be construed exclusively in accordance with, Maltese law except for the qualified subordination clause (if applicable according to the relevant Final Terms) as governed by the provision *Status*, which shall be applying mutatis mutandis in the meaning to the laws of Germany (unless mandatory rules and laws of another EU member state apply).

Notes issued in connection with Option IV shall be governed by, and shall be construed exclusively in accordance with, German law.

II. SPECIAL FEATURES OF THE NOTES

Status

The obligations of the Issuer under the Notes are unsecured and, if not otherwise specified in the relevant Final Terms, unsubordinated 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.

In deviation to the above, the Notes may be set up as subordinated Notes. In this scenario, the Notes constitute direct, unsecured and subordinated obligations of the Issuer. This means that the obligations of the Issuer under the Notes will rank (i) junior to all present or future unsubordinated instruments or obligations of the Issuer, (ii) pari passu among themselves, and (iii) senior to all present or future obligations under any CRR or CRR II Instruments, and all other subordinated instruments or obligations of the Issuer ranking or expressed to rank subordinated to the obligations of the Issuer under the Notes.

Redemption

In case of Notes with a stated Maturity Date and subject to certain special events as determined in the applicable Final Terms, the Notes may be redeemed at their Principal Amount at their stated maturity.

Early Redemption

If specified in the relevant Final Terms, the Notes may be redeemed prior to maturity for reasons of taxation or upon the occurrence of an event of default. In addition, the relevant Final Terms may specify a put option of the Noteholders. A put option gives the Noteholder the right to require the Issuer to redeem its Notes on a specified redemption date.

Moreover, the Notes may include a call option of the Issuer. A call option gives the Issuer the right (but not the obligation) to redeem the Notes on specified call redemption date(s). The respective call redemption amount payable on exercise of the call option will be set out in the applicable Final Terms.

Meeting of Noteholders

The Notes contain provisions pursuant to which Noteholders may agree by resolution to amend the Terms and Conditions and to decide upon certain other matters regarding the Notes. Resolutions of Noteholders properly adopted by vote taken in a meeting in accordance with the Terms and Conditions are binding upon all Noteholders.

Substitution of the Issuer

The Notes may provide for a mechanism to entitle the Issuer to substitute for itself as the Issuer another person. The latter mentioned legal mechanism is subject to certain mandatory requirements as stipulated in the relevant Final Terms. The aforementioned substitution may apply without the requirement of a given consent of the Noteholders.

TERMS AND CONDITIONS OF THE NOTES

[Please note: The final Terms and Conditions of the Notes, including the complete relevant placeholders, will be included in "Part II – Terms and Conditions of the Notes" in the relevant Final Terms.]

I. OPTION I – TERMS AND CONDITIONS OF THE LUXEMBOURG FIXED RATE BEARER NOTES

1. CURRENCY, DENOMINATION, FORM, CLEARING SYSTEM

1.1 Currency, Denomination

This tranche of [subordinated] fixed rate notes (the **Note(s)**) is being issued by Timberland Securities Investment plc (the **Issuer**) in [Euro (**EUR**)] [British Pound (**GBP**)] [Swiss Franc (**CHF**)] [US Dollar (**USD**)] [Hungarian Forint (**HUF**)] [Polish Złoty (**PLN**)] [Czech Koruna (**CZK**)] [Croatian Kuna (**HRK**)] [●] (the **Specified Currency**) in the aggregate principal amount of [up to] [●] (in words: [●]) in the denomination of [EUR] [*insert other currency code*] [1,000] [●] [(or the equivalent in other currencies)] (the **Specified Denomination** or the **Principal Amount**).

1.2 Form

The Notes are being issued in bearer form.

1.3 Global Notes

[The Notes are represented by a permanent global note global note (the Global Note) without coupons. The Global Note shall bear the signatures of two authorised signatories of the Issuer [and shall be authenticated with a control signature of the Fiscal Agent]. Definitive Notes and coupons will not be issued.]

[

- (a) The Notes are initially represented by a temporary global note (the **Temporary Global Note**) without coupons. The Temporary Global Note will be exchangeable for a permanent global note (the **Permanent Global Note** and together with the Temporary Global Note, the **Global Notes** or a **Global Note**) without coupons. The Temporary Global Note and the Permanent Global Note shall bear the signatures of two authorised signatories of the Issuer [and shall each be authenticated with a control signature of the Fiscal Agent]. Definitive Notes and coupons will not be issued.
- (b) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the **Exchange Date**) not later than 180 calendar days after the date of issue of the Temporary Global Note. The Exchange Date for such exchange will not be earlier than 40 calendar days after the date of issue of the Temporary Global Note. Such exchange shall only be made to the extent that certifications have been delivered to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person or are not U.S. persons (other than certain financial institutions or certain persons holding Notes through such financial institutions). Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this sub-paragraph (b) of Clause 1.3. Any Notes delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

]

1.4 Clearing System

The Global Notes will be kept in custody by or on behalf of a Clearing System as central depository for securities until[, in case of the Permanent Global Note,] all obligations of the Issuer under the Notes have been satisfied.

2. 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.]

[The Notes constitute direct, unsecured and subordinated obligations of the Issuer.]

[[Qualified] subordination clause:

In the insolvency or liquidation of the Issuer, the obligations of the Issuer under the Notes will rank:

(a) junior to all present or future unsubordinated instruments or obligations of the Issuer[.];]

[

(b) whereby:

[(i) All claims under the Notes, including but not limited to the claims for payment of the Principal Amount[, the Call Redemption Amount] and the payment of distributions, applying *mutatis mutandis* in accordance with section 19 (2) sentence 2 of the German Insolvency Code (Insolvenzordnung, InsO) are subordinated to all claims of other current or future creditors in such a manner that any payments of principal and interest under the Notes may be demanded only after satisfaction of all other creditors ranking as stipulated in section 39 (1) nos. 1 to 5 InsO, i.e. at the ranking position stipulated in section 39 (2) InsO. A waiver with respect to the claims is not possible.]

[[ii)] Payments under the Notes may only be demanded from future annual net profits, from any liquidation surplus or from other disposable assets.]

[[iii)] The Noteholders may not demand satisfaction of their claims if this results, or threatens to result, in the Issuer becoming overindebted (*überschuldet*) or unable to pay its debts (*zahlungsunfähig*) within applying *mutatis mutandis* the meaning of German insolvency law.]

[[iv)] Paragraphs [(i)] [to] [(iii)] apply both before and after the opening of insolvency proceedings.]

[[v)] In all other respects, the Noteholders are entitled without restriction to assert their rights under the Notes and to claim performance.]

[[vi)] For the avoidance of doubt, this clause constitutes an agreement for the benefit of all creditors of the Issuer as a whole (*Gläubigergesamtheit*) applying *mutatis mutandis* within the meaning of section 328 (2) of the German Civil Code (*Bürgerliches Gesetzbuch*). Any cancellation of this subordination agreement without the creditors' cooperation will therefore be permitted only in the event that the criteria for insolvency (paragraph (iii)) are not met or no longer met in respect of the Issuer.]

]

[(c)] [•] pari passu among themselves[;][.]

[(d)] [•] senior to [all present or future (a) obligations under any [CRR Instruments] [and] [or] [CRR II Instruments], and (b)] all other subordinated instruments or obligations of the Issuer ranking or expressed to rank subordinated to the obligations of the Issuer under the Notes[;][.]

[(e)] [•] Pre-insolvency enforcement block/non-payment

Definitions:

[Reason for opening insolvency proceedings refers to the inability to pay within the meaning of § 17 German Insolvency Code (*Insolvenzordnung*), imminent inability to pay within the meaning of § 18 German Insolvency Code and overindebtedness within the meaning of § 19 German Insolvency Code. Impending overindebtedness does not constitute reasons for opening insolvency proceedings.

If and to the extent that the partial or complete satisfaction of one or more or all of the Noteholders' claims (e.g. repayment, interest and other ancillary claims) would give rise to at least one reason for opening insolvency proceedings against the Issuer, the Noteholder cannot enforce this claim or these claims in a legally binding manner outside of insolvency proceedings (payment ban for the Noteholder). The payment prohibition applies for an indefinite period until such time as the fulfillment of the claim by the Issuer no longer gives rise to a reason for opening insolvency proceedings or all other creditors of the Issuer have agreed to the lifting of the payment prohibition. This means that claims arising from the Notes can only be legally enforced outside insolvency proceedings once the payment prohibition has been lifted.][insert other definition: [•]]

[

Subordination Agreement

In the event of insolvency proceedings on the assets of the Issuer or the liquidation of the Issuer, the claims arising from the Notes shall rank behind all non-subordinated claims and all subordinated claims within the meaning of § 39 para. 1 nos. 1 to 5 of the German Insolvency Code.][insert other definition: [•]]

]

]

3. DISTRIBUTIONS

3.1 [Relevant] Distribution Rate and Distribution Payment Dates

[In case the Notes are issued with a constant coupon insert: The Notes shall bear distributions on the Principal Amount at the rate of [•] per cent. per annum (the **Rate of Distributions**) (and with respect to each Calculation Period) from and including [•] (the **Distribution Commencement Date**) [to and excluding the Maturity Date]. Distributions shall be scheduled to be paid [annually][semi-annually][quarterly][•] in arrears on [•] in each year (each such date, a **Distribution Payment Date**), commencing on [•]. Distributions will fall due in accordance with the provisions set out in Clause 4.5.]

[In case the Notes are issued with an increasing coupon insert: The Notes shall bear distributions on their Principle Amount at the relevant rate as set out in the table below (the **Relevant Rate of Distributions**). Distributions shall be scheduled to be paid for each distribution period (each such period, a **Distribution Period**) on a distribution payment date (each such date, a **Distribution Payment Date**), commencing on [•] (the **Distribution Commencement Date**).

Distribution Period from (and including) to (but excluding)		Distribution Payment Date	Relevant Rate of Distribution
[specified dates]	[specified dates]	[specified dates]	[specified rates]

Distributions for each Distribution Period will fall due in accordance with the provisions as set out in Clause 4.5.]

3.2 Calculation of Amount of Distributions

The amount of distributions shall be calculated by applying the [Relevant] 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.

3.3 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 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.

4. PAYMENTS

4.1 Payment of Principal

Payment of principal on the Notes shall be made, subject to Clause 4.3 below, to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System.

4.2 Payment of Distributions

Payment of distributions on the Notes shall be made, subject to Clause 4.3 below, to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System[, and in case of payment of distributions on Notes represented by a Temporary Global Note, upon due certification as provided for in Clause 1.3(b)].

4.3 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.

4.4 Discharge

The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

4.5 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, the Noteholders shall not be entitled to payment until the next following Payment Business Day in the relevant place and shall not be entitled to further distributions or other payment in respect of such delay.

4.6 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 Put 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 8.1.

5. REDEMPTION

5.1 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 [●] (the **Maturity Date**).

5.2 [No] Early Redemption at the Option of a Noteholder

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

[

- (a) The Issuer shall, at the option of a Noteholder of any Note, redeem such Note on the Put Redemption Date(s) at the Put Redemption Amount(s) together with accrued distributions, if any, to (but excluding) the Put Redemption Date. [*in case of the Early Redemption for Reasons of Taxation, or if the Notes are subject to the Early Redemption at the Option of the Issuer for other than tax reasons, insert:* The Noteholder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of any of its options to redeem such Note under Clause 5.]
- (b) In order to exercise such option, the Noteholder must, not less than [[*insert minimum number of days*] Payment Business Day[s]] nor more than [[*insert minimum number of days*] Payment Business Day[s]] before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice, send to the specified office of the Fiscal Agent an early redemption notice in written form (the **Put Notice**). In the event that the Put Notice is received after 5:00 p.m. [●] time on the [●] [[*insert minimum period of notice to Issuer*] Payment Business Day] before the Put Redemption Date, the option shall not have been validly exercised. The Put Notice must specify (i) the total principal amount of the Notes in respect of which such option is exercised, and (ii) the International Security Code of such Notes, if any. The Put Notice may be in the form available from the specified offices of the Fiscal Agent and the Paying Agent[s] in the [English] [or] [German] language and includes further information. No option so exercised may be revoked or withdrawn.

]

5.3 [No] Early Redemption at the Option of the Issuer

[The Issuer does not have a right to redeem the Notes early.]

[

- (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.
- (b) Notice of redemption shall be given by the Issuer to the Noteholders in accordance with Clause 10. 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 [*insert minimum notice period, which shall not be less than five Payment Business Days: [insert number of days]*] Payment Business Days [*in case of a maximum notice period insert: nor more than [insert number of days] 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.

[*in case the Notes are subject to the Early Redemption at the Option of a Noteholder insert:*

- (c) The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Noteholder thereof of its option to require the redemption of such Note under Clause 5.2.]

]

5.4 [No] Early Redemption for Reasons of Taxation

[The Issuer does not have a right to redeem the Notes early 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 8.1 on the next succeeding Distribution Payment Date, and if this obligation cannot be avoided by the use of reasonable measures available to the Issuer, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not less than 60 calendar 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 calendar 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.

]

6. 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 calendar 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 calendar 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 calendar 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] [or] [German] 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.

7. FISCAL AGENT, PRINCIPAL PAYING AGENT

7.1 Appointment, Specified Offices

The initial Fiscal Agent, and the initial Principal Paying Agent[s] and their respective initial specified offices are:

Initial Fiscal Agent:

[Timberland Invest Ltd.
171, Old Bakery Street
Valletta VLT 1455
Republic of Malta]

[•]

Initial Principal Paying Agent[s]:

[Baader Bank Aktiengesellschaft
Weißenstephaner Str. 4
85716 Unterschleißheim]

Federal Republic of Germany]

[flatex Bank AG
Rotfeder-Ring 7
60327 Frankfurt am Main
Federal Republic of Germany]

[•]

Where these Terms and Conditions refer to the term Paying Agent[s], such term shall include the Principal Paying Agent.

The Fiscal Agent and the Paying Agent[s] reserve the right at any time to change their respective specified office to some other specified office [in the same city][in [*insert city*]].

7.2 Variation or Termination of Appointment

The Issuer reserves the right at any time to vary or terminate the appointment of any Fiscal Agent, or any Paying Agent and to appoint another Fiscal Agent, additional or other Paying Agents. The Issuer shall at all times maintain (i) a Fiscal Agent [,][and] (ii) so long as the Notes are listed on a stock exchange, a Paying Agent [(which may be the Fiscal Agent)] with a specified office in such place as may be required by the rules of such stock exchange or its supervisory [authority][authorities] [*in case of payments in U.S. Dollars insert:* and (iii) if payments at or through the offices of [a][all] Paying Agent[s] outside the United States become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in U.S. Dollars, a Paying Agent with a specified office in New York]. The Issuer will give notice to the Noteholders of any variation, termination, appointment or any other change as soon as possible upon the effectiveness of such change.

The Issuer undertakes, to the extent this is possible, to maintain a Paying Agent in a member state of the European Union in which it shall not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive 2003/48/EC.

7.3 Agents of the Issuer

The Fiscal Agent, and the Paying Agent[s] act solely as agents of the Issuer and do not have any obligations towards or relationship of agency or trust to any Noteholder.

7.4 Determinations Binding

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of these Terms and Conditions by the the Fiscal Agent shall (in the absence of wilful default, bad faith, inequitableness or manifest error) be binding on the Issuer, the Paying Agent[s], and the Noteholders and, in the absence of the aforesaid, no liability to the Issuer, the Paying Agent[s], or the Noteholders shall attach to the Fiscal Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

8. TAXATION

8.1 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 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 presented for payment more than 30 calendar days after the Relevant Date except to the extent that a Noteholder would have been entitled to additional amounts on presenting the same for payment on the last calendar day of the period of 30 calendar days assuming that day to have been a Payment Business Day; or
- (e) are withheld or deducted in relation to a Note presented for payment by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union; or
- (f) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such deduction or withholding; or
- (g) would not be payable if the Notes had been kept in safe custody with, and the payments had been collected by, a banking institution; or
- (h) are payable by reason of a change in law or practice that becomes effective more than 30 calendar 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 10, whichever occurs later.

8.2 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.

8.3 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.

9. FURTHER ISSUES OF NOTES, PURCHASES AND CANCELLATION

9.1 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.

9.2 Purchases

The 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.

9.3 Cancellation

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

10. NOTICES

10.1 Notices of the Issuer

10.2 All notices of the Issuer concerning the Notes [shall be][may be] published in [*insert relevant publication medium*] and in electronic form on the website of the Issuer [(www.timberland-securities-investment.com)][*insert any other website*] [or] [*insert other website*] [or any successor website [in each case] thereof], in which case an automatic redirection will be ensured by the Issuer. Any notice so given will be deemed to have been validly given on the 5th calendar day following the date of such publication (or, if published more than once, on the 5th calendar day following the date of the first such publication) unless the notice provides for a later effective date.

[Notices to Noteholders [will be][may be] mailed to their registered addresses and shall be deemed to have been served at the expiration of twenty-four (24) hours after the letter containing the notice is posted, and in proving such service it shall be sufficient to prove that a prepaid letter containing such notice was properly addressed to such Noteholder at his registered address and posted.]

10.3 Publication of Notices of the Issuer via the Clearing System

If the publication of notices pursuant to Clause 10.1 is no longer required by law, the Issuer may, in lieu of publication in the media set forth in Clause 10.1, deliver the relevant notices to the Clearing System, for communication by the Clearing System to the Noteholders. Any such notice shall be deemed to have been given to the Noteholders on the [●] calendar day after the calendar day on which said notice was given to the Clearing System.

10.4 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] [or] [German] language to the Issuer or the Fiscal Agent (for onward delivery to the Issuer) and by hand or mail. The Noteholder shall provide evidence satisfactory

to the Issuer of its holding of the Notes. Such evidence may be (i) in the form of a certification from the Clearing System or the Custodian with which the Noteholder maintains a securities account in respect of the Notes that such Noteholder is, at the time such notice is given, the Noteholder of the relevant Notes, or (ii) in any other appropriate manner.

11. MEETING OF NOTEHOLDERS

[Articles 470-3 - 470-19 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).]

[

12. SUBSTITUTION OF THE ISSUER

12.1 Substitution

The Issuer shall be entitled at any time, without the consent of the Noteholders, if no payment of principal of any of the Notes is in default, to substitute for itself as the Issuer another person (the **Substitute Issuer**) as principle debtor) under all Notes in respect of any and all obligations arising from and in connection with the Notes, which is, on the date of such substitution and in the opinion of the Issuer, of at least the equivalent standing and creditworthiness to the Issuer provided that:

- (a) the Substitute Issuer is solvent and can perform all obligations under and in connection with the Notes;
- (b) no liquidation, winding-up, insolvency proceedings or similar reorganisation measures are opened or imminent in respect of the Substitute Issuer;
- (c) the Substitute Issuer has been granted all necessary consents (excluding, for the avoidance of any doubt, the approval of a prospectus for the public offering of the Notes) from the authorities of the country in which it has its registered office;
- (d) the substitution of the Substitute Issuer for the Issuer (as the case may be) does not result in additional tax, duty or governmental charge being directly or indirectly imposed on the Noteholders and the Substitute Issuer has agreed to indemnify and hold harmless each Noteholder against any tax, duty, assessment or governmental charge imposed on such Noteholder in respect of such substitution.

Notice of any such substitution shall be given to the Noteholders in accordance with Clause 10.

[The Issuer will not guarantee the obligations of the Substitute Issuer under the Notes after the substitution(s). The Noteholders, by subscribing for, or otherwise acquiring, the Notes, are deemed to have (i) consented to any substitution(s) of the Issuer effected in accordance with this Clause 12 and to the release of the Issuer from any and all obligations in respect of the relevant Notes and these presents; and (ii) accepted such substitution(s) and the consequences thereof.]

[After the substitution(s) of the Issuer by a Substitute Issuer this Clause 12 shall apply again. In the event of such a substitution(s), every reference in these Terms and Conditions to the Issuer shall be deemed to refer to the Substitute Issuer.]

12.2 Change of References

In the event of any such substitution(s), any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Issuer and any reference to the country in which the

Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Issuer.

[

12.3 Further substitution

After a substitution pursuant to Clause 12.1, the Substitute Issuer may, without the consent of any Noteholders, effect a further substitution. All the provisions specified in Clause 12.1 and Clause 12.2 shall apply mutatis mutandis, and references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further the Substitute Issuer.

]

[

12.4 Reverse substitution

After a substitution pursuant to Clause 12.1 [or Clause 12.3] any the Substitute Issuer may, without the consent of any Noteholder, reverse the substitution, mutatis mutandis.

]]

[12.][13] APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

[12.1][13.1] 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 (i) the qualified subordination clause (if applicable) as governed by Clause 2 (*Status*), which shall be applying mutatis mutandis in the meaning to the laws of Germany (unless mandatory rules and laws of another EU member state apply) and (ii) Clause 11 (*Meeting of Noteholders*), which shall be subject to the laws of Luxembourg (unless mandatory rules and laws of another EU member state apply).

[12.2][13.2] 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 [Duisburg, Germany][Luxemburg][Malta] shall have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with Clause 2 (*Ranking*) and the courts of Luxemburg shall have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with Clause 11 (*Meeting of Noteholders*).

[12.3][13.3] Enforcement

Any Noteholder of Notes 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 on the basis of (i) a statement issued by the Custodian with whom such Noteholder maintains a securities account in respect of the Notes (a) stating the full name and address of the Noteholder, (b) specifying the aggregate principal amount of the Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b), and (ii) a copy of the Global Note certified as being a true copy by a duly authorised officer of the Clearing System or a depositary of the Clearing System, without the need for production in such Proceedings of the actual records or the Global Note representing 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.

[13.][14.] 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 8.1.

Applicable Exchange Rate means (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.

[**Articles 470-3 - 470-19 of the Companies Act 1915** has the meaning assigned to it in the Luxembourg Law of 10 August 1915 on Commercial Companies as amended from time to time (and as consolidated resulting from the Grand Ducal Regulation of 5 December 2017 as published in the legal gazette of the Grand Duchy of Luxembourg).]

Business Day Financial Centre means [*insert relevant financial centre*].

Calculation Period means any period of time in respect of the calculation of an amount of distributions on any Note.

[**Call Redemption Amount** means [[●] % of] the Principal Amount] [[plus][minus] [*insert specified currency*] [●]].]

[**Call Redemption Date** means the Distribution Commencement Date and each [anniversary date thereof] [Distribution Payment Date thereafter].]

Clearing System means [Clearstream Luxembourg and Euroclear] [and/or] [Clearstream Frankfurt] [and/or] [OeKB CSD] [Six SIS AG] [Euronext Securities Milan (Monte Titoli S.P.A.)] and any successor in such capacity. [The Notes shall be kept in custody by a common depository on behalf of both ICSD.]

[**Clearstream Frankfurt** means Clearstream Banking AG, The Cube, Mergenthalerallee 61, 65760 Eschborn, Federal Republic of Germany.]

[**Clearstream Luxembourg** means Clearstream Banking, société anonyme, Luxembourg, 42 Avenue J.F. Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg.]

Code has the meaning assigned to it in Clause 8.2.

[**CRR** means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended from time to time.]

[**CRR Instrument** means any capital instrument governed by the CRR regime.]

[**CRR II Instrument** means any capital instrument governed by the CRR II regime.]

Custodian means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Noteholder maintains a securities account in respect of the Notes (including the Clearing System).

Day Count Fraction means [the actual number of calendar days in the Calculation Period divided by the actual number of calendar days in the respective interest year] [the actual number of calendar days in the Calculation Period divided by 360] [the actual number of calendar days in the Calculation Period divided by 365].

Distribution Commencement Date has the meaning assigned to it in Clause 3.1.

Distribution Payment Date has the meaning assigned to it in Clause 3.1.

Early Redemption Amount means [[●] % of] the Principal Amount [[plus][minus] [*insert specified currency*] [●]].

[**Euroclear** means Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Kingdom of Belgium.]

[**Euronext Securities Milan** means Monte Titoli S.P.A. Piazza degli Affari 6, 20123 Milano, Italian Republic]

Exchange Date has the meaning assigned to it in Clause 1.3.

FATCA has the meaning assigned to it in Clause 8.2.

[**Fiscal Agent** means [Timberland Invest Ltd.][●].]

Global Note(s) has the meaning assigned to it in Clause 1.4.

[**ICSD** means Clearstream Luxembourg and Euroclear.]

Issuer has the meaning assigned to it in Clause 1.1.

Maturity Date has the meaning assigned to it in Clause 5.1.

Noteholder means any holder of a proportionate co-ownership or other comparable right in the Global Note which may be transferred to a new holder in accordance with applicable law and the provisions of the Clearing System.

Note(s) has the meaning assigned to it in Clause 1.1.

[**OeKB CSD** means OeKB CSD GmbH Strauchgasse 1-3, 1010 Vienna, Republic of Austria.]

Paying Agent[s] means [Baader Bank Aktiengesellschaft] [and] [flatex Bank AG] [and [●]].

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 TARGET2 System is open for business.

Permanent Global Note has the meaning assigned to it in Clause 1.3.

Principal Amount has the meaning assigned to it in Clause 1.1.

Proceedings has the meaning assigned to it in Clause [12.2][13.2].

[Put Notice has the meaning assigned to it in Clause 5.2.]

[Put Redemption Amount(s) means [[●] % of] the Principal Amount [[plus][minus] [*insert specified currency*] [●]].]

[Put Redemption Date(s) means [*insert date(s)*].]

Rate of Distributions has the meaning assigned to it in Clause 3.1.

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 Fiscal Agent 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 10.

[SIX SIS AG means SIX SIS AG, Baslerstrasse 100, 4601 Olten, Switzerland.]

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

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

[Substitute Issuer has the meaning assigned to it in Clause 12.]

Successor Currency has the meaning assigned to it in Clause 4.3.

TARGET2 System means the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 or its successor (**TARGET**).

Temporary Global Note has the meaning assigned to it in Clause 1.3.

[United States or U.S. means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).]

Withholding Taxes has the meaning assigned to it in Clause 8.1.

[Please note: The final Terms and Conditions of the Notes, including the complete relevant placeholders, will be included in "Part II – Terms and Conditions of the Notes" in the relevant Final Terms.]

II. OPTION II – TERMS AND CONDITIONS OF THE LUXEMBOURG FIXED RATE REGISTERED NOTES

1. CURRENCY, DENOMINATION, FORM, TITLE

1.1 Currency, Denomination

This tranche of [subordinated] fixed rate notes (the **Note(s)**) is being issued by Timberland Securities Investment plc (the **Issuer**) in [Euro (**EUR**)] [British Pound (**GBP**)] [Swiss Franc (**CHF**)] [US Dollar (**USD**)] [Hungarian Forint (**HUF**)] [Polish Złoty (**PLN**)] [Czech Koruna (**CZK**)] [Croatian Kuna (**HRK**)] [●] (the **Specified Currency**) in the aggregate principal amount of [up to] [●] (in words: [●]) in the denomination of [EUR] [insert other currency code] [1,000] [●] [(or the equivalent in other currencies)] (the **Specified Denomination** or the **Principal Amount**).

1.2 Form

- (a) The Notes are being fully issued in registered form and may under no circumstances be converted into notes 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 issue price for those Notes will be deemed to be 0). 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 [will][may][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 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.

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][●] calendar days ending on the due date for any payment in respect of that Note. [Furthermore, the Issuer shall not be required, in the event of an early redemption of the Notes under Clause 7.2, to register the transfer of these Notes (or parts of these Notes) during the period beginning on the [twenty-fifth (25th)] [●] calendar day before the Put Redemption Date and ending on the Put Redemption Date (both inclusive).]

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.]

[The Notes constitute direct, unsecured and subordinated obligations of the Issuer.]

[[Qualified] subordination clause:

In the insolvency or liquidation of the Issuer, the obligations of the Issuer under the Notes will rank:

- (a) junior to all present or future unsubordinated instruments or obligations of the Issuer[.];]

[

- (b) whereby:

- [(i) All claims under the Notes, including but not limited to the claims for payment of the Principal Amount[, the Call Redemption Amount] and the payment of distributions, applying mutatis mutandis in accordance with section 19 (2) sentence 2 of the German Insolvency Code (Insolvenzordnung, InsO) are subordinated to all claims of other current or future creditors in such a manner that any payments of principal and interest under the Notes may be demanded only after satisfaction of all other creditors ranking as stipulated in section 39 (1) nos. 1 to 5 InsO, i.e. at the ranking position stipulated in section 39 (2) InsO. A waiver with respect to the claims is not possible.]

- [[[(ii)] [●] Payments under the Notes may only be demanded from future annual net profits, from any liquidation surplus or from other disposable assets.]

[(iii)] The Noteholders may not demand satisfaction of their claims if this results, or threatens to result, in the Issuer becoming overindebted (überschuldet) or unable to pay its debts (zahlungsunfähig) within applying mutatis mutandis the meaning of German insolvency law.]

[(iv)] Paragraphs [(i)] [to] [(iii)] apply both before and after the opening of insolvency proceedings.]

[(v)] In all other respects, the Noteholders are entitled without restriction to assert their rights under the Notes and to claim performance.]

[(vi)] For the avoidance of doubt, this clause constitutes an agreement for the benefit of all creditors of the Issuer as a whole (Gläubigergesamtheit) applying mutatis mutandis within the meaning of section 328 (2) of the German Civil Code (Bürgerliches Gesetzbuch). Any cancellation of this subordination agreement without the creditors' cooperation will therefore be permitted only in the event that the criteria for insolvency (paragraph (iii)) are not met or no longer met in respect of the Issuer.]

]

[(c)] pari passu among themselves[;].]

[(d)] senior to [all present or future (a) obligations under any [CRR Instruments] [and] [or] [CRR II Instruments], and (b)] all other subordinated instruments or obligations of the Issuer ranking or expressed to rank subordinated to the obligations of the Issuer under the Notes[;].]

[(e)] Pre-insolvency enforcement block/non-payment

Definitions:

[Reason for opening insolvency proceedings refers to the inability to pay within the meaning of § 17 German Insolvency Code (*Insolvenzordnung*), imminent inability to pay within the meaning of § 18 German Insolvency Code and overindebtedness within the meaning of § 19 German Insolvency Code. Impending overindebtedness does not constitute reasons for opening insolvency proceedings.]

If and to the extent that the partial or complete satisfaction of one or more or all of the Noteholders' claims (e.g. repayment, interest and other ancillary claims) would give rise to at least one reason for opening insolvency proceedings against the Issuer, the Noteholder cannot enforce this claim or these claims in a legally binding manner outside of insolvency proceedings (payment ban for the Noteholder). The payment prohibition applies for an indefinite period until such time as the fulfillment of the claim by the Issuer no longer gives rise to a reason for opening insolvency proceedings or all other creditors of the Issuer have agreed to the lifting of the payment prohibition. This means that claims arising from the Notes can only be legally enforced outside insolvency proceedings once the payment prohibition has been lifted.][insert other definition: [●]]

[

Subordination Agreement

In the event of insolvency proceedings on the assets of the Issuer or the liquidation of the Issuer, the claims arising from the Notes shall rank behind all non-subordinated claims and all subordinated claims within the meaning of § 39 para. 1 nos. 1 to 5 of the German Insolvency Code.][insert other definition: [●]]

]

]

5. DISTRIBUTIONS

5.1 [Relevant] Distribution Rate and Distribution Payment Dates

[In case the Notes are issued with a constant coupon insert: The Notes shall bear distributions on the Principal Amount at the rate of [●] per cent. per annum (the **Rate of Distributions**) (and with respect to each Calculation Period) from and including [●] (the **Distribution Commencement Date**) to and excluding the Maturity Date. Distributions shall be scheduled to be paid [annually][semi-annually][quarterly][●] in arrears on [●] in each year (each such date, a **Distribution Payment Date**), commencing on [●]. Distributions will fall due in accordance with the provisions set out in Clause 6.4.]

[In case the Notes are issued with an increasing coupon insert: The Notes shall bear distributions on their Principle Amount at the relevant rate as set out in the table below (the **Relevant Rate of Distributions**). Distributions shall be scheduled to be paid for each distribution period (each such period, a **Distribution Period**) on a distribution payment date (each such date, a **Distribution Payment Date**), commencing on [●] (the **Distribution Commencement Date**).

Distribution Period from (and including) to (but excluding)		Distribution Payment Date	Relevant Rate of Distribution
[specified dates]	[specified dates]	[specified dates]	[specified rates]

Distributions for each Distribution Period will fall due in accordance with the provisions as set out in Clause 6.4.]

5.2 Calculation of Amount of Distributions

The amount of distributions shall be calculated by applying the [Relevant] 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.

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 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 in the Specified Currency in the 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.

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, the Noteholders shall not be entitled to payment until the next following Payment Business Day in the relevant place and shall not be entitled to further distributions or other payment in respect of such delay.

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 Put 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 [●] (the **Maturity Date**).

7.2 [No] Early Redemption at the Option of a Noteholder

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

[

- (a) The Issuer shall, at the option of a Noteholder of any Note, redeem such Note on the Put Redemption Date(s) at the Put Redemption Amount(s) together with accrued distributions, if any, to (but excluding) the Put Redemption Date. [*in case of the Early Redemption for Reasons of Taxation, or if the Notes are subject to the Early Redemption at the Option of the Issuer for other than tax reasons insert*: The Noteholder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of any of its options to redeem such Note under Clause 7.]
- (b) In order to exercise such option, the Noteholder must, not less than [[*insert minimum number of days*] Payment Business Day[s]] nor more than [[*insert minimum number of days*] Payment Business Day[s]] before the Put Redemption Date on which such redemption is required to be

made as specified in the Put Notice, send to the specified office of the Fiscal Agent an early redemption notice in written form (the **Put Notice**). In the event that the Put Notice is received after 5:00 p.m. [●] time on the [●] [*insert minimum period of notice to Issuer*] Payment Business Day] before the Put Redemption Date, the option shall not have been validly exercised. The Put Notice must specify (i) the total principal amount of the Notes in respect of which such option is exercised, and (ii) the International Security Code of such Notes, if any. The Put Notice may be in the form available from the specified offices of the Fiscal Agent in the [English] [or] [German] language and includes further information. No option so exercised may be revoked or withdrawn.

]

7.3 [No] Early Redemption at the Option of the Issuer

[The Issuer does not have a right to redeem the Notes early.]

[

- (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.
- (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 [*insert minimum notice period, which shall not be less than five Payment Business Days: [insert number of days]*] Payment Business Days [*in case of a maximum notice period insert: nor more than [insert number of days] 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.

[*in case the Notes are subject to the Early Redemption at the Option of a Noteholder insert:*

- (c) The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Noteholder thereof of its option to require the redemption of such Note under Clause 7.2.]

]

7.4 [No] Early Redemption for Reasons of Taxation

[The Issuer does not have a right to redeem the Notes early 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

Issuer, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not less than 60 calendar 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 calendar 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 calendar 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 calendar 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 calendar 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] [or] [German] 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.

9. FISCAL AGENT, REGISTRAR AND TRANSFER AGENT, DISTRIBUTION AGENT

9.1 Appointment, Specified Offices

The initial Fiscal Agent, the Registrar and Transfer Agent[s], and the Distribution Agent[s] and their respective initial specified offices are:

Initial Fiscal Agent:

[Timberland Invest Ltd.
171, Old Bakery Street
Valletta VLT 1455
Republic of Malta]

[•]

Registrar and Transfer Agent[s]:

[Timberland Securities Investment plc
171, Old Bakery Street
Valletta VLT 1455
Republic of Malta]

[Alter Domus (Services) Malta Limited
Vision Exchange Building Territorials Street
Mriehel BKR 3000
Republic of Malta]

[•]

Distribution Agent[s]:

[Timberland Invest Ltd.
171, Old Bakery Street
Valletta VLT 1455
Republic of Malta]

[Timberland Finance International GmbH & Co KG
Hüttenallee 137
47800 Krefeld
Federal Republic of Germany]

[Timberland Finance International GmbH & Co KG
Branch Hungary
Benczúr utca 47
1068 Budapest
Hungary]

[Timberland Capital Management GmbH
Hüttenallee 137
47800 Krefeld
Federal Republic of Germany]

[Timberland Finance GmbH & Co KG
Branch Hungary
Benczúr utca 47
1068 Budapest]

Hungary]

[•]

The Fiscal Agent, the Registrar and Transfer Agent[s], and the Distribution Agent[s] reserve the right at any time to change their respective specified office to some other specified office [in the same city][in [insert city]]. Each of the Fiscal Agent, the Registrar and Transfer Agent, and the Distribution Agent 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 Fiscal Agent, the Registrar and Transfer Agent, and the Distribution Agent, provided that the Issuer will at all times maintain a Fiscal Agent, 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 Fiscal Agent, the Registrar and Transfer Agent, and the Distribution Agent 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 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:

- (c) 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
- (d) 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
- (e) 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
- (f) are payable by reason of a change in law or practice that becomes effective more than 30 calendar 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.

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.

11.2 Purchases

The 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][may be] published in [*insert relevant publication medium*] and in electronic form on the website of the Issuer [(www.timberland-securities-investment.com)][*insert any other website*] [or] [*insert other website*] [or any successor website [in each case] thereof], in which case an automatic redirection will be ensured by the Issuer. Any notice so given will be deemed to have been validly given on the 5th calendar day following the date of such publication (or, if published more than once, on the 5th calendar day following the date of the first such publication) unless the notice provides for a later effective date.

[Notices to Noteholders [will be][may be] mailed to their registered addresses and shall be deemed to have been served at the expiration of twenty-four (24) hours after the letter containing the notice is posted, and in proving such service it shall be sufficient to prove that a prepaid letter containing such notice was properly addressed to such Noteholder at his registered address and posted.]

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] [or] [German] language to the Issuer or the Fiscal Agent (for onward delivery to the Issuer) by hand or mail.

13. MEETING OF NOTEHOLDERS

[Articles 470-3 - 470-19 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. SUBSTITUTION OF THE ISSUER

14.1 Substitution

The Issuer shall be entitled at any time, without the consent of the Noteholders, if no payment of principal of any of the Notes is in default, to substitute for itself as the Issuer another person (the **Substitute Issuer**) as principle debtor) under all Notes in respect of any and all obligations arising from and in connection with the Notes, which is, on the date of such substitution and in the opinion of the Issuer, of at least the equivalent standing and creditworthiness to the Issuer provided that:

- (a) the Substitute Issuer is solvent and can perform all obligations under and in connection with the Notes;
- (b) no liquidation, winding-up, insolvency proceedings or similar reorganisation measures are opened or imminent in respect of the Substitute Issuer;
- (c) the Substitute Issuer has been granted all necessary consents (excluding, for the avoidance of any doubt, the approval of a prospectus for the public offering of the Notes) from the authorities of the country in which it has its registered office;
- (d) the substitution of the Substitute Issuer for the Issuer (as the case may be) does not result in additional tax, duty or governmental charge being directly or indirectly imposed on the Noteholders and the Substitute Issuer has agreed to indemnify and hold harmless each Noteholder against any tax, duty, assessment or governmental charge imposed on such Noteholder in respect of such substitution.

Notice of any such substitution shall be given to the Noteholders in accordance with Clause 12.

[The Issuer will not guarantee the obligations of the Substitute Issuer under the Notes after the substitution(s). The Noteholders, by subscribing for, or otherwise acquiring, the Notes, are deemed to have (i) consented to any substitution(s) of the Issuer effected in accordance with this Clause 14 and to the release of the Issuer from any and all obligations in respect of the relevant Notes and these presents; and (ii) accepted such substitution(s) and the consequences thereof.]

[After the substitution(s) of the Issuer by a Substitute Issuer this Clause 14 shall apply again. In the event of such a substitution(s), every reference in these Terms and Conditions to the Issuer shall be deemed to refer to the Substitute Issuer.]

14.2 Change of References

In the event of any such substitution(s), any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Issuer and any reference to the country in which the

Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Issuer.

[

14.3 Further substitution

After a substitution pursuant to Clause 14.1, the Substitute Issuer may, without the consent of any Noteholders, effect a further substitution. All the provisions specified in Clause 14.1 and Clause 14.2 shall apply mutatis mutandis, and references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further the Substitute Issuer.

]

[

14.4 Reverse substitution

After a substitution pursuant to Clause 14.1 [or Clause 14.3] any the Substitute Issuer may, without the consent of any Noteholder, reverse the substitution, mutatis mutandis.

]]

[14.][15.] APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

[14.1][15.1] 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 (i) the qualified subordination clause (if applicable) as governed by Clause 4 (*Status*), which shall be applying mutatis mutandis in the meaning to the laws of Germany (unless mandatory rules and laws of another EU member state apply) and (ii) Clause 13 (*Meeting of Noteholders*), which shall be subject to the laws of Luxembourg (unless mandatory rules and laws of another EU member state apply).

[14.2][15.2] 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 [Duisburg, Germany][Luxemburg][Malta] shall have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with Clause 4 (*Ranking*) and the courts of Luxemburg shall have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with Clause 13 (*Meeting of Noteholders*).

[14.3][15.3] 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.][16.] 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 means (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.

[**Articles 470-3 - 470-19 of the Companies Act 1915** has the meaning assigned to it in the Luxembourg Law of 10 August 1915 on Commercial Companies as amended from time to time (and as consolidated resulting from the Grand Ducal Regulation of 5 December 2017 as published in the legal gazette of the Grand Duchy of Luxembourg).]

Business Day Financial Centre means [*insert relevant financial centre*].

Calculation Period means any period of time in respect of the calculation of an amount of distributions on any Note.

[**Call Redemption Amount** means [[●] % of] the Principal Amount [[plus][minus] [*insert specified currency*] [●]].]

[**Call Redemption Date** means the Distribution Commencement Date and each [anniversary date thereof][Distribution Payment Date thereafter].]

Code has the meaning assigned to it in Clause 10.2.

[**CRR** means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended from time to time.]

[**CRR Instrument** means any capital instrument governed by the CRR regime.]

[**CRR II Instrument** means any capital instrument governed by the CRR II regime.]

Custodian means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Noteholder maintains a securities account in respect of the Notes (including the Clearing System).

Day Count Fraction means [the actual number of calendar days in the Calculation Period divided by the actual number of calendar days in the respective interest year] [the actual number of calendar days in the Calculation Period divided by 360] [the actual number of calendar days in the Calculation Period divided by 365].

Distribution Agent[s] means [Timberland Invest Ltd.] [and] [Timberland Capital Management GmbH] [and] [Timberland Finance GmbH & Co KG] [and] [Timberland Finance GmbH & Co KG, Branch Hungary] [and] [Timberland Finance International GmbH & Co KG] [and] [Timberland Finance International GmbH & Co KG, Branch Hungary][●].

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 means [[●] % of] the Principal Amount [[plus][minus] [*insert specified currency*] [●]].

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.

Noteholder means each person holding one or more Note(s).

Note(s) has the meaning assigned to it in Clause 1.1.

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 TARGET2 System is open for business.

Principal Amount has the meaning assigned to it in Clause 1.1.

Proceedings has the meaning assigned to it in Clause [14.2][15.2].

[**Put Notice** has the meaning assigned to it in Clause 7.2(c).]

[**Put Redemption Amount(s)** means [[●] % of] the Principal Amount [[plus][minus] [*insert specified currency*] [●]].]

[**Put Redemption Date(s)** means [*insert date(s)*].]

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

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

Registrar and Transfer Agent[s] means [Timberland Securities Investment plc] [and] [Alter Domus (Services) Malta Limited] [and] [●].

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.

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

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

[**Substitute Issuer** has the meaning assigned to it in Clause 14.]

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

TARGET2 System means the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 or its successor (**TARGET**).

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

[Please note: The final Terms and Conditions of the Notes, including the complete relevant placeholders, will be included in "Part II – Terms and Conditions of the Notes" in the relevant Final Terms.]

III. OPTION III – TERMS AND CONDITIONS OF THE MALTESE FIXED RATE REGISTERED NOTES

1. CURRENCY, DENOMINATION, FORM, TITLE

1.1 Currency, Denomination

This tranche of [subordinated] fixed rate registered [notes][bonds] issued in dematerialised form (the [Note(s)][Bond(s)]) is being issued by Timberland Securities Investment plc (the **Issuer**) in [Euro (EUR)][British Pound (GBP)][Swiss Franc (CHF)][US Dollar (USD)][Hungarian Forint (HUF)][Polish Złoty (PLN)][Czech Koruna (CZK)][Croatian Kuna (HRK)][•] (the **Specified Currency**) in the aggregate principal amount of [up to] [•] (in words: [•]) in the denomination of [EUR] [*insert other currency code*] [1,000][•] (or the equivalent in other currencies) (the **Specified Denomination** or the **Principal Amount**).

1.2 Form

- (a) The [Notes][Bonds] are being issued in fully registered and dematerialised form and will be represented in uncertificated form by the appropriate entry in the Electronic register maintained on behalf of the Issuer at the CSD. The [Notes][Bonds] may under no circumstances be converted into [Notes][Bonds] in bearer form.

For as long as any of the securities issued by the company shall be and remain dematerialised under the Financial Markets Act (Cap 345 of the Laws of Malta) the terms and conditions relating to such securities including without prejudice to the generality of the foregoing, their issuance, transfer, exchange, redemption and or cancellation shall be governed in accordance with the applicable rules and procedures set out by the relevant central securities depository providing dematerialisation and any other provision shall apply only to the extent that it is not inconsistent with such rules and procedures.

- (b) Certificates will not be delivered to [Noteholders][Bondholders].

[

- (c) The CSD will issue, upon a request by a [Noteholder][Bondholder], a statement of holdings to such [Noteholder][Bondholder] evidencing his/her/its entitlement to the [Notes][Bonds] held in the register kept by the CSD.

]

1.3 Title

- (a) Ownership in respect of the [Notes][Bonds] is established by the appropriate entry in the electronic register maintained on behalf of the Issuer by the CSD (hereinafter, the **Electronic Register**). There will be entered in such Electronic Register the names, addresses, identity card numbers (in the case of natural persons) and registration numbers (in the case of companies) of the [Noteholders][Bondholders], as well as particulars of the [Notes][Bonds] held by them respectively. [Noteholders][Bondholders] shall have, at all reasonable times during business hours, access to the register of [Noteholders][Bondholders] held at the CSD for the purpose of inspecting information held on their respective account.
- (b) Except as ordered by a court of competent jurisdiction or a public authority or as required by law, any person in whose name a [Note][Bond] is registered in the Electronic Register may,

to the fullest extent permitted by applicable law, be deemed and treated at all times, by all persons and for all purposes (including the making of any payments), as the absolute owner of such [Note][Bond] and no person will be liable for so treating the [Noteholder][Bondholder].

[

- (c) [No transfer of a [Note][Bond] shall be recognised by the Issuer unless entered in the Electronic Register.

]

2. TRANSFERS

- (a) A [Note][Bond] may be transferred by depositing at the specified office of the Registrar and Transfer Agent a document evidencing the transfer of the [Note][Bond] in the form satisfactory to the Registrar and Transfer Agent, the Issuer and/or the CSD, 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, the Issuer and/or the CSD may reasonably require.
- (b) Registration of transfer of the [Notes][Bonds] 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][Bondholder] may require the transfer of a [Note][Bond] 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][●] calendar days ending on the due date for any payment in respect of that [Note][Bond]. [Furthermore, the Issuer shall not be required, in the event of an early redemption of the [Notes][Bonds] under Clause 7.2, to register the transfer of these [Notes][Bonds] (or parts of these [Notes][Bonds]) during the period beginning on the [twenty-fifth (25th)] [●] calendar day before the Put Redemption Date and ending on the Put Redemption Date (both inclusive).

4. STATUS

[The obligations under the [Notes][Bonds] 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.]

[The [Notes][Bonds] constitute direct, unsecured and subordinated obligations of the Issuer.]

[[Qualified] subordination clause:

In the insolvency or liquidation of the Issuer, the obligations of the Issuer under the [Notes][Bonds] will rank:

- (a) junior to all present or future unsubordinated instruments or obligations of the Issuer[.];[;]

[

- (b) whereby:

- [(i)] All claims under the [Notes][Bonds], including but not limited to the claims for payment of the Principal Amount[, the Call Redemption Amount] and the payment of distributions, applying mutatis mutandis in accordance with section 19 (2) sentence 2 of the German Insolvency Code (Insolvenzordnung, InsO) are subordinated to all claims of other current or future creditors in such a manner that any payments of principal and interest under the [Notes][Bonds] may be demanded only after satisfaction of all other creditors ranking as stipulated in section 39 (1) nos. 1 to 5 InsO, i.e. at the ranking position stipulated in section 39 (2) InsO. A waiver with respect to the claims is not possible.]
- [[ii)] Payments under the [Notes][Bonds] may only be demanded from future annual net profits, from any liquidation surplus or from other disposable assets.]
- [[iii)] The [Noteholders][Bondholders] may not demand satisfaction of their claims if this results, or threatens to result, in the Issuer becoming overindebted (überschuldet) or unable to pay its debts (zahlungsunfähig) within applying mutatis mutandis the meaning of German insolvency law.]
- [[iv)] Paragraphs [(i)] [to] [(iii)] apply both before and after the opening of insolvency proceedings.]
- [[v)] In all other respects, the [Noteholders][Bondholders] are entitled without restriction to assert their rights under the [Notes][Bonds] and to claim performance.]
- [[vi)] For the avoidance of doubt, this clause constitutes an agreement for the benefit of all creditors of the Issuer as a whole (Gläubigersamtheit) applying mutatis mutandis within the meaning of section 328 (2) of the German Civil Code (Bürgerliches Gesetzbuch). Any cancellation of this subordination agreement without the creditors' cooperation will therefore be permitted only in the event that the criteria for insolvency (paragraph (iii)) are not met or no longer met in respect of the Issuer.]

]

- [(c)] pari passu among themselves[;].]
- [(d)] senior to [all present or future (a) obligations under any [CRR Instruments] [and] [or] [CRR II Instruments], and (b)] all other subordinated instruments or obligations of the Issuer ranking or expressed to rank subordinated to the obligations of the Issuer under the [Notes][Bonds];].]
- [(e)] Pre-insolvency enforcement block/non-payment

Definitions:

[Reason for opening insolvency proceedings] refers to the inability to pay within the meaning of § 17 German Insolvency Code (*Insolvenzordnung*), imminent inability to pay within the meaning of § 18 German Insolvency Code and overindebtedness within the meaning of § 19 German Insolvency Code. Impending overindebtedness does not constitute reasons for opening insolvency proceedings.

If and to the extent that the partial or complete satisfaction of one or more or all of the [Noteholders][Bondholders]' claims (e.g. repayment, interest and other ancillary claims) would give rise to at least one reason for opening insolvency proceedings against the Issuer, the [Noteholder][Bondholder] cannot enforce this claim or these claims in a legally binding manner outside of insolvency proceedings (payment ban for the [Noteholder][Bondholder]). The payment prohibition applies for an indefinite period until such time as the fulfillment of

the claim by the Issuer no longer gives rise to a reason for opening insolvency proceedings or all other creditors of the Issuer have agreed to the lifting of the payment prohibition. This means that claims arising from the [Notes][Bonds] can only be legally enforced outside insolvency proceedings once the payment prohibition has been lifted.][*insert other definition: [●]*]

[

Subordination Agreement

In the event of insolvency proceedings on the assets of the Issuer or the liquidation of the Issuer, the claims arising from the [Notes][Bonds] shall rank behind all non-subordinated claims and all subordinated claims within the meaning of § 39 para. 1 nos. 1 to 5 of the German Insolvency Code.][*insert other definition: [●]*]

]

]

5. DISTRIBUTIONS

5.1 [Relevant] Distribution Rate and Distribution Payment Dates

[In case the Notes/Bonds are issued with a constant coupon insert: The [Notes][Bonds] shall bear distributions on the Principal Amount at the rate of [●] per cent. per annum (the **Rate of Distributions**) (and with respect to each Calculation Period) from and including [●] (the **Distribution Commencement Date**) to and excluding the Maturity Date. Distributions shall be scheduled to be paid [[●], [annually][semi-annually][quarterly]][●] in arrears on [●] in each year (each such date, a **Distribution Payment Date**), commencing on [●]. Distributions will fall due in accordance with the provisions set out in Clause 6.4.]

[In case the Notes/Bonds are issued with an increasing coupon insert: The [Notes][Bonds] shall bear distributions on their Principle Amount at the relevant rate as set out in the table below (the **Relevant Rate of Distributions**). Distributions shall be scheduled to be paid for each distribution period (each such period, a **Distribution Period**) on a distribution payment date (each such date, a **Distribution Payment Date**), commencing on [●] (the **Distribution Commencement Date**).

Distribution Period		Distribution Payment Date	Relevant Rate of Distribution
from (and including) to (but excluding)			
[specified dates]	[specified dates]	[specified dates]	[specified rates]

Distributions for each Distribution Period will fall due in accordance with the provisions as set out in Clause 6.4.]

5.2 Calculation of Amount of Distributions

The amount of distributions shall be calculated by applying the [Relevant] 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.

5.3 Default Distributions

The [Notes][Bonds] shall cease to bear distributions from the expiry of the calendar day preceding the due date for redemption (if the [Notes][Bonds] are redeemed). If the Issuer fails to redeem the [Notes][Bonds] when due, distributions shall continue to accrue on the Principal Amount of the [Notes][Bonds] from and including the due date for redemption to but excluding the date of actual redemption of the [Notes][Bonds] at the default rate of distributions established by law. This does not affect any additional rights that might be available to the [Noteholders][Bondholders].

6. PAYMENTS

6.1 Payment of Principal and Distributions

Payment of principal and distributions on the [Notes][Bonds] shall be made, subject to Clause 6.2 below, by credit or transfer to in the Specified Currency in the account of the relevant [Noteholder][Bondholder] communicated to the Issuer [in the application form].

6.2 Manner of Payment

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

If the Issuer determines that it is impossible to make payments of amounts due on the [Notes][Bonds] 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. Bondholders shall not be entitled to further interest or any additional amounts as a result of such payment.

6.3 Discharge

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

6.4 Payment Business Day

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

6.5 References to Principal and Distributions

References in these Terms and Conditions to "principal" in respect of the [Notes][Bonds] shall be deemed to include, as applicable: the Principal Amount[, the Call Redemption Amount][, the Put 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][Bonds]. References in these Terms and Conditions to "distributions" in respect of the [Notes][Bonds] 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][Bonds] will be redeemed at their Principal Amount together with distributions, if any, accrued to, but excluding, the date of redemption, on [●] (the **Maturity Date**).

7.2 [No] Early Redemption at the Option of a [Noteholder][Bondholder]

[The [Noteholders][Bondholders] do not have a right to demand the redemption of the [Notes][Bonds] early.]

[

- (a) The Issuer shall, at the option of a [Noteholder][Bondholder] of any [Note][Bond], redeem such [Note][Bond] on the Put Redemption Date(s) at the Put Redemption Amount(s) together with accrued distributions, if any, to (but excluding) the Put Redemption Date. *[in case of the Early Redemption for Reasons of Taxation, or if the Notes/Bonds are subject to the Early Redemption at the Option of the Issuer for other than tax reasons insert: The [Noteholder][Bondholder] may not exercise such option in respect of any [Note][Bond] which is the subject of the prior exercise by the Issuer of any of its options to redeem such [Note][Bond] under Clause 7.]*
- (b) In order to exercise such option, the [Noteholder][Bondholder] must, not less than *[[insert minimum number of days] Payment Business Days]* nor more than *[[insert minimum number of days] Payment Business Days]* before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice, send to the specified office of the Fiscal Agent an early redemption notice in written form (the **Put Notice**). In the event that the Put Notice is received after 5:00 p.m. [●] time on the [●] *[[insert minimum period of notice to Issuer] Payment Business Day]* before the Put Redemption Date, the option shall not have been validly exercised. The Put Notice must specify (i) the total principal amount of the [Notes][Bonds] in respect of which such option is exercised, and (ii) the International Security Code of such [Notes][Bonds], if any. The Put Notice may be in the form available from the specified offices of the Fiscal Agent in the [English] [or] [German] language and includes further information. No option so exercised may be revoked or withdrawn.

]

7.3 [No] Early Redemption at the Option of the Issuer

[The Issuer does not have a right to redeem the [Notes][Bonds] early.]

[

- (a) The Issuer may, upon notice given in accordance with subparagraph (b), redeem the [Notes][Bonds] 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.
- (b) Notice of redemption shall be given by the Issuer to the [Noteholders][Bondholders] in accordance with Clause 12. Such notice shall be irrevocable and shall specify:
 - (i) the series number of the [Notes][Bonds];
 - (ii) the Call Redemption Date which shall be not less than *[insert minimum notice period, which shall not be less than five Payment Business Days: [insert number of days]]*

Payment Business Days [*in case of a maximum notice period insert: nor more than [insert number of days] Payment Business Days*] after the calendar day on which notice is given by the Issuer to the [Noteholders][Bondholders]; and

- (iii) the Call Redemption Amount at which the [Notes][Bonds] are to be redeemed.

[in case the Notes/Bonds are subject to the Early Redemption at the Option of a Noteholder/Bondholder insert:

- (c) The Issuer may not exercise such option in respect of any [Note][Bond] which is the subject of the prior exercise by the [Noteholder][Bondholder] thereof of its option to require the redemption of such [Note][Bond] under Clause 7.2.]

]

7.4 [No] Redemption for Reasons of Taxation

[The Issuer does not have a right to redeem the [Notes][Bonds] early 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][Bonds] 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 Issuer, the [Notes][Bonds] may be redeemed, in whole but not in part, at the option of the Issuer, upon not less than 60 calendar days' prior notice of redemption given to the Fiscal Agent and, in accordance with Clause 10 to the [Noteholders][Bondholders], 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 calendar 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][Bonds] 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][Bondholder] shall be entitled to declare his [Notes][Bonds] 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][Bonds] within 30 calendar days from the relevant due date; or
 - (ii) the Issuer fails duly to perform any other obligation arising from the [Notes][Bonds] which failure is not capable of remedy or, if such failure is capable of remedy, such failure continues for more than 30 calendar days after the Fiscal Agent has received notice thereof from a [Noteholder][Bondholder]; 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][Bonds].

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

9. FISCAL AGENT, REGISTRAR AND TRANSFER AGENT, DISTRIBUTION AGENT

9.1 Appointment, Specified Offices

The initial Fiscal Agent, the Registrar and Transfer Agent[s], and the Distribution Agent[s] and their respective initial specified offices are:

Initial Fiscal Agent:

[Timberland Invest Ltd.
171, Old Bakery Street
Valletta VLT 1455
Republic of Malta]

[•]

Registrar and Transfer Agent[s]:

[Malta Stock Exchange
Garrison Chapel
Castille Place
Valletta, VLT 1063
Republic of Malta]

[•]

Distribution Agent[s]:

[Timberland Invest Ltd.
171, Old Bakery Street
Valletta VLT 1455
Republic of Malta]

[Timberland Capital Management GmbH]

Hüttenallee 137
47800 Krefeld
Federal Republic of Germany]

[•]

The Fiscal Agent, the Registrar and Transfer Agent[s], and the Distribution Agent[s] reserve the right at any time to change their respective specified office to some other specified office [in the same city][in [insert city]]. Each of the Fiscal Agent, the Registrar and Transfer Agent, and the Distribution Agent 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][Bondholders], to vary or terminate the appointment of each of the Fiscal Agent, the Registrar and Transfer Agent, and the Distribution Agent, provided that the Issuer will at all times maintain a Fiscal Agent, 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][Bondholders] in accordance with Clause 12.

9.3 Agents of the Issuer

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

10. TAXATION

10.1 Withholding Taxes and Additional Amounts

All amounts payable in respect of the [Notes][Bonds] 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 shall be necessary in order that the net amounts received by the [Noteholders][Bondholders], 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][Bondholder], 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][Bondholder] 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][Bonds] 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 are payable by reason of a change in law or practice that becomes effective more than 30 calendar 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.

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

Moreover, all amounts payable in respect of the [Notes][Bonds] 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][Bondholder] 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][BONDS][,] [PURCHASES] [AND] [CANCELLATION]

11.1 Further Issues of [Notes][Bonds]

The Issuer may from time to time, without the consent of the [Noteholders][Bondholders], issue further [Notes][Bonds] having the same terms as the [Notes][Bonds] 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][Bonds].

[

11.2 Purchases

The Issuer may at any time purchase [Notes][Bonds] in the open market or otherwise at any price. [Notes][Bonds] 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][Bonds] 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][Bonds] [shall be][may be] published in [*insert relevant publication medium*] and in electronic form on the website of the Issuer [(www.timberland-securities-

investment.com)]*[insert any other website]* [or] *[insert other website]* [or any successor website [in each case] thereof], in which case an automatic redirection will be ensured by the Issuer. Any notice so given will be deemed to have been validly given on the 5th calendar day following the date of such publication (or, if published more than once, on the 5th calendar day following the date of the first such publication) unless the notice provides for a later effective date.

[Notices to [Noteholders][Bondholders] [will be][may be] mailed to their registered addresses and shall be deemed to have been served at the expiration of twenty-four (24) hours after the letter containing the notice is posted, and in proving such service it shall be sufficient to prove that a prepaid letter containing such notice was properly addressed to such [Noteholder][Bondholder] at his registered address and posted.]

12.2 Form of Notice to be given by any [Noteholder][Bondholder]

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

13. MEETING OF [NOTEHOLDERS][BONDHOLDERS]

[The Issuer may from time to time call meetings of [Noteholders][Bondholders] for the purpose of consultation with [Noteholders][Bondholders] or for the purpose of obtaining the consent of [Noteholders][Bondholders] on matters which in terms of the Final Terms or require the approval of a [Noteholders'] [Bondholders'] meeting and to effect any change to the applicable Terms and Conditions of the Bonds.

A meeting of [Noteholders][Bondholders] shall be called by the Directors of the Issuer by giving not less than [twenty-one (21)][●] days' notice in writing by giving all [Noteholders][Bondholders] listed on the register of [Noteholders][Bondholders] as at a date being not more than [thirty (30) days][●] preceding the date scheduled for the meeting, not less than [fourteen (14) days][●] notice in writing. Such notice shall set out the time, place and date set for the meeting and the matters to be discussed or decided thereat, including, if applicable, sufficient information on any amendment to the Terms and Conditions that is proposed to be voted upon at the meeting and seeking the approval of the [Noteholders][Bondholders]. Following a meeting of [Noteholders][Bondholders] held in accordance with the provisions contained hereunder, the Issuer shall, acting in accordance with the resolution(s) taken at the meeting, communicate to the [Noteholders][Bondholders] whether the necessary consent to the proposal made by the Issuer has been granted or withheld. Subject to having obtained the necessary approval by the [Noteholders][Bondholders] in accordance with the provisions of this Clause 13 at a meeting called for that purpose as aforesaid, any such decision shall subsequently be given effect to by the Issuer. The amendment or waiver of any of the Terms and Conditions may only be made with the approval of [Noteholders][Bondholders] at a meeting called and held for that purpose in accordance with the terms hereof. A meeting of [Noteholders][Bondholders] shall only validly and properly proceed to business if there is a quorum present at the commencement of the meeting. For this purpose, at least two [Noteholders][Bondholders] present, in person or by proxy, representing not less than [fifty per cent (51.01%)][●] in nominal value of the [Notes][Bonds] then outstanding, shall constitute a quorum. If a quorum is not present within 30 minutes from the time scheduled for the commencement of the meeting as indicated on the notice convening same, the meeting shall stand adjourned to a place, date and time as shall be communicated by the Directors of the Issuer to the [Noteholders][Bondholders] present at that meeting. The Issuer shall within two days from the date of the original meeting publish by way of a company announcement the date, time and place where the adjourned meeting is to be held. An adjourned meeting shall be held not earlier than seven days, and not later than [fifteen (15) days][●], following the original meeting. At an adjourned meeting: the number of [Noteholders][Bondholders] present, in person or by proxy, shall constitute a quorum; and only the matters specified in the notice calling the original meeting shall be placed on the agenda of, and shall be discussed at, the adjourned meeting.

Any person who in accordance with the Memorandum and Articles of Association of the Issuer is to chair the annual general meetings of shareholders shall also chair meetings of [Noteholders][Bondholders].

Once a quorum is declared present by the chairman of the meeting, the meeting may then proceed to business and address the matters set out in the notice convening the meeting. In the event of decisions which are required to be taken at the meeting, the Directors of the Issuer or their representative shall present to the [Noteholders][Bondholders] the reasons why it is deemed necessary or desirable and appropriate that a particular decision is taken. The meeting shall allow reasonable and adequate time to [Noteholders][Bondholders] to present their views to the Issuer and the other [Noteholders][Bondholders] present at the meeting. The meeting shall then put the matter as proposed by the Issuer to a vote of the [Noteholders][Bondholders] present at the time at which the vote is being taken, and any [Noteholders][Bondholders] taken into account for the purpose of constituting a quorum who are no longer present for the taking of the vote shall not be taken into account for the purpose of such vote.

[The voting process shall be managed by [the person] [or] [company] in charge as of the Issuer under the supervision and scrutiny of the Board of Directors.]

The proposal placed before a meeting of [Noteholders][Bondholders] shall only be considered approved if at least [fifty-one per cent (51%)] [●] in nominal value of the [Noteholders][Bondholders] present at the meeting at the time when the vote is being taken, in person or by proxy, shall have voted in favour of the proposal.

Save for the above, the rules generally applicable to proceedings at general meetings of shareholders of the Issuer shall mutatis mutandis apply to meetings of [Noteholders][Bondholders].]

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14. SUBSTITUTION OF THE ISSUER

14.1 Substitution

The Issuer shall be entitled at any time, without the consent of the [Noteholders][Bondholders], if no payment of principal of any of the [Notes][Bonds] is in default, to substitute for itself as the Issuer another person (the **Substitute Issuer**) as principle debtor) under all [Notes][Bonds] in respect of any and all obligations arising from and in connection with the [Notes][Bonds], which is, on the date of such substitution and in the opinion of the Issuer, of at least the equivalent standing and creditworthiness to the Issuer provided that:

- (a) the Substitute Issuer is solvent and can perform all obligations under and in connection with the [Notes][Bonds];
- (b) no liquidation, winding-up, insolvency proceedings or similar reorganisation measures are opened or imminent in respect of the Substitute Issuer;
- (c) the Substitute Issuer has been granted all necessary consents (excluding, for the avoidance of any doubt, the approval of a prospectus for the public offering of the [Notes][Bonds]) from the authorities of the country in which it has its registered office;
- (d) the substitution of the Substitute Issuer for the Issuer (as the case may be) does not result in additional tax, duty or governmental charge being directly or indirectly imposed on the [Noteholders][Bondholders] and the Substitute Issuer has agreed to indemnify and hold harmless each [Noteholder][Bondholder] against any tax, duty, assessment or governmental charge imposed on such [Noteholder][Bondholder] in respect of such substitution.

Notice of any such substitution shall be given to the [Noteholders][Bondholders] in accordance with Clause 12.

[The Issuer will not guarantee the obligations of the Substitute Issuer under the [Notes][Bonds] after the substitution(s). The [Noteholders][Bondholders], by subscribing for, or otherwise acquiring, the [Notes][Bonds], are deemed to have (i) consented to any substitution(s) of the Issuer effected in accordance with this Clause 14 and to the release of the Issuer from any and all obligations in respect of the relevant [Notes][Bonds] and these presents; and (ii) accepted such substitution(s) and the consequences thereof.]

[After the substitution(s) of the Issuer by a Substitute Issuer this Clause 14 shall apply again. In the event of such a substitution(s), every reference in these Terms and Conditions to the Issuer shall be deemed to refer to the Substitute Issuer.]

14.2 Change of References

In the event of any such substitution(s), any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Issuer and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Issuer.

[

14.3 Further substitution

After a substitution pursuant to Clause 14.1, the Substitute Issuer may, without the consent of any [Noteholders][Bondholders], effect a further substitution. All the provisions specified in Clause 14.1 and Clause 14.2 shall apply mutatis mutandis, and references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further the Substitute Issuer.

]

[

14.4 Reverse substitution

After a substitution pursuant to Clause 14.1 [or Clause 14.3] any the Substitute Issuer may, without the consent of any [Noteholder][Bondholder], reverse the substitution, mutatis mutandis.

]]

[14.][15.] GENERAL

For as long as the [Notes][Bonds] remain in dematerialised form, these terms and conditions, including the terms applicable to issuance, transfer, exchange, redemption and/or cancellation of the [Notes][Bonds] shall be subject to the applicable rules and procedures set out by CSD (the **CSD Rules**) and in the event of inconsistency between these terms and conditions and the CSD Rules, the CSD Rules shall prevail. Any amendment, variation or deletion of this clause shall be subject to the express written approval of the CSD to be obtained prior to the approval of the [Noteholders][Bondholders].

[15.][16.] APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

[15.1][16.1] Governing Law

The [Notes][Bonds], as to form and content, and all rights and obligations of the [Noteholders][Bondholders] and the Issuer, shall be governed by, and shall be construed exclusively

in accordance with, Maltese law[.] [except for (i) the qualified subordination clause (if applicable) as governed by Clause 4 (*Status*), which shall be applying mutatis mutandis in the meaning to the laws of Germany (unless mandatory rules laws of another EU member state apply).]

[15.2][16.2] **Place of Jurisdiction**

The courts of Malta shall have non-exclusive jurisdiction for any action or other legal proceedings (the **Proceedings**) arising out of or in connection with the [Notes][Bonds]. [The courts of [Duisburg, Germany][*insert other court in Germany*] [Malta] shall have non-exclusive jurisdiction for any action or other legal proceedings arising out of or in connection with Clause 4 (*Ranking*).]

[15.3][16.3] **Enforcement**

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

[16.][17.] **DEFINITIONS**

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

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

Applicable Exchange Rate means (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.

Business Day Financial Centre means [*insert relevant financial centre(s)*].

Calculation Period means any period of time in respect of the calculation of an amount of distributions on any [Note][Bond].

[Call Redemption Amount means [[●] % of] the Principal Amount] [[plus][minus] [*insert specified currency*] [●]].]

[Call Redemption Date means the Distribution Commencement Date and each [anniversary date thereof][Distribution Payment Date thereafter].]

Code has the meaning assigned to it in Clause 10.2.

[CRR means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (*Capital Requirements Regulation*), as amended from time to time.]

[CRR Instrument means any capital instrument governed by the CRR regime.]

[**CRR II Instrument** means any capital instrument governed by the CRR II regime.]

CSD means the Central Securities Depository of the Malta Stock Exchange, having its address at Garrison Chapel, Castille Place, Valletta, VLT 1063, Republic of Malta.

CSD Rules has the meaning assigned to it in Clause 10.2.

Custodian means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the [Noteholder][Bondholder] maintains a securities account in respect of the [Notes][Bonds] and includes the CSD.

Day Count Fraction means [the actual number of calendar days in the Calculation Period divided by the actual number of calendar days in the respective interest year] [the actual number of calendar days in the Calculation Period divided by 360] [the actual number of calendar days in the Calculation Period divided by 365].

[**Directors of the Issuer** means the Members of the Board of Directors as legal representatives of the Issuer as defined in the Memorandum and Articles of Association, as amended from time to time.]

Distribution Agent[s] means [Timberland Invest Ltd.] [and] [Timberland Capital Management GmbH] [and] [●].

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 means [[●] % of] the Principal Amount [[plus][minus] [*insert specified currency*] [●]].

Electronic Register has the meaning assigned to it in Clause 1.3.

FATCA has the meaning assigned to it in Clause 10.2.

Issuer has the meaning assigned to it in Clause 1.1.

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

[**Noteholder**][**Bondholder**] means each person holding one or more [Note(s)][Bond(s)].

[**Note(s)**][**Bond(s)**] has the meaning assigned to it in Clause 1.1.

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 TARGET2 System or its successor is open for business.

Principal Amount has the meaning assigned to it in Clause 1.1.

Proceedings has the meaning assigned to it in Clause [15.2][16.2].

[**Put Notice** has the meaning assigned to it in Clause 7.2(c).]

[**Put Redemption Amount(s)** means [[●] % of] the Principal Amount [[plus][minus] [*insert specified currency*] [●]].]

[**Put Redemption Date(s)** means [*insert date(s)*].]

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

Registrar and Transfer Agent[s] means [Malta Stock Exchange] [and] [●].

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][Bondholder] 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][Bondholders] by the Issuer in accordance with Clause 12.

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

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

[**Substitute Issuer** has the meaning assigned to it in Condition 12.]

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

TARGET2 System means the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 or its successor (**TARGET**).

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

IV. OPTION IV – TERMS AND CONDITIONS OF THE GERMAN FIXED RATE BEARER NOTES

[Please note: The final Terms and Conditions of the Notes, including the complete relevant placeholders, will be included in "Part II – Terms and Conditions of the Notes" in the relevant Final Terms.]

The following is the text of the terms and conditions of the notes (the "**Terms and Conditions**") applicable to the Notes. The final Terms and Conditions of the Notes will be an integral part of the respective Global Note[s].

The final Terms and Conditions of the Notes, including the complete relevant placeholders, will be included in "Part II – Terms and Conditions of the Notes" in the relevant Final Terms.

The Terms and Conditions are written in the German and English language. The English text shall be the legally binding version. The German language translation is provided for convenience only. [Notwithstanding this, the German text does not constitute part of the Base Prospectus within the meaning of the Prospectus Regulation and, in case there is any discrepancy between the English language translation and the German text, the English language translation stands approved for the purposes of approval under the Prospectus Regulation.]

<p style="text-align: center;">Anleihebedingungen (die "Anleihebedingungen")</p>	<p style="text-align: center;">Terms and Conditions of the Notes (the "Terms and Conditions")</p>
<p>§ 1 Emittentin, Wahrung, Gesamtnennbetrag, Nennbetrag, Form, Verbriefung und Ubertragbarkeit</p> <p>(a) Emittentin, Wahrung, Gesamtnennbetrag und Nennbetrag.</p> <p>Diese Anleihe der Timberland Securities Investment plc (die "Emittentin") im Gesamtnennbetrag von [bis zu] [EUR][<i>anderes Wahrungskurzel einfugen</i>] [<i>Gesamtnennbetrag einfugen</i>] (in Worten: [Euro][<i>andere Wahrung einfugen</i>] [<i>Gesamtnennbetrag einfugen</i>]) (der "Gesamtnennbetrag"), ist in untereinander gleichberechtigte Schuldverschreibungen (jeweils eine "Schuldverschreibung" und zusammen die "Schuldverschreibungen") im Nennbetrag von jeweils [EUR][<i>anderes Wahrungskurzel einfugen</i>] [1.000,00][<i>anderen Nennbetrag einfugen</i>] (in Worten: [Euro][<i>andere Wahrung einfugen</i>] [ein Tausend][<i>anderen Nennbetrag einfugen</i>]) eingeteilt.</p> <p>(b) Form.</p> <p>Die Schuldverschreibungen lauten auf den Inhaber.</p> <p>(c) Verbriefung.</p> <p>Die Schuldverschreibungen werden fur die gesamte Laufzeit wie folgt verbrieft.</p>	<p>§ 1 Issuer, Aggregate Principal Amount, Principle Amount, Form, Certification and Transferability</p> <p>(a) Issuer, Currency, Aggregate Principal Amount and Principal Amount.</p> <p>This bond of Timberland Securities Investment plc (the "Issuer") in the aggregate principal amount of [up to] [EUR][<i>insert other currency code</i>] [<i>insert aggregate principal amount</i>] (in words: [Euro][<i>insert other currency</i>] [<i>insert aggregate principal amount</i>]) (the "Aggregate Principal Amount"), is divided into partial notes ranking pari passu among themselves (each a "Note" and together, the "Notes") in the principal amount of [EUR][<i>insert other currency code</i>] [1,000.00][<i>insert other principal amount greater than 1,000.00 in other currencies</i>] each (in words: [Euro][<i>insert other currency</i>] [one thousand][<i>insert other principal amount</i>]).</p> <p>(b) Form.</p> <p>The Notes are being issued in bearer form.</p> <p>(c) Certification.</p> <p>The Notes are represented for the entire term as follows:</p>

[Im Falle von Tefra D einfügen:

Die Schuldverschreibungen werden für ihre gesamte Laufzeit zunächst durch eine vorläufige Inhaber-Globalschuldverschreibung (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft, die nicht früher als 40 Tage und nicht später als 180 Tage nach dem Begebungstag (wie in § 4[●](a) definiert) durch eine Inhaber-Dauerglobalurkunde (die "**Dauerglobalurkunde**", die vorläufige Globalurkunde und die Dauerglobalurkunde zusammen die "**Globalurkunde**") ohne Zinsscheine ausgetauscht wird. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen, wonach der oder die wirtschaftliche(n) Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine US-Person ist (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten), jeweils im Einklang mit den Regeln und Verfahren von [im Falle von Clearstream Banking AG einfügen: Clearstream Banking AG und der Geschäftsanschrift: Mergenthalerallee 61, 65760 Eschborn][im Falle eines anderen Zentralverwahrers einfügen: [●]] oder einem Funktionsnachfolger erfolgen (das "**Clearingsystem**"). Zinszahlungen auf durch eine vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß diesem Absatz auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten geliefert werden.

"**Vereinigte Staaten**" bedeutet die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

Die vorläufige Globalurkunde und die Dauerglobalurkunde sind nur wirksam, wenn sie jeweils die eigenhändige Unterschrift eines Vertreters der Emittentin tragen [(wobei diese Unterschrift als Faksimileunterschrift gemäß § 793

[In case of Tefra D insert:

The Notes will initially be represented for the whole term of the Notes by a temporary global bearer note (the "**Temporary Global Note**") without interest coupons, which will be exchanged not earlier than 40 days and not later than 180 days after the Issue Date (as defined in § 4[●](a)) against a permanent global bearer note (the "**Permanent Global Note**", the Temporary Global Note and the Permanent Global Note together the "**Global Note**") without interest coupons. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding Notes through such financial institutions) in accordance with the rules and operating procedures of [in case of Clearstream Banking AG insert: Clearstream Banking AG, business address: Mergenthalerallee 61, 65760 Eschborn][in case of another Central Securities Depository insert: [●]], or any successor in such capacity (the "**Clearing System**"). Payments of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Notes represented by the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this paragraph. Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

"**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

The Temporary Global Note and the Permanent Global Note shall only be valid if it bears the handwritten signature of a representative of the Issuer [(whose signature may qualify as facsimile signature pursuant to § 793 (2) of the German Civil

<p>Absatz 2 des Bürgerlichen Gesetzbuchs ("BGB") qualifizieren darf)] [und von der Zahlstelle (wie in § [11][●](a) definiert) unterzeichnet oder in deren Namen mit einer Kontrollunterschrift versehen sind]. Die vorläufige Globalurkunde und die Dauerglobalurkunde werden bei dem Clearingsystem hinterlegt. Der Anspruch auf Ausgabe einzelner Schuldverschreibungen oder Zinsscheine ist ausgeschlossen.]</p> <p><i>[im Falle ohne Tefra D einfügen:</i></p> <p>Die Schuldverschreibungen werden für ihre gesamte Laufzeit durch eine Inhaber-Dauerglobalurkunde (die "Dauerglobalurkunde" bzw. die "Globalurkunde") verbrieft. Die Dauerglobalurkunde wird von <i>[im Falle von Clearstream Banking Frankfurt einfügen:</i> Clearstream Banking Aktiengesellschaft, Frankfurt am Main, mit Geschäftsanschrift Mergenthalerallee 61, 65760 Eschborn]<i>[im Falle eines anderen Zentralverwahrers einfügen:</i> [●]] oder einem Funktionsnachfolger verwahrt (das "Clearingsystem").</p> <p>Die Dauerglobalurkunde ist nur wirksam, wenn sie jeweils die eigenhändige Unterschrift eines Vertreters der Emittentin tragen [(wobei diese Unterschrift als Faksimileunterschrift gemäß § 793 Absatz 2 Bürgerliches Gesetzbuch ("BGB") qualifizieren darf)] [und von der Zahlstelle (wie in § [11][●](a) definiert) unterzeichnet oder in deren Namen mit einer Kontrollunterschrift versehen sind]. Die Dauerglobalurkunde wird bei dem Clearingsystem hinterlegt. Der Anspruch auf Ausgabe einzelner Schuldverschreibungen oder Zinsscheine ist ausgeschlossen.]</p> <p>(d) Übertragbarkeit.</p> <p>Den Inhabern der Schuldverschreibungen (die "Anleihegläubiger") stehen Miteigentumsanteile oder Rechte an der Globalurkunde zu, die nach Maßgabe des anwendbaren Rechts und der Regeln und Bestimmungen des Clearingsystems übertragen werden können.</p> <p>§ 2 Status der Schuldverschreibungen [und Negativverpflichtung]</p> <p>[(a) Status.</p>	<p>Code (<i>Bürgerliches Gesetzbuch ("BGB")</i>))] [and shall each be authenticated by or on behalf of the Paying Agent (as defined in § [11][●](a)). The Temporary Global Note and the Permanent Global Note will be deposited with the Clearing System. The right to require the issue of definitive Notes or interest coupons (<i>Zinsscheine</i>) has been excluded.]</p> <p><i>[in case without Tefra D insert:</i></p> <p>The Notes will be represented for the whole life of the Notes by a permanent global bearer Note (die "Permanent Global Note" respectively the "Global Note"). The Permanent Global Note will be kept in custody by <i>[in case of Clearstream Banking Frankfurt insert:</i> Clearstream Banking AG, Mergenthaler Allee 61, 65760 Eschborn, Federal Republic of Germany]<i>[in case of another Central Securities Depository insert:</i> [●]], or any successor in such capacity (the "Clearing System").</p> <p>The Permanent Global Note shall only be valid if it bears the handwritten signature of a representative of the Issuer [(whose signature may qualify as facsimile signature pursuant to § 793 (2) of the German Civil Code (<i>Bürgerliches Gesetzbuch ("BGB")</i>))] [and shall each be authenticated by or on behalf of the Paying Agent (as defined in § [11][●](a) below)]. The Permanent Global Note will be deposited with the Clearing System. The right to require the issue of definitive Notes or interest coupons (<i>Zinsscheine</i>) has been excluded.]</p> <p>(d) Transferability.</p> <p>The holders of the Notes (the "Noteholders") will receive co-ownership participations in the Global Note, which are transferable in accordance with applicable law and the rules and regulations of the Clearing System.</p> <p>§ 2 Status of the Notes [and Negative Pledge]</p> <p>[(a) Status.</p>
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Die Schuldverschreibungen begründen unmittelbare, unbedingte, [nicht] nachrangige und nicht besicherte Verbindlichkeiten der Emittentin[, die eine vorinsolvenzliche Durchsetzungssperre enthalten,][und stehen im gleichen Rang untereinander und mindestens im gleichen Rang mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin, soweit bestimmte zwingende gesetzliche Bestimmungen nichts anderes vorschreiben].

[(b) Negativverpflichtung.

Die Emittentin verpflichtet sich [und hat dafür Sorge zu tragen, dass sämtliche ihrer Tochtergesellschaften], solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Hauptzahlstelle [(wie in § [11][●](a) definiert)] zur Verfügung gestellt worden sind, keine Grundpfandrechte, Pfandrechte, Belastungen oder sonstigen Sicherungsrechte (jedes solches Sicherungsrecht eine "**Sicherheit**") in Bezug auf ihren gesamten oder Teil ihres Geschäftsbetriebes, Vermögen oder Einkünfte, jeweils gegenwärtig oder zukünftig, zur Sicherung von Kapitalmarktverbindlichkeiten oder zur Sicherung einer von der Emittentin [oder einer ihrer Tochtergesellschaften] gewährten Garantie oder Freistellung bezüglich einer Kapitalmarktverbindlichkeit einer anderen Person zu bestellen oder fortbestehen zu lassen, ohne gleichzeitig oder zuvor alle unter den Schuldverschreibungen zahlbaren Beträge in gleicher Weise und in gleichem Rang Sicherheiten zu bestellen oder für alle unter den Schuldverschreibungen zahlbaren Beträge solch eine andere Sicherheit zu bestellen, die von einer unabhängigen, international anerkannten Wirtschaftsprüfungsgesellschaft als gleichwertig anerkannt wird.

[Diese Verpflichtung gilt jedoch nicht für:

(i) eine Sicherheit, die gesetzlich vorgeschrieben sind, oder die als Voraussetzung für staatliche Genehmigungen verlangt werden;

(ii) eine zum Zeitpunkt des Erwerbs von Vermögenswerten durch die Emittentin bereits an solchen Vermögenswerten bestehende Sicherheit, soweit eine solche Sicherheit nicht im Zusammenhang mit dem Erwerb oder in Erwartung des Erwerbs des jeweiligen Vermögenswerts

The Notes constitute direct, unconditional, [un]subordinated and unsecured obligations of the Issuer[, which provide for a pre-insolvency enforcement block,][and rank pari passu without any preference among themselves and at least pari passu with all other unsubordinated and unsecured obligations of the Issuer, present and future save for certain mandatory exceptions provided by law].

[(b) Negative pledge.

The Issuer undertakes [and undertakes to procure that all of its Subsidiaries], so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Principal Paying Agent [(as defined in § [11][●](a))], not to create or permit to subsist any mortgage, lien, pledge, charge or other security interest (each such right a "**Security**") over the whole or any part of its undertakings, assets or revenues, present or future, to secure any Capital Market Indebtedness or to secure any guarantee or indemnity given by the Issuer [or any of its Subsidiaries] in respect of any Capital Market Indebtedness of any other person, without, at the same time or prior thereto, securing all amounts payable under the Notes either with equal and rateable Security or providing all amounts payable under the Notes such other Security as shall be approved by an independent accounting firm of internationally recognized standing as being equivalent security.

[This undertaking shall not apply with respect to:

(i) any Security which is provided for by law or which has been required as a condition precedent for public permissions;

(ii) any Security existing on assets at the time of the acquisition thereof by the Issuer, provided that such Security was not created in connection with or in contemplation of such acquisition and that the amount secured by such Security is not increased subsequently to the acquisition of the relevant

<p>bestellt wurden und der durch die Sicherheit besicherte Betrag nicht nach Erwerb des betreffenden Vermögenswertes erhöht wird[;][.]</p> <p>[(iii) eine Sicherheit, die von einer Tochtergesellschaft der Emittentin an Forderungen bestellt wird, die ihr aufgrund der Weiterleitung von aus dem Verkauf von Kapitalmarktverbindlichkeiten erzielten Erlösen gegen die Emittentin zusteht, sofern eine solche Sicherheit der Besicherung von Verpflichtungen aus den jeweiligen Kapitalmarktverbindlichkeiten der betreffenden Tochtergesellschaft dient.]</p> <p>[Im Sinne dieser Anleihebedingungen bedeutet "Kapitalmarktverbindlichkeit" jede gegenwärtige oder zukünftige Verbindlichkeit hinsichtlich der Rückzahlung geliehener Geldbeträge, die durch besicherte oder unbesicherte Schuldverschreibungen, Anleihen oder sonstige Wertpapiere, die an einer Börse oder in einem anderen anerkannten Wertpapier- oder außerbörslichen Markt zugelassen sind, notiert oder gehandelt werden oder zugelassen, notiert oder gehandelt werden können.]</p> <p>["Tochtergesellschaft" für Zwecke [dieser Anleihebedingungen][dieses § 2(b)] bezeichnet jede voll konsolidierte Tochtergesellschaft der Emittentin.]</p> <p>[Eine nach diesem § 2(b) zu leistende Sicherheit kann auch zugunsten der Person eines Treuhänders der Anleihegläubiger bestellt werden.]]]</p> <p>[[(b)]] [(c)] [Qualifizierter] Rangrücktritt.</p> <p>Im Fall der Insolvenz oder Liquidation der Emittentin [sowie im Hinblick auf die vorinsolvenzliche Durchsetzungssperre] sind die Verpflichtungen der Emittentin aus den Schuldverschreibungen:</p> <p>[(1)] nachrangig gegenüber allen ihren bestehenden oder künftigen, nicht-nachrangigen Finanzinstrumenten oder Verpflichtungen der Emittentin[.][im Falle des qualifizierten Rangrücktritts einfügen: ; wobei gilt</p> <p>(i) sämtliche Forderungen aus den Schuldverschreibungen, darunter insbesondere die Ansprüche auf Zahlung des Rückzahlungsbetrags und des Vorzeitigen Rückzahlungsbetrages [und des Vorzeitigen Rückzahlungsbetrages (Call)] [und des Vorzeitigen Rückzahlungsbetrages (Put)]</p>	<p>assets[;][.]</p> <p>[(iii) any Security which is provided by any Subsidiary of the Issuer with respect to any receivables of such Subsidiary against the Issuer which receivables exist as a result of the transfer of the proceeds from the sale by the subsidiary of any Capital Market Indebtedness, provided that any such Security serves to secure obligations under such Capital Market Indebtedness of the relevant Subsidiary.]</p> <p>[For the purposes of these Terms and Conditions, "Capital Market Indebtedness" shall mean any present or future obligation for the repayment of borrowed monies which is in the form of, or represented or evidenced by bonds, notes, debentures, loan stock or other securities which are, or are capable of being, quoted, listed, dealt in or traded on any stock exchange, or other recognized over-the-counter or securities market.]</p> <p>["Subsidiary" for purposes of [these Terms and Conditions][this § 2(b)] means any fully consolidated subsidiary of the Issuer.]</p> <p>[A Security pursuant to this § 2(b) may also be provided to a trustee of the noteholders.]]]</p> <p>[[(b)]] [(c)] [Qualified] [Subordination] [subordination] clause.</p> <p>In the insolvency or liquidation of the Issuer [and in light of the pre-insolvency enforcement block], the obligations of the Issuer under the Notes will rank:</p> <p>[(1)] junior to all present or future unsubordinated instruments or obligations of the Issuer[.] [<i>in case of a qualified subordination clause insert: ;</i> whereby:</p> <p>(i) all claims under the Notes, including but not limited to the claims for payment of the Redemption Amount and the Early Redemption Amount [and the Call Early Redemption Amount] [and the Put Early Redemption Amount] and the payment of the interest coupon, applying in</p>
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<p>und auf Einlösung des Zinskupons, in Anwendung des § 19 Absatz 2 Satz 2 Insolvenzordnung ("InsO") gegenüber allen Forderungen anderer bestehender oder künftiger Gläubiger dergestalt im Rang nachgehen, dass Tilgungs- und Zinszahlungen auf den Schuldverschreibungen erst nach Befriedigung aller anderen Gläubiger, die die in § 39 Absatz 1 Nr. 1 InsO vereinbarte Rangfolge, d.h. den in § 39 Absatz 2 InsO vereinbarten Nachrang, einnehmen, verlangt werden können. Ein Verzicht auf die Forderungen ist nicht möglich;</p> <p>(ii) Zahlungen unter den Schuldverschreibungen können nur aus künftigen Jahresüberschüssen, aus etwaigen Liquidationserlösen oder aus anderen verfügbaren Vermögenswerten verlangt werden;</p> <p>(iii) die Anleihegläubiger können keine Befriedigung ihrer Forderungen verlangen, wenn hierdurch in Anwendung des deutschen Insolvenzrechts die Überschuldung oder Zahlungsunfähigkeit der Emittentin herbeigeführt wird oder droht;</p> <p>(iv) die Absätze (i) bis (iii) gelten sowohl vor wie auch nach der Eröffnung des Insolvenzverfahrens;</p> <p>(v) im Übrigen sind die Anleihegläubiger ohne Einschränkungen berechtigt, ihre Rechte aus den Schuldverschreibungen geltend zu machen und Erfüllung zu verlangen.</p> <p>[Zur Klarstellung: Diese Regelung stellt einen Vertrag zugunsten der Gläubigersamtheit der Emittentin in Anwendung des § 328 Absatz 2 [BGB][Bürgerliches Gesetzbuch ("BGB")] dar. Eine Kündigung dieser Rangrücktrittsvereinbarung ohne Mitwirkung der Gläubiger ist daher nur zulässig, wenn die Insolvenzskriterien (Absatz (iii)) in Bezug auf die Emittentin nicht oder nicht länger erfüllt sind.]]</p> <p>[Nachrangforderungen können solange und soweit nicht geltend zu machen, sofern diese Geltendmachung zur Eröffnung des Insolvenzverfahrens über das Vermögen der Emittentin führen würde, also zu einer Zahlungsunfähigkeit der Emittentin im Sinne von § 17 InsO oder einer drohenden Zahlungsunfähigkeit der Emittentin im Sinne von § 18 InsO oder einer Überschuldung der Emittentin im Sinne von § 19 InsO führen würde (vorinsolvenzliche Durchsetzungssperre).]</p>	<p>accordance with § 19 (2) sentence 2 of the German Insolvency Code (<i>Insolvenzordnung</i> ("InsO")) are subordinated to all claims of other current or future creditors in such a manner that any payments of principal and interest under the Notes may be demanded only after satisfaction of all other creditors ranking as stipulated in § 39 (1) nos. 1 to 5 InsO, i.e. at the ranking position stipulated in § 39 (2) InsO. A waiver with respect to the claims is not possible;</p> <p>(ii) Payments under the Notes may only be demanded from future annual net profits, from any liquidation surplus or from other disposable assets;</p> <p>(iii) the Noteholders may not demand satisfaction of their claims if this results, or threatens to result, in the Issuer becoming overindebted (<i>überschuldet</i>) or unable to pay its debts (<i>zahlungsunfähig</i>) within applying the meaning of German insolvency law;</p> <p>(iv) Paragraphs (i) to (iii) apply both before and after the opening of insolvency proceedings;</p> <p>(v) apart from that, the Noteholders are entitled without restriction to assert their rights under the Notes and to claim performance.</p> <p>[For the avoidance of doubt, this clause constitutes an agreement for the benefit of all creditors of the Issuer as a whole (<i>Gläubigersamtheit</i>) applying within the meaning of § 328 (2) [BGB][of the German Civil Code (<i>Bürgerliches Gesetzbuch</i> ("BGB"))]. Any cancellation of this subordination agreement without the creditors' cooperation will therefore be permitted only in the event that the criteria for insolvency (paragraph (iii)) are not met or no longer met in respect of the Issuer.]]</p> <p>[Subordinated claims may not be asserted for as long as, and to the extent that, the assertion of such claims would lead to over-indebtedness of the Issuer within the meaning of § 17 InsO or imminent insolvency of the Issuer within the meaning of § 18 InsO or insolvency of the Issuer within the meaning of § 19 InsO (pre-insolvency enforcement block).]</p>
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<p>[Im Falle einer Zahlung der Emittentin, die gegen ein Zahlungsverbot verstößt, ist die Emittentin berechtigt, vom Anleihegläubiger die Rückzahlung des erhaltenen Betrags zu verlangen und gerichtlich geltend zu machen.]</p> <p>[[(2)] [●] gleichrangig (a) untereinander und (b) mit allen bestehenden oder künftigen Verpflichtungen aus anderen Tier-2-Instrumenten[; und][.]]</p> <p>[[(3)] [●] vorrangig gegenüber allen bestehenden oder künftigen (a) Verpflichtungen aus AT-1-Instrumenten und (b) allen übrigen nachrangigen Finanzinstrumenten oder Verpflichtungen der Emittentin, die [(x)] gegenüber ihren Verpflichtungen der Emittentin aus den Schuldverschreibungen im Rang nachgehen [oder (y) mit Verpflichtungen der Emittentin aus AT-1-Instrumenten im Rang gleichgestellt sind].]</p> <p>[[(4)] [●] Vollstreckungssperre/Zahlungsausfall vor der Insolvenz:</p> <p>[Wenn und soweit die teilweise oder vollständige Befriedigung einer oder mehrerer oder aller Forderungen des Anleihegläubigers (z.B. Rückzahlung, Zinsen und sonstige Nebenforderungen) mindestens einen Eröffnungsgrund für ein Insolvenzverfahren gegen die Emittentin begründen würde, kann der Schuldverschreibungsinhaber diese Forderung oder diese Forderungen außerhalb des Insolvenzverfahrens nicht rechtsverbindlich geltend machen (Zahlungsverbot für den Anleihegläubiger). Das Zahlungsverbot gilt auf unbestimmte Zeit, bis die Erfüllung der Forderung durch die Emittentin keinen Grund mehr zur Eröffnung eines Insolvenzverfahrens gibt oder alle anderen Gläubiger der Emittentin der Aufhebung des Zahlungsverbotes zugestimmt haben. Dies bedeutet, dass Ansprüche aus den Schuldverschreibungen erst dann außerhalb des Insolvenzverfahrens rechtlich durchgesetzt werden können, wenn das Zahlungsverbot aufgehoben ist.][<i>insert other definition: [●]</i>]</p> <p>Qualifizierte Nachrangigkeitsvereinbarung:</p> <p>Im Falle eines Insolvenzverfahrens über das Vermögen der Emittentin oder der Liquidation der Emittentin sind die Forderungen aus den Schuldverschreibungen nachrangig vor allen nicht nachrangigen Forderungen und allen nachrangigen Forderungen im Sinne des § 39 Abs. 1 Nr. 1 bis 5 InsO.</p>	<p>[In the event of a payment by the Issuer in breach of a payment prohibition, the Issuer is entitled to demand repayment of the amount received from the Noteholder and to take legal action.]</p> <p>[[(2)] [●] pari passu (a) among themselves, and (b) with all present or future obligations under any other Tier 2 Instruments[; and][.]]</p> <p>[[(3)] [●] senior to all present or future (a) obligations under any AT 1 Instruments, and (b) all other subordinated instruments or obligations of the Issuer ranking or expressed to rank [(x)] subordinated to the obligations of the Issuer under the Notes [or (y) pari passu with obligations under any AT 1 Instruments].]</p> <p>[[(4)] [●] Pre-insolvency enforcement block/non-payment:</p> <p>[If and to the extent that the partial or complete satisfaction of one or more or all of the Noteholders' claims (e.g. repayment, interest and other ancillary claims) would give rise to at least one reason for opening insolvency proceedings against the Issuer, the Noteholder cannot enforce this claim or these claims in a legally binding manner outside of insolvency proceedings (payment ban for the Noteholder). The payment prohibition applies for an indefinite period until such time as the fulfillment of the claim by the Issuer no longer gives rise to a reason for opening insolvency proceedings or all other creditors of the Issuer have agreed to the lifting of the payment prohibition. This means that claims arising from the Notes can only be legally enforced outside insolvency proceedings once the payment prohibition has been lifted.][<i>insert other definition: [●]</i>]</p> <p>Qualified Subordination Agreement:</p> <p>In the event of insolvency proceedings on the assets of the Issuer or the liquidation of the Issuer, the claims arising from the Notes shall rank behind all non-subordinated claims and all subordinated claims within the meaning of § 39 para. 1 nos. 1 to 5 InsO.</p>
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Definition:

[Eröffnungsgrund ist die Zahlungsunfähigkeit im Sinne des § 17 InsO, die drohende Zahlungsunfähigkeit im Sinne des § 18 InsO und die Überschuldung im Sinne des § 19 InsO; eine drohende Überschuldung stellt jedoch keinen Grund für die Eröffnung eines Insolvenzverfahrens dar.][andere Definition einfügen: [●]]

[[c)][(d)] Keine Aufrechnung oder Sicherheit.

Eine Aufrechnung der Forderungen der Emittentin gegen die Rückzahlungsverpflichtungen der Emittentin aus diesen Schuldverschreibungen ist nicht zulässig, und weder die Emittentin noch Dritte sind berechtigt, vertragliche Sicherheiten für das mit den Schuldverschreibungen begründete Schuldverhältnis zu stellen. [Die Schuldverschreibungen sind weder besichert noch Gegenstand einer Garantie, die den Vorrang der Forderungen unter den Schuldverschreibungen erhöht.] [Die Schuldverschreibungen unterliegen weder vertraglichen noch sonstigen Vereinbarungen, die den Vorrang der Forderungen unter den Schuldverschreibungen erhöhen.] [Die unter Absatz [(b)][(c)] geregelte Nachrangigkeit darf durch nachträgliche Vereinbarungen nicht berührt oder beeinträchtigt werden.]

[§ 3 Finanzielle Verpflichtungen

[[a)] Eigenkapitalquote.

Die Emittentin stellt sicher, dass sie eine Eigenkapitalquote von wenigstens [fünfundzwanzig][anderen Prozentsatz einfügen] [(25)][anderen Prozentsatz einfügen] Prozent aufrechterhalten wird. [Die Eigenkapitalquote errechnet sich in Übereinstimmung mit [HGB] [oder] [EU-IFRS] [oder] [IFRS] [nach Wahl der Emittentin].]

Wobei gilt:

"**Eigenkapitalquote**" bedeutet das bilanzielle Eigenkapital dividiert durch die Bilanzsumme, wobei sämtliche Zahlen aus dem letzten geprüften Jahresabschluss der Emittentin zu ermitteln sind [und die Emittentin berechtigt ist, für Zwecke der Berechnung der Eigenkapitalquote die zum Zeitpunkt der Emission genutzten Bilanzierungsmethoden – ggf. auch abweichend

Definition:

[Reason for opening insolvency proceedings refers to the inability to pay within the meaning of § 17 InsO, imminent inability to pay within the meaning of § 18 InsO and overindebtedness within the meaning of § 19 InsO, however, an impending overindebtedness does not constitute reasons for opening insolvency proceedings.][insert other definition: [●]]

[[c)][(d)] No Set-off or Security.

Claims of the Issuer are not permitted to be set-off against repayment obligations of the Issuer under these Notes, and no contractual collateral may be provided by the Issuer or any third person for the liabilities constituted by the Notes. [The Notes are neither secured nor subject to a guarantee that enhances the seniority of the claims under the Notes.] [The Notes are not subject to any arrangement, contractual or otherwise, that enhances the seniority of the claims under the Notes.] [No subsequent agreement may limit the subordination pursuant to paragraph [(b)][(c)].]

[§ 3 Financial Covenants

[[a)] Equity Capital Ratio.

The Issuer ensures that itself maintains an Equity Capital Ratio of at least [twenty-five][insert other percentage rate] [(25)][insert other percentage rate] percent. [The Equity Capital Ratio shall be calculated in accordance with [local GAP] [or] [EU-IFRS] [or] [IFRS] [at the Issuers' option].]

Whereby:

"**Equity Capital Ratio**" means the balance sheet equity divided by the balance sheet total, whereby all figures are to be determined from the last audited annual financial statements of the Issuer [and the Issuer is entitled, for the purpose of calculating the equity capital ratio, to continue the accounting methods used at the time of the issue – eventually also deviating from the audited [annual] [or] [semi-annual] financial statements].

<p>vom testierten [Jahresabschluss] [bzw.] [Halbjahresabschluss] – fortzuführen).</p> <p>"Stichtag" bedeutet den 31. Dezember 20[●] [und jeden weiteren 31. Dezember] [eines jeden Kalenderjahres bis zum Fälligkeitstermin].]</p> <p>[[(b)]] ●] Liquiditätsreserve.</p> <p>Die Emittentin verpflichtet sich darauf hinzuwirken, dass ihre Tochtergesellschaften, sofern erforderlich und sofern sie Gewinne erwirtschaften, eine ausschüttungsfähige Liquidität aufweisen und zumindest so viele Mittel an die Emittentin ausschütten, dass die Emittentin stets in der Lage ist, ihre Verpflichtungen aus diesen Anleihebedingungen zu erfüllen.</p> <p>["Tochtergesellschaft" für Zwecke [dieser Anleihebedingungen][dieses § [4(b)] [●]] bedeutet jede vollkonsolidierte Tochtergesellschaft der Emittentin.]]</p> <p>[[(c)]] ●] Informationspflichten.</p> <p>Die Emittentin verpflichtet sich, den Anleihegläubigern in der Form des § [14] [●] oder durch Veröffentlichung auf ihrer Internetseite [www.timberland-securities-investment.com] [eine andere Internetseite einfügen] [oder] [andere Internetseite einfügen] [bzw. einer [jeweiligen] Nachfolgeinternetseite] zur Verfügung zu stellen:</p> <p>[[(i)]] den geprüften Jahresabschluss zum [Datum einfügen] sobald verfügbar, jedoch nicht später als [9] [andere Anzahl Monate einfügen] Monate nach dem Ende des Geschäftsjahres [Geschäftsjahr einfügen] sowie die geprüften Jahresabschlüsse für die darauf folgenden Geschäftsjahre sobald verfügbar, jedoch nicht später als [9] [andere Anzahl Monate einfügen] Monate nach dem Ende eines jeden Geschäftsjahres (jeweils ein "Jahresabschluss-Veröffentlichungstag") [; und] [.]</p> <p>[[(ii)]] sobald verfügbar, jedoch nicht später als [6] [andere Anzahl Monate einfügen] Monate nach dem Ende eines jeden Geschäftshalbjahres (der "Halbjahresabschluss-Veröffentlichungstag" und zusammen mit dem Jahresabschluss-Veröffentlichungstag, der "Veröffentlichungstag") den jeweiligen erstellten ungeprüften Halbjahresabschluss.]]</p> <p>[[(d)]] ●] Börsennotierung.</p>	<p>"Reporting Date" means the 31 December 20[●] [and each further 31 December] [of each calendar year until the Redemption Date].]</p> <p>[[(b)]] ●] Liquidity Reserve.</p> <p>The Issuer undertakes to ensure that its Subsidiaries, if necessary and if they generate profits, have distributable liquidity and distribute at least sufficient funds to the Issuer that the Issuer is always in a position to meet its obligations under these Terms and Conditions.</p> <p>["Subsidiary" for purposes of [these Terms and Conditions][this § [4(b)] [●]] means any fully consolidated subsidiary of the Issuer.]]</p> <p>[[(c)]] ●] Information Obligation.</p> <p>The Issuer undertakes to provide the Noteholders in the form of § [14] [●] or by publication on its website ([www.timberland-securities-investment.com] [insert any other website] [or] [insert other website] [or any successor website [in each case] thereof] with:</p> <p>[[(i)]] the audited annual financial statements as at [insert date] as available but not later than [9] [insert other number of months] months after the end of the financial year [insert fiscal year] and the audited annual financial statements for subsequent financial years as available but not later than [9] [insert other number of months] months after the end of each financial year (each an "Annual Financial Statement Publication Date") [; and] [.]</p> <p>[[(ii)]] as soon as available, but not later than [6] [insert other number of months] months after the end of each half fiscal year (the "Semi-Annual Financial Statement Publication Date" and together with the Annual Financial Statement Publication Date, the "Publication Date"), the relevant unaudited semi annual financial statement.]]</p> <p>[[(d)]] ●] Listing.</p>
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<p>Die Emittentin wird dafür Sorge tragen, eine Notierung der Schuldverschreibungen in [<i>Märkte und Wertpapierbörsen bzw. Handelsplätze einfügen</i>] bis spätestens zum [<i>Datum einfügen</i>] (der "Listing-Tag") herbeizuführen und bis zur Endfälligkeit der Schuldverschreibungen, längstens jedoch bis zu dem Zeitpunkt aufrechtzuerhalten, in dem sämtliche Schuldverschreibungen zurückbezahlt oder zurückgekauft wurden.]]</p> <p>§ 4][●] Verzinsung</p> <p>(a) Verzinsung.</p> <p><i>[im Falle von Schuldverschreibungen, die mit einem gleichbleibenden Kupon begeben werden einfügen]:</i> Die Schuldverschreibungen werden ab dem [<i>Begebungstag einfügen</i>] (einschließlich) (der "Begebungstag") bezogen auf ihren Nennbetrag mit [<i>Zinssatz einfügen</i>] % jährlich (der "Zinssatz") verzinst[, wobei eine Zinszahlungspflicht nicht besteht, soweit aufgrund des vereinbarten [qualifizierten] Rangrücktritts [oder der vorinsolvenzlichen Durchsetzungssperre] gemäß § 2[(b)][(c)] die Emittentin nicht zur Zahlung verpflichtet ist oder die Anleihegläubiger ihre Ansprüche nicht geltend machen dürfen]. Die Zinsen sind jährlich nachträglich jeweils am [<i>Zinszahlungstag(e) einfügen</i>] eines jeden Jahres (jeweils ein "Zinszahlungstag" und der Zeitraum ab dem Begebungstag (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) jeweils eine "Zinsperiode") zahlbar. Die erste Zinszahlung wird am [<i>erster Zinszahlungstag einfügen</i>] fällig.]</p> <p>Die Verzinsung der Schuldverschreibungen endet mit Beginn des Tages, an dem sie zur Rückzahlung fällig werden, oder, sollte die Emittentin eine Zahlung aus diesen Schuldverschreibungen bei Fälligkeit nicht leisten, mit Beginn des Tages der tatsächlichen Zahlung. [In einem solchen Fall fallen auf den ausstehenden Nennbetrag der Schuldverschreibungen ab dem Fälligkeitstag (wie in § 5][●][(a)] definiert) bis zum Tag der tatsächlichen Rückzahlung (ausschließlich) Zinsen zum gesetzlich festgelegten Satz für Verzugszinsen an².][Der Zinssatz erhöht sich in diesem Fall um</p>	<p>The Issuer will ensure that the Notes are listed on [<i>insert relevant markets and stock exchanges or trading venues</i>] on [<i>insert date</i>] (the "Listing Date") at the latest and will maintain such listing until final maturity of the Notes, but at the latest until all Notes have been redeemed or repurchased.]]</p> <p>§ 4][●] Interest</p> <p>(a) Interest and interest rate.</p> <p><i>[in case of Notes to be issued with a constant coupon insert: The Notes will bear interest on their principal amount at a rate of [insert interest rate] % per annum (the "Interest Rate") as from [insert issue date] (the "Issue Date") [, whereby no obligation to pay interest applies if, on the basis of the agreed [qualified] subordination [or the pre-insolvency enforcement block] pursuant to § 2[(b)][(c)], the Issuer is not obliged to pay or the Noteholders may not assert their claims]. Interest is payable in arrears on [insert interest payment date(s)] of each year (each an "Interest Payment Date" and the period from the Issue Date (inclusive) up to the first Interest Payment Date (exclusive) and thereafter as from any Interest Payment Date (inclusive) up to the next following Interest Payment Date (exclusive) being an "Interest Period"). The first interest payment will be due on [insert first interest payment date].]</i></p> <p>The Notes shall cease to bear interest from the beginning of the day they are due for redemption, or, in case the Issuer fails to make any payment under the Notes when due, from the beginning of the day on which such payment is made. [In such case interest shall continue to accrue on the outstanding principal amount of the Notes beyond the Redemption Date (as defined in § 5][●][(a))] (including) until the date of the actual redemption of the Notes (excluding) at the default rate of interest established by law².][In such case, the Interest Rate shall be increased by 5][insert</p>
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² [Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutschen Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 BGB.

³ *The default rate of interest established by law is five percentage points above the basis rate of interest published by Deutsche Bundesbank from time to time, §§ 288 (1), 247 of the German Civil Code (Bürgerliches Gesetzbuch).]*

[5][Prozentpunkt(e) einfügen] Prozentpunkt[e] p.a.]

[Sind Zinsen im Hinblick auf einen Zeitraum zu berechnen, der kürzer oder länger als eine Zinsperiode ist, so werden sie berechnet auf der Grundlage der Anzahl der tatsächlichen verstrichenen Tage im relevanten Zeitraum (gerechnet vom letzten Zinszahlungstag (einschließlich)) dividiert durch die tatsächliche Anzahl der Tage der Zinsperiode (365 Tage bzw. 366 Tage im Falle eines Schaltjahrs) (Actual/Actual).]

[im Falle von Schuldverschreibungen, die mit einem ansteigenden Kupon begeben werden: Die Schuldverschreibungen werden, bezogen auf ihren Nennbetrag, mit dem maßgeblichen Zinssatz – wie in der nachstehenden Tabelle festgelegt (der "**Maßgebliche Zinssatz**") – verzinst. Zinsen sind, beginnend mit dem [Begebungstag einfügen] (der „**Begebungstag**“) für jede Zinsperiode (jede Zinsperiode eine "**Zinsperiode**") an einem Zinszahlungstag (jeder Zinszahlungstag ein "**Zinszahlungstag**") zu zahlen.

Zinsperiode vom (einschließlich) bis zum (ausschließlich)		Zinszahlungs- tag	Maßgeblicher Zinssatz
[fest- gelegte Daten]	[fest- gelegte Daten]	[festgelegte Daten]	[festgelegte Zinssätze]

Die Verzinsung der Schuldverschreibungen endet mit Beginn des Tages, an dem sie zur Rückzahlung fällig werden, oder, sollte die Emittentin eine Zahlung aus diesen Schuldverschreibungen bei Fälligkeit nicht leisten, mit Beginn des Tages der tatsächlichen Zahlung. Der Maßgebliche Zinssatz erhöht sich in diesem Fall um [5][Prozentpunkt(e) einfügen] Prozentpunkt[e] p.a.

[Sind Zinsen im Hinblick auf einen Zeitraum zu berechnen, der kürzer oder länger als eine Zinsperiode ist, so werden sie berechnet auf der Grundlage der Anzahl der tatsächlichen verstrichenen Tage im relevanten Zeitraum (gerechnet vom letzten Zinszahlungstag (einschließlich)) dividiert durch die tatsächliche Anzahl der Tage der Zinsperiode (365 Tage bzw. 366 Tage im Falle eines Schaltjahrs) (Actual/Actual).]]

percentage point(s)] percentage point[s] per annum.]

[Where interest is to be calculated in respect of a period which is shorter or longer than an Interest Period the interest will be calculated on the basis of the actual number of days elapsed in the relevant period (from and including the most recent Interest Payment Date) divided by the actual number of days of the Interest Period (365 days and 366 days, respectively, in case of a leap year) (Actual/Actual).]

[in case the Notes are issued with an increasing coupon insert: The Notes shall bear interest on their principal amount at the relevant interest rate as set out in the table below (the "**Relevant Interest Rate**"). Interest shall be scheduled to be paid for each interest period (each such period, an "**Interest Period**") on an interest payment date (each such date, an "**Interest Payment Date**", commencing on [insert date] (the "**Issue Date**").

Interest Period from (and excluding) to (but excluding)		Interest Payment Date	Relevant Interest Rate
[specified dates]	[specified dates]	[specified dates]	[specified interest rates]

The Notes shall cease to bear interest from the beginning of the day they are due for redemption, or, in case the Issuer fails to make any payment under the Notes when due, from the beginning of the day on which such payment is made. In such case, the Relevant Interest Rate shall be increased by [5][insert percentage point(s)] percentage point[s] per annum.

[Where interest is to be calculated in respect of a period which is shorter or longer than an Interest Period the interest will be calculated on the basis of the actual number of days elapsed in the relevant period (from and including the most recent Interest Payment Date) divided by the actual number of days of the Interest Period (365 days and 366 days, respectively, in case of a leap year) (Actual/Actual).]]

<p>[(b) Zinssatzerhöhung.</p> <p>Die Emittentin verpflichtet sich, sofern die Emittentin im Wege einer Veröffentlichungsmitteilung bekannt gibt, dass</p> <p>[- die Eigenkapitalquote (ermittelt nach den Vorgaben gemäß § 3[(a)]) zum jeweiligen Stichtag die in § 3[(a)]) benannte Quote unterschritten haben[,] ; oder]</p> <p>[- die Informationspflichten nach § 3[(c)][●] zum jeweiligen [Jahresabschluss-Veröffentlichungstag][Veröffentlichungstag] nicht erfüllt wurden[,] ; oder]</p> <p>[- die Verpflichtung nach § 3[(d)][●] zur Börsennotierung nicht spätestens am Listing-Tag erfüllt wurde,]</p> <p>die Schuldverschreibungen in der jeweils Maßgeblichen Zinsperiode einem Erhöhten Zinssatz (<i>per annum</i>) zu verzinsen. Die Emittentin verpflichtet sich, eine jede Veröffentlichungsmitteilung mindestens [20][andere Anzahl Tage einfügen] Tage vor einem jeden Zinszahlungstag auf der Internetseite der Emittentin unter [www.timberland-securities-investment.com] [eine andere Internetseite einfügen] [oder] [andere Internetseite einfügen] [bzw. einer [jeweiligen] Nachfolgeinternetseite] zu veröffentlichen.</p> <p>[Mit Bezug auf einen Fall nach § 3[(a)] gilt, dass eine Unterschreitung der Eigenkapitalquote als eingetreten gilt, wenn auf Basis des jeweils maßgeblichen festgestellten Jahresabschlusses die Verminderung der Eigenkapitalquote festgestellt wurde.]</p> <p>Wobei gilt:</p> <p>"Erhöhter Zinssatz" bedeutet einen Zinssatz (<i>per annum</i>), zu zahlen auf die Schuldverschreibungen, korrespondierend mit der Summe aus [Maßgeblichem] Zinssatz und [0,5][Prozentpunkte einfügen] Prozentpunkten.</p> <p>"Maßgebliche Zinsperiode" bedeutet diejenige Zinsperiode, beginnend mit dem ersten Tag dieser Zinsperiode (einschließlich) und endend mit dem letzten Tag dieser Zinsperiode (ausschließlich), welcher derjenigen Zinsperiode folgt, in der eine Veröffentlichungsmitteilung bekannt gemacht wurde.</p>	<p>[(b) Interest rate increase.</p> <p>The Issuer undertakes, in the event that Issuer notifies by way of a Disclosure Notification that</p> <p>[- the Equity Capital Ratio (determined in accordance with § 3[(a)]) as of the relevant Reporting Date is below the ratio as set out in § 3[(a)][.]; or]</p> <p>[- the information obligation in accordance with § 3[(c)][●] has not been fulfilled in time at the relevant [Annual Financial Statement Publication Date][Publication Date][.]; or]</p> <p>[- the obligation in accordance with § 3[(d)][●] relating to the listing has not been fulfilled on the Listing Date at the latest,]</p> <p>to pay an Increased Interest Rate (<i>per annum</i>) on the Notes during the Relevant Interest Period. The Issuer undertakes to publish any Disclosure Notification at least [20][insert other number of days] days prior to each Interest Payment Date on the Issuer's website [www.timberland-securities-investment.com] [insert any other website] [or] [insert other website] [or any successor website [in each case] thereof.</p> <p>[With respect to § 3[(a)] a shortfall in the Equity Capital Ratio is deemed to have occurred if the reduction in the Equity Capital Ratio was determined on the basis of the relevant adopted annual financial statements.]</p> <p>Whereby:</p> <p>"Increased Interest Rate" means an interest rate (<i>per annum</i>) to be applied on the Notes and which reflects the sum of the [Relevant] Interest Rate and [0.5][insert percentage points] percentage points.</p> <p>"Relevant Interest Period" means the interest period from the first day of this interest period (inclusive) to the last day of this interest period (exclusive) which follows the Interest Period in which a Disclosure Notification has been published.</p>
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<p>"Veröffentlichungsmittelung" bedeutet eine Mitteilung gemäß § [14][●] über [die Unterschreitung der Eigenkapitalquote nach § 3(a)] zum jeweils letzten Stichtag [und] [der Verletzung der Informationspflichten nach § 3(c)][●] [und] [die Verletzung der Pflicht zur Börsennotierung nach § 3(d)][●] [und [●]].]</p> <p>§ [5][●] Fälligkeit, Rückzahlung [, vorzeitige Rückzahlung [aus steuerlichen Gründen,] [, nach Wahl der Emittentin] [, nach Wahl der Anleihegläubiger]] [sowie Rückkauf] [und Entwertung]</p> <p>[(a)] Fälligkeit und Rückzahlung.</p> <p>Die Schuldverschreibungen werden am [Fälligkeitstermin einfügen] (der "Fälligkeitstermin") zum Rückzahlungsbetrag (der "Rückzahlungsbetrag") zurückgezahlt[, es sei denn, die Emittentin ist aufgrund des vereinbarten [qualifizierten] Rangrücktritts [oder der vorinsolvenzlichen Durchsetzungssperre] gemäß § 2[(b)][(c)] nicht zur Zahlung verpflichtet oder die Anleihegläubiger dürfen ihre Ansprüche nicht geltend machen]. Der Rückzahlungsbetrag in Bezug auf eine Schuldverschreibung ist [[●] % des][der] Nennbetrag[s] [[plus][minus] [Euro][andere Währung einfügen] [Betrag einfügen]]. [Vorbehaltlich der Vorschriften von § [8][●] findet eine vorzeitige Rückzahlung [außer in den nachstehend genannten Fällen] nicht statt.]</p> <p>[(b)] Vorzeitige Rückzahlung aus steuerlichen Gründen.</p> <p>Sollte die Emittentin zu irgendeinem Zeitpunkt in der Zukunft aufgrund einer Änderung des in Malta geltenden Rechts oder seiner amtlichen Anwendung verpflichtet sein oder zu dem nächstfolgenden Zahlungstermin für Kapital oder Zinsen verpflichtet werden, Zusätzliche Beträge (wie in § [7][●](a) definiert) zu zahlen, und diese Verpflichtung nicht durch das Ergreifen vernünftiger, der Emittentin zur Verfügung stehender Maßnahmen vermeiden können, so ist die Emittentin mit einer Frist von wenigstens [30][andere Anzahl Tage einfügen] Tagen und höchstens [60][andere Anzahl Tage einfügen] Tagen berechtigt, durch Bekanntmachung gemäß § [14][●] die Schuldverschreibungen insgesamt zur vorzeitigen Rückzahlung zum Vorzeitigen Rückzahlungsbetrag bis zu dem Vorzeitigen Rückzahlungstag (ausschließlich) zuzüglich</p>	<p>"Disclosure Notification" means a notification in accordance with § [14][●] regarding [the shortfall of the Equity Capital Ratio in accordance with § 3(a)] as per the each recent Reporting Date] [and] [the breach of the information obligation in accordance with § 3(c)][●] [and] [the breach of the listing obligation in accordance with § 3(d)][●] [and [●]].]</p> <p>§ [5][●] Maturity, Redemption [, Early Redemption [for Tax Reasons] [, at the Option of the Issuer] [, at the Option of the Noteholders]] [and Repurchase] [and Cancellation]</p> <p>[(a)] Maturity and redemption.</p> <p>The Notes will be redeemed at the redemption amount (the "Redemption Amount") on [insert redemption date] (the "Redemption Date")[, unless, on the basis of the agreed [qualified] subordination [or the pre-insolvency enforcement block] pursuant to § 2[(b)][(c)], the Issuer is not obliged to pay or the Noteholders may not assert their claims]. The Redemption Amount in respect of each Note shall be [[●] % of] the principal amount [[plus][minus] [Euro][insert other currency] [insert amount]]. [Subject to the provisions of § [8][●], there will be no early redemption [except in the following cases].]</p> <p>[(b)] Early redemption for tax reasons.</p> <p>If at any future time as a result of a change of the laws applicable in Malta or a change in their official application, the Issuer is required, or at the time of the next succeeding payment due in respect of principal or interest will be required, to pay Additional Amounts (as defined in § [7][●](a)), and such obligation cannot be avoided taking reasonable measures available to the Issuer, the Issuer will be entitled, upon not less than [30][insert other number of days] days' and not more than [60][insert other number of days] days' notice to be given by publication in accordance with § [14][●], to redeem all Notes at the Early Redemption Amount plus accrued and unpaid interest to (but excluding) the Early Redemption Date interest.</p>
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aufgelaufener und noch nicht gezahlter Zinsen zu kündigen.

Eine Kündigung gemäß diesem § [5][●](b) darf allerdings nicht (i) früher als [90][andere Anzahl Tage einfügen] Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin verpflichtet wäre, Zusätzliche Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erfolgt, die Verpflichtung zur Zahlung von Zusätzlichen Beträgen nicht mehr wirksam ist.

Eine solche Kündigung ist unwiderruflich und muss den Vorzeitigen Rückzahlungstag nennen sowie eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.

"Vorzeitiger Rückzahlungsbetrag" für Zwecke [dieser Anleihebedingungen][dieses § [5][●](b)] bezeichnet [[●] % des][den] Nennbetrag[s] [[plus][minus] [Euro][andere Währung einfügen] [Betrag einfügen]].

"Vorzeitiger Rückzahlungstag" bezeichnet denjenigen Tag, der in der gemäß § [14][●] bekannt gemachten Kündigungserklärung als Tag der Rückzahlung festgelegt wurde.]

[[c)][●] Vorzeitige Rückzahlung nach Wahl der Emittentin.

Die Emittentin ist berechtigt, ausstehende Schuldverschreibungen mit einer Frist von mindestens [10][andere Anzahl Tage einfügen] und höchstens [20][andere Anzahl Tage einfügen] Tagen durch Bekanntmachung gemäß § [14][●] zum [jeweiligen] Vorzeitigen Wahl-Rückzahlungstag zuzüglich aufgelaufener und noch nicht gezahlter Stückzinsen insgesamt zu kündigen und vorzeitig zum [jeweiligen] Vorzeitigen Rückzahlungsbetrag (Call) zurückzuzahlen. [Der Vorzeitige Wahl-Rückzahlungstag wird für Zwecke der Berechnung etwaiger Stückzinsen nicht mitgezählt.]

Vorzeitige[r] Rückzahlungstag[e]	Wahl-	Vorzeitiger Rückzahlungsbetrag (Call)
[festgelegte Daten]		[festgelegter Betrag]
[festgelegte Daten]		[festgelegter Betrag]

No notice of redemption pursuant to this § [5][●](b) shall be given (i) earlier than [90][insert other number of days] days prior to the earliest date on which the Issuer would be obligated to pay Additional Amounts if a payment in respect of the Notes was then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect.

Any such notice shall be irrevocable and must specify the Early Redemption Date and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

"Early Redemption Amount" for purposes of [these Terms and Conditions][this § [5][●](b)] means [[●] % of] the principal amount [[plus][minus] [Euro][insert other currency] [insert amount]].

"Early Redemption Date" means the date specified in the redemption notice issued in accordance with § [14][●] as the relevant date for redemption.]

[[c)][●] Early redemption at the option of the Issuer.

The Issuer shall be entitled, by giving not less than [10][insert other number of days] nor more than [20][insert other number of days] days' notice by publication in accordance with § [14][●], to redeem outstanding Notes, in whole, no earlier than the [relevant] Call Early Redemption Dates at the [relevant] Call Early Redemption Amount plus accrued and unpaid interest. [For the purpose of the calculation of accrued interest, if any, the respective Call Early Redemption Date shall not be counted.]

Call Early Redemption Dates[s]	Call Early Redemption Amount
[specified dates]	[specified amount]
[specified dates]	[specified amount]

Die vorzeitige Rückzahlung der Schuldverschreibungen nach § [5(c)][●] ist den Anleihegläubigern durch Bekanntmachung gemäß § [14][●] bekanntzugeben. Die Kündigungserklärung muss zwingend folgenden Angaben enthalten: (i) den Vorzeitigen Wahl-Rückzahlungstag und (ii) den Vorzeitigen Wahl-Rückzahlungsbetrag (Call), zu dem die Schuldverschreibungen zurückgezahlt werden. Der Vorzeitige Wahl-Rückzahlungstag muss ein Geschäftstag im Sinne von § [6][●](c) sein. Eine solche Kündigungserklärung ist unwiderruflich. Im Hinblick auf die gekündigten Schuldverschreibungen endet die Verzinsung mit dem letzten Tag vor dem Vorzeitigen Wahl-Rückzahlungstag.

[Der Emittentin steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits ein Anleihegläubiger in Ausübung seines Wahlrechts nach § [5(d)][●] verlangt hat.]

[[d)][●] Vorzeitige Rückzahlung nach Wahl der Anleihegläubiger bei einem Kontrollwechsel.

Wenn ein Kontrollwechsel eintritt, ist jeder Anleihegläubiger berechtigt, von der Emittentin die Rückzahlung oder, nach Wahl der Emittentin, den Ankauf seiner Schuldverschreibungen durch die Emittentin (oder auf ihre Veranlassung durch einen Dritten) zum Vorzeitigen Rückzahlungsbetrag (Put) insgesamt oder teilweise zu verlangen (die "**Put Option**"). Eine solche Ausübung der Put Option wird jedoch nur dann wirksam, wenn innerhalb des Put-Rückzahlungszeitraums Anleihegläubiger von Schuldverschreibungen im Gesamtnennbetrag von mindestens [90][*anderen Prozentsatz einfügen*] % des Gesamtnennbetrages der zu diesem Zeitpunkt noch insgesamt ausstehenden Schuldverschreibungen von der Put Option Gebrauch gemacht haben.

Ein "**Kontrollwechsel**" liegt vor, wenn eines der folgenden Ereignisse eintritt:

(i) die Emittentin erlangt Kenntnis davon, dass eine Dritte Person oder gemeinsam handelnde Dritte Personen im Sinne von § 2 Absatz 5 Wertpapiererwerbs- und Übernahmegesetz (jeweils ein "**Erwerber**") der rechtliche Eigentümer von mehr als 50 % der Stimmrechte der Emittentin geworden ist; oder

The early redemption of the Notes pursuant to § [5(c)][●] shall be declared to the Noteholders by publication in accordance with § [14][●]. Such notice of termination shall mandatorily specify the following details: (i) the Call Early Redemption Date and (ii) the Call Early Redemption Amount at which the Notes are to be redeemed. The Call Early Redemption Date must be a Business Day within the meaning of § [6][●](c). Such notice shall be irrevocable. In respect of the Notes which are subject to redemption the entitlement to interest shall end with the day immediately preceding the Call Early Redemption Date.

[The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Noteholder thereof of its option to require the redemption of such Note under § [5(d)][●].]

[[d)][●] Early redemption at the option of the Noteholders upon a change of control.

If a Change of Control occurs, each Noteholder shall have the right to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase by a third party of) in whole or in part his Notes at the Put Early Redemption Amount (the "**Put Option**"). An exercise of the Put Option shall, however, only become valid if during the Put Period Noteholders of Notes with an aggregate principal amount of at least [90][*insert other percentage rate*] % of the Aggregate Principal Amount of the Notes then outstanding have exercised the Put Option.

"**Change of Control**" means the occurrence of any of the following events:

(i) the Issuer becomes aware that any Third Person or group of Third Persons acting in concert within the meaning of § 2 (5) of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz, WpÜG*) (each an "**Acquirer**") has become the legal owner of more than 50 % of the voting rights of the Issuer; or

<p>(ii) die Verschmelzung der Emittentin mit oder auf eine Dritte Person oder die Verschmelzung einer Dritten Person mit oder auf die Emittentin, oder der Verkauf aller oder im Wesentlichen aller Vermögensgegenstände [(auf konsolidierter Basis betrachtet)] der Emittentin an eine Dritte Person. Dies gilt nicht für Verschmelzungen oder Verkäufe im Zusammenhang mit Rechtsgeschäften, in deren Folge (A) im Falle einer Verschmelzung die Inhaber von 100 % der Stimmrechte der Emittentin wenigstens die Mehrheit der Stimmrechte an dem überlebenden Rechtsträger unmittelbar nach einer solchen Verschmelzung halten und (B) im Fall des Verkaufs von allen oder im Wesentlichen allen Vermögensgegenständen der erwerbende Rechtsträger eine Tochtergesellschaft der Emittentin ist oder wird und Garantin bezüglich der Schuldverschreibungen wird.</p> <p>[Als Kontrollwechsel ist es nicht anzusehen, wenn sich nach der Zulassung der Anteile der Emittentin zum Handel an [einem regulierten Markt] [oder] [einem MTF-Markt] [oder] [einem OTF-Markt] einer deutschen Wertpapierbörse oder einem vergleichbaren Marktsegment einer ausländischen Wertpapierbörse weniger als 50 % der Stimmrechte an der Emittentin im Eigentum einer Holdinggesellschaft der Emittentin befinden. Als Kontrollwechsel ist es ebenfalls nicht anzusehen, wenn Anteile an der Emittentin im Wege der Erbfolge übergehen.]</p> <p>Wenn ein Kontrollwechsel eintritt, wird die Emittentin unverzüglich, nachdem sie hiervon Kenntnis erlangt, den Anleihegläubigern Mitteilung vom Kontrollwechsel gemäß § [14][●] machen (die "Put-Rückzahlungsmittteilung"), in der die Umstände des Kontrollwechsels sowie das Verfahren für die Ausübung der in diesem § [5][●][(d)] genannten Put Option angegeben sind.</p> <p>Die Ausübung der Put Option gemäß § [5(d)][●] muss durch den Anleihegläubiger innerhalb eines Zeitraums von [30][andere Anzahl Tage einfügen] Tagen, nachdem die Put-Rückzahlungsmittteilung veröffentlicht wurde (der "Put-Rückzahlungszeitraum"), schriftlich gegenüber der Depotbank (wie in § [16][●](d) definiert) des Anleihegläubigers erklärt werden (die "Put-Ausübungserklärung"). Die Emittentin wird nach ihrer Wahl die maßgebliche(n) Schuldverschreibung(en) [sieben][andere Anzahl Tage einfügen] Tage nach Ablauf des Rückzahlungszeitraums (der "Put-</p>	<p>(ii) the merger of the Issuer with or into a Third Person or the merger of a Third Person with or into the Issuer, or the sale of all or substantially all of the assets [(determined on a consolidated basis)] of the Issuer to a Third Person, other than in a transaction following which (A) in the case of a merger holders that represented 100 % of the voting rights of the Issuer own directly or indirectly at least a majority of the voting rights of the surviving person immediately after such merger and (B) in the case of a sale of all or substantially all of the assets, each transferee becomes a guarantor in respect of the Notes and is or becomes a Subsidiary of the Issuer.</p> <p>[It shall not be qualified as a Change of Control, however, if following the admission of the Issuer's shares to trading on [the regulated market] [or] [a MTF-market] [or] [an OTF-market] of a German stock exchange or an equivalent market segment of a foreign stock exchange less than 50 % of the voting rights of the Issuer are owned by a holding company of the Issuer. It shall also not be qualified as a Change of Control, if shares of the Issuer or any other participating interest will be transferred by testamentary or hereditary succession.]</p> <p>If a Change of Control occurs, then the Issuer shall, without undue delay, after becoming aware thereof, give notice of the Change of Control (a "Put Event Notice") to the Noteholders in accordance with § [14][●] specifying the nature of the Change of Control and the procedure for exercising the Put Option contained in this § [5][●][(d)].</p> <p>The exercise of the Put Option pursuant to § [5(d)][●] must be declared by the Noteholder within [30][insert other number of days] days after a Put Event Notice has been published (the "Put Period") to the Depository Bank (as defined in § [16][●](d)) of such Noteholder in writing (the "Put Notice"). The Issuer shall redeem or, at its option, purchase (or procure the purchase of) the relevant Note(s) on the date [seven][insert other number of days] days after the expiration of the Put Period (the "Put Redemption Date") unless previously redeemed or purchased and cancelled. Payment in respect of any Note so delivered will be</p>
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<p>Rückzahlungstag") zurückzahlen oder erwerben (bzw. erwerben lassen), soweit sie nicht bereits vorher zurückgezahlt oder erworben und entwertet wurde(n). Die Abwicklung erfolgt über die Emittentin. Eine einmal gegebene Put-Ausübungserklärung ist unwiderruflich.]</p> <p>"Vorzeitiger Rückzahlungsbetrag (Put)" bezeichnet [[●] % des][den] Nennbetrag[s] [[plus][minus] [Euro][andere Währung einfügen] [Betrag einfügen]].</p> <p>"Dritte Person" bezeichnet jede Person außer der Emittentin.]</p> <p>"Tochtergesellschaft" für Zwecke dieses § [5(d)][●] bezeichnet jede voll konsolidierte Tochtergesellschaft der Emittentin.]</p> <p>[[e)][●] Rückkauf.</p> <p>Die Emittentin kann jederzeit und zu jedem Preis im Markt oder auf andere Weise Schuldverschreibungen ankaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Zahlstelle zwecks Entwertung eingereicht werden.]</p> <p>[[f)][●] Entwertung.</p> <p>Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.]</p> <p>§ [6][●] Zahlungen und Hinterlegung</p> <p>(a) Zahlungen.</p> <p>Die Emittentin verpflichtet sich, Kapital und Zinsen auf die Schuldverschreibungen bei Fälligkeit in [Euro][andere Währung einfügen] zu zahlen. Die Zahlung von Kapital und Zinsen erfolgt, vorbehaltlich geltender steuerrechtlicher und sonstiger gesetzlicher Regelungen und Vorschriften, über die Hauptzahlstelle zur Weiterleitung an das Clearingsystem oder nach dessen Weisung zur Gutschrift für die jeweiligen Kontoinhaber. Zahlungen an das Clearingsystem oder nach dessen Weisung befreien die Emittentin in Höhe der geleisteten Zahlung von ihren entsprechenden Verbindlichkeiten aus den Schuldverschreibungen. Eine Bezugnahme in diesen Anleihebedingungen auf Kapital oder Zinsen der Schuldverschreibungen schließt</p>	<p>made through the Issuer. A Put Notice, once given, shall be irrevocable.]</p> <p>"Put Early Redemption Amount" means [[●] % of] the principal amount [[plus][minus] [Euro][insert other currency] [insert amount]].</p> <p>"Third Person" means any person other than the Issuer.]</p> <p>"Subsidiary" for purposes of this § [5(d)][●] means any fully consolidated subsidiary of the Issuer.]</p> <p>[[e)][●] Repurchase.</p> <p>The Issuer may at any time purchase Notes in the market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Paying Agent for cancellation.]</p> <p>[[f)][●] Cancellation.</p> <p>All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.]</p> <p>§ [6][●] Payments and Deposit</p> <p>(a) Payments.</p> <p>The Issuer undertakes to pay, as and when due, principal and interest on the Notes in [Euros][insert other currency]. Payment of principal and interest on the Notes shall be made, subject to applicable fiscal and other laws and regulations, through the Principal Paying Agent for on-payment to the Clearing System or to its order for credit to the respective account holders. Payments to the Clearing System or to its order shall to the extent of amounts so paid constitute the discharge of the Issuer from its corresponding liabilities under the Notes. Any reference in these Terms and Conditions of the Notes to principal or interest will be deemed to include any Additional Amounts as set forth in § [7][●](a).</p>
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<p>jegliche Zusätzliche Beträge gemäß § [7][●](a) ein.</p> <p>Falls eine Zahlung auf Kapital oder Zinsen (sowie andere auf die Schuldverschreibungen zahlbaren Beträge) an einem Tag zu leisten ist, der kein Geschäftstag ist, so erfolgt die Zahlung am nächstfolgenden Geschäftstag. In diesem Fall steht den betreffenden Anleihegläubigern weder eine Zahlung noch ein Anspruch auf Verzugszinsen oder eine andere Entschädigung wegen dieser Verzögerung zu.</p> <p>Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag [und den Vorzeitigen Rückzahlungsbetrag] [und den Vorzeitigen Rückzahlungsbetrag (Call)] [und den Vorzeitigen Rückzahlungsbetrag (Put)] sowie jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Anleihebedingungen auf Zinsen auf die Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § [7][●](a) zahlbaren Zusätzlichen Beträge einschließen.</p> <p>"Geschäftstag" für Zwecke dieser Anleihebedingungen bezeichnet jeden Tag (außer einem Samstag oder Sonntag), an dem (i) das Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET) und (ii) das Clearingsystem geöffnet sind und Zahlungen weiterleiten.</p> <p>(b) Hinterlegungen.</p> <p>Die Emittentin ist berechtigt, bei dem Amtsgericht Duisburg Zins- und Kapitalbeträge (sowie andere auf die Schuldverschreibungen zahlbaren Beträge) zu hinterlegen, die von den Anleihegläubigern nicht innerhalb von zwölf Monaten nach dem relevanten Fälligkeitstag beansprucht worden sind, auch wenn die Anleihegläubiger sich nicht im Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt und auf das Recht der Rücknahme verzichtet wird, erlöschen die betreffenden Ansprüche der Anleihegläubiger gegen die Emittentin.</p> <p>§ [7][●] Steuern</p> <p>(a) Generelle Besteuerung.</p>	<p>If any payment of principal or interest (as well as any amounts payable on the Notes) is to be effected on a day other than a Business Day, payment will be effected on the next following Business Day. In this case, the relevant Noteholders will neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.</p> <p>References in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Redemption Amount [and the Early Redemption Amount] [and the Call Early Redemption Amount] [and the Put Early Redemption Amount] and any premium and any other amounts which may be payable under or in respect of the Notes. References in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § [7][●](a).</p> <p>"Business Day" for purposes of these Terms and Conditions means a day (other than a Saturday or Sunday) on which (i) the Trans-European Automated Real-time Gross settlement Express Transfer System 2 (TARGET) and (ii) the Clearing System are operating and settle payments.</p> <p>(b) Deposits.</p> <p>The Issuer may deposit with the local court (<i>Amtsgericht</i>) in Duisburg principal and interest (as well as any amounts payable on the Notes) not claimed by Noteholders within twelve months after the relevant due date, even though such Noteholders may not be in default of acceptance of payment (<i>Annahmeverzug</i>). If and to the extent that the deposit is effected and the right of withdrawal is waived, the relevant claims of such Noteholders against the Issuer shall cease.</p> <p>§ [7][●] Taxes</p> <p>(a) General taxation.</p>
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<p>Sämtliche in Bezug auf die Schuldverschreibungen zu zahlenden Beträge werden ohne Abzug oder Einbehalt von oder wegen gegenwärtiger oder zukünftiger Steuern oder sonstiger Abgaben jedweder Art gezahlt, die durch oder für Malta oder für deren Rechnung oder von oder für Rechnung einer dort zur Steuererhebung ermächtigten Gebietskörperschaft oder Behörde durch Abzug oder Einbehalt an der Quelle auferlegt oder erhoben werden, es sei denn, ein solcher Abzug oder Einbehalt ist gesetzlich vorgeschrieben.</p> <p>In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (die "Zusätzlichen Beträge") zahlen, die erforderlich sind, um sicherzustellen, dass der nach einem solchen Abzug oder Einbehalt verbleibende Nettobetrag denjenigen Beträgen entspricht, die ohne solchen Abzug oder Einbehalt zu zahlen gewesen wären.</p> <p>Zusätzliche Beträge gemäß § [7][●] sind nicht zahlbar wegen Steuern, Abgaben am amtlichen Gebühren, die</p> <p>(i) von einer als Depotbank oder Inkassobeauftragter des Anleihegläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder</p> <p>(ii) durch den Anleihegläubiger wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung zu Malta oder zu einem anderen Mitgliedstaat der Europäischen Union zu zahlen sind, aber nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in Malta stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind;</p> <p>(iii) aufgrund (A) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (B) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der Malta oder die Europäische Union beteiligt ist, oder (C) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder</p>	<p>All amounts payable under the Notes will be paid without deduction or withholding for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of deduction or withholding at source by or on behalf of Malta or by or on behalf of any political subdivision or authority thereof or therein having power to tax, unless such deduction or withholding is required by law.</p> <p>In such event the Issuer will pay such additional amounts (the "Additional Amounts") as may be necessary in order that the net amounts after such deduction or withholding will equal the amounts that would have been payable if no such deduction or withholding had been made.</p> <p>No Additional Amounts will be payable pursuant to § [7][●] with respect to taxes, duties or government charges which</p> <p>(i) 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</p> <p>(ii) are payable by reason of the Noteholder having, or having had, some personal or business connection with Malta or another member state of the European Union 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;</p> <p>(iii) are deducted or withheld pursuant to (A) any European Union Directive or Regulation concerning the taxation of interest income, or (B) any international treaty or understanding relating to such taxation and to which Malta or the European Union is a party, or (C) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding; or</p>
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<p>(iv) aufgrund einer Rechtsänderung zu zahlen sind, welche später als [30][andere Anzahl Tage einfügen] Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § [14][●] wirksam wird.</p> <p>(b) Verpflichtung zur Information.</p> <p>Die Emittentin verpflichtet sich, die Zahlstelle unverzüglich zu informieren, wenn sie zu irgendeinem Zeitpunkt gesetzlich verpflichtet ist, von aufgrund dieser Anleihebedingungen fälligen Zahlungen Abzüge oder Einbehalte vorzunehmen (oder wenn sich die Sätze oder die Berechnungsmethoden solcher Abzüge oder Einbehalte ändern).</p> <p>§ [8][●] Kündigungsrecht der Anleihegläubiger</p> <p>(a) Ausschluss der ordentlichen Kündigung.</p> <p>Das ordentliche Kündigungsrecht der Anleihegläubiger ist ausgeschlossen.</p> <p>(b) Außerordentliche Kündigung.</p> <p>Jeder Anleihegläubiger ist berechtigt, seine Schuldverschreibungen zur Rückzahlung fällig zu stellen und deren sofortige Tilgung zum Vorzeitigen Rückzahlungsbetrag zuzüglich aufgelaufener Zinsen zu verlangen, falls</p> <p>[[i)] die Emittentin Kapital oder Zinsen nicht innerhalb von [7][andere Anzahl Tage einfügen] Tagen nach dem betreffenden Fälligkeitstag zahlt[, wobei eine Kündigung der Schuldverschreibungen der Anleihegläubiger und eine entsprechende Rückzahlungspflicht der Emittentin nicht bestehen, soweit aufgrund des vereinbarten [qualifizierten] Rangrücktritts gemäß § 2[(b)][(c)] [oder der vorinsolvenzlichen Durchsetzungssperre] die Emittentin nicht zur Zahlung verpflichtet ist oder die Anleihegläubiger ihre Ansprüche nicht geltend machen dürfen][;]]</p> <p>[[ii)][●] die Emittentin irgendeine andere wesentliche Verpflichtung aus den Schuldverschreibungen nicht ordnungsgemäß erfüllt und die Unterlassung, sofern sie nicht heilbar ist, länger als [30][andere Anzahl Tage einfügen] Tage fort dauert, nachdem die Emittentin hierüber eine Benachrichtigung von einem Anleihegläubiger erhalten hat;]</p>	<p>(iv) are payable by reason of a change in law that becomes effective more than [30][insert other number of days] days after the relevant payment of principal or interest becomes due, or, if this occurs later, after all due amounts have been duly provided for and a publication to that effect has been published in accordance with § [14][●].</p> <p>(b) Obligation to notify.</p> <p>The Issuer undertakes to immediately notify the Paying Agent if it is at any time required by law to make deductions or withholdings (or if the rates or methods of calculating such deductions or withholdings change) from payments due under these Terms and Conditions.</p> <p>§ [8][●] Events of Default</p> <p>(a) Exclusion of the ordinary right to call.</p> <p>The Noteholder's right to call is excluded.</p> <p>(b) Extraordinary termination.</p> <p>Each Noteholder will be entitled to declare his Notes due and demand immediate redemption of its Notes at the Early Redemption Amount plus accrued interest, if</p> <p>[[i)] the Issuer fails to provide principal or interest within [7][insert other number of days] days from the relevant due date[, whereby no right of the Noteholders to terminate the Notes and no relevant obligation of the Issuer to redeem apply if, on the basis of the agreed [qualified] subordination [or the pre-insolvency enforcement block] pursuant to § 2[(b)][(c)], the Issuer is not obliged to pay or the Noteholders may not assert their claims];]</p> <p>[[ii)][●] the Issuer fails to duly perform any other material obligation arising from the Notes and such default, except where such default is incapable of remedy, continues unremedied for more than [30][insert other number of days] days after the Issuer has received notice thereof from a Noteholder;]</p>
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<p>[[(iii)] [•] die Emittentin [oder eine Wesentliche Tochtergesellschaft] schriftlich erklärt, dass sie ihre Schulden bei Fälligkeit nicht zahlen kann (<i>Zahlungseinstellung</i>);]</p> <p>[[(iv)] [•] die Emittentin [oder eine Wesentliche Tochtergesellschaft] eine Zahlungsverpflichtung in Höhe von insgesamt mehr als [EUR][<i>anderes Währungskürzel einfügen</i>] [<i>Betrag einfügen</i>] (in Worten: [Euro][<i>andere Währung einfügen</i>] [<i>Betrag einfügen</i>]) aus einer Finanzverbindlichkeit oder aufgrund einer Bürgschaft oder Garantie, die für solche Verbindlichkeiten Dritter gegeben wurde, bei (ggf. vorzeitiger) Fälligkeit und nach Ablauf einer Frist von [30][<i>andere Anzahl Tage einfügen</i>] Tagen nach Inanspruchnahme nicht erfüllt (<i>Drittverzug</i>);]</p> <p>[[(v)] [•] (A) ein Insolvenzverfahren über das Vermögen der Emittentin [oder einer Wesentlichen Tochtergesellschaft] eröffnet wird, oder (B) die Emittentin [oder eine Wesentliche Tochtergesellschaft] ein solches Verfahren einleitet oder beantragt, oder (C) ein Dritter ein Insolvenzverfahren gegen die Emittentin [oder eine Wesentliche Tochtergesellschaft] beantragt und ein solches Verfahren nicht innerhalb einer Frist von [30][<i>andere Anzahl Tage</i>] Tagen aufgehoben oder ausgesetzt worden ist, es sei denn es wird mangels Masse abgewiesen oder eingestellt;]</p> <p>[[(vi)] [•] die Emittentin ihre Geschäftstätigkeit ganz einstellt oder ihr gesamtes oder wesentliche Teile ihres Vermögens an Dritte (außer der Emittentin [oder eine ihrer jeweiligen Tochtergesellschaften]) abgibt und dadurch der Wert des Vermögens der Emittentin [(auf Konzernebene)] wesentlich vermindert wird. Eine solche wesentliche Wertminderung wird im Falle einer Veräußerung von Vermögen angenommen, wenn der Wert der veräußerten Vermögensgegenstände [50 %][<i>anderen Prozentsatz einfügen</i>] der [konsolidierten] Bilanzsumme der Emittentin übersteigt;]</p> <p>[[(vii)] [•] die Emittentin [oder eine Wesentliche Tochtergesellschaft] in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung und die andere oder neue Gesellschaft übernimmt im Wesentlichen alle Aktiva und Passiva der Emittentin [oder der</p>	<p>[[(iii)] [•] the Issuer [or a Material Subsidiary] states in writing that it is unable to pay its debts as they become due (<i>Cessation of payment</i>);]</p> <p>[[(iv)] [•] the Issuer [or a Material Subsidiary] fails to fulfil any payment obligation in excess of a total amount of [EUR][<i>insert other currency code</i>] [<i>insert amount</i>] (in words: [<i>insert amount</i>] [Euros][<i>insert other currency</i>]) under any Financial Indebtedness, or under any guaranty or suretyship for any such indebtedness of a third party, when due (including in case of any possible acceleration) and within [30][<i>insert other number of days</i>] days after being invoked (<i>Cross Default</i>);]</p> <p>[[(v)] [•] (A) the Issuer's [or a Material Subsidiary's] assets have been subjected to an insolvency proceeding, or (B) the Issuer [or a Material Subsidiary] applies for or institutes such proceedings or (C) a third party applies for insolvency proceedings against the Issuer [or a Material Subsidiary] and such proceedings are not discharged or stayed within [30][<i>insert other number of days</i>] days, unless such proceeding is dismissed due to insufficient assets;]</p> <p>[[(vi)] [•] the Issuer ceases its business operations in whole or sells or transfers its assets in whole or a material part thereof to a third party (except for the Issuer [and any of its Subsidiaries]) and this causes a substantial reduction of the value of the assets of the Issuer [(on a consolidated basis)]. In the event of a sale of assets such a substantial reduction shall be assumed if the value of the assets sold exceeds [50 %][<i>insert other percentage rate</i>] of the [consolidated] total assets and liabilities of the Issuer;]</p> <p>[[(vii)] [•] the Issuer [or a Material Subsidiary] goes into liquidation, unless this is effected in connection with a merger or another form of amalgamation with another company or in connection with a restructuring, and the other or the new company effectively assumes substantially all of the assets and liabilities of the Issuer [or the Material Subsidiary], including all obligations of the Issuer arising in connection with the Notes;]</p>
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Wesentlichen Tochtergesellschaft], einschließlich aller Verpflichtungen, die die Emittentin im Zusammenhang mit den Schuldverschreibungen hat;]

[(viii)][●] die Emittentin eine "**Unzulässige Ausschüttung**" an ihre Anteilseigner in einem Geschäftsjahr vornimmt, die mehr als [50 % des Jahresüberschusses der Emittentin (nach Abzug von Anteilen Dritter am Jahresüberschuss)][●], der im jeweils vorangegangenen Geschäftsjahr, beginnend mit dem Jahresüberschuss für das Geschäftsjahr [20[●]][*anderes Geschäftsjahr einfügen*], erwirtschaftet wurde, beträgt. Hiervon ausgenommen sind gesetzliche und in dem Gesellschaftsvertrag der Emittentin begründete Zahlungsansprüche.]

["**Vorzeitiger Rückzahlungsbetrag**" bedeutet [[●] % des][den] Nennbetrag[s] [[plus][minus] [Euro][*andere Währung einfügen*] [Betrag einfügen]].]

["**Wesentliche Tochtergesellschaft**" bezeichnet eine Tochtergesellschaft der Emittentin, (i) deren Umsatzerlöse [10][*anderen Prozentsatz einfügen*] % der konsolidierten Umsatzerlöse der Emittentin übersteigen oder (ii) deren Bilanzsumme [10][*anderen Prozentsatz einfügen*] % der konsolidierten Bilanzsumme der Emittentin übersteigt, wobei die Schwelle jeweils anhand der Daten in dem jeweils letzten geprüften oder, im Fall von Halbjahreskonzernabschlüssen, ungeprüften Konzernabschluss der Emittentin nach [HGB] [oder] [EU-IFRS] [oder] [International Financial Reporting Standards (IFRS)] und in dem jeweils letzten geprüften (soweit verfügbar) oder (soweit nicht verfügbar) ungeprüften nicht konsolidierten Abschluss der betreffenden Tochtergesellschaft zu ermitteln ist.]

["**Finanzverbindlichkeit**" bezeichnet (i) Verpflichtungen aus der Aufnahme von Darlehen, (ii) Verpflichtungen unter Schuldverschreibungen, Schuldscheinen oder ähnlichen Schuldtiteln, (iii) die Hauptverpflichtung aus Akzept-, Wechseldiskont und ähnlichen Instrumenten und (iv) Verpflichtungen unter Finanzierungsleasing und Sale- und Leaseback-Vereinbarungen sowie Factoring-Vereinbarungen.]

(c) Ausschluss der Kündigung.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

[(viii)][●] the Issuer makes a "**Prohibited Disbursement**" to its shareholders (*Anteilseigner*) in a financial year that amount to more than [50 % of the Issuer's net income (after deduction of any third party interests in the net income)][●], which is generated in the preceding financial year, beginning with the net income for the financial year [20[●]][*insert other financial year*]. Exceptions to this are statutory based payment claims or payment claims in connection with the Issuer's articles of association.]

["**Early Redemption Amount**" means [[●] % of] the principal amount [[plus][minus] [Euro][*insert other currency*] [*insert amount*]].]

["**Material Subsidiary**" means a Subsidiary of the Issuer (i) whose revenues exceed [10][*insert other percentage rate*] % of the consolidated revenues of the Issuer or (ii) whose total assets and liabilities exceed [10][*insert other percentage rate*] % of the consolidated total assets and liabilities of the Issuer, where each threshold shall be calculated on the basis of the last audited or, in case of half yearly accounts, unaudited consolidated financial statements of the Issuer in accordance with [local GAP] [or] [EU-IFRS] [or] [the International Financial Reporting Standards (IFRS)] and in the last audited (if available) or (if unavailable) unaudited unconsolidated financial statements of the relevant Subsidiary.]

["**Financial Indebtedness**" shall mean (i) indebtedness for borrowed money, (ii) obligations evidenced by bonds, debentures or other similar instruments, (iii) the principal component of obligations in respect of letters of credit, bankers' acceptances and similar instruments, and (iv) capitalized lease obligations and attributable indebtedness related to sale/leaseback transactions and factoring agreements.]

(c) Exclusion of termination.

The right to declare the Notes due and demand immediate redemption shall cease if the reason for the termination has been rectified before the

<p>(d) Benachrichtigung.</p> <p>Eine Benachrichtigung oder Kündigung gemäß § [8][●](a) ist durch den Anleihegläubiger schriftlich in deutscher oder englischer Sprache gegenüber der Emittentin zu erklären und zusammen mit dem Nachweis in Form einer Bescheinigung der Depotbank gemäß § [16][●](d) oder in einer anderen geeigneten Weise, dass der Benachrichtigende zum Zeitpunkt der Benachrichtigung Anleihegläubiger ist, persönlich oder mittels Brief an die Emittentin zu übermitteln. Eine Benachrichtigung oder Kündigung wird jeweils mit Zugang bei der Emittentin wirksam.</p> <p>[§ 9][●] Beschränkung hinsichtlich bestimmter Zahlungen</p> <p>Die Emittentin verpflichtet sich, [keine][weder selbst noch über eine Tochtergesellschaft eine] Dividendenzahlung oder sonstige Ausschüttungen an einen direkten oder indirekten Gesellschafter vorzunehmen, die [50][<i>anderen Prozentsatz einfügen</i>] % des im [konsolidierten und] geprüften Jahresabschluss der Emittentin festgestellten Gewinns übersteigen. Hiervon ausgenommen sind gesetzliche und in dem Gesellschaftsvertrag der Emittentin begründete Zahlungsansprüche.]</p> <p>§ [10][●] Vorlegungsfrist und Verjährung</p> <p>Die Vorlegungsfrist gemäß § 801 Absatz 1 Satz 1 BGB für die Schuldverschreibungen beträgt, abweichend von der gesetzlichen Regelung, zehn Jahre. Die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre von dem Ende der betreffenden Vorlegungsfrist an.</p> <p>§ [11][●] Zahlstelle</p> <p>(a) Bestellung.</p> <p>(a) Die [flatex Bank AG, eingetragen im Handelsregister des Amtsgerichts Frankfurt am Main unter der Nummer HRB 105687 und der Geschäftsanschrift: Rotfeder-Ring 7, 60327 Frankfurt am Main][Baader Bank AG, eingetragen im Handelsregister des Amtsgerichts München unter der Nummer HRB 121537 und der Geschäftsanschrift: Weihenstephaner Straße 4, 85716 Unterschleißheim] [●], (die "Zahlstelle") ist Hauptzahlstelle. Die Zahlstelle in ihrer Eigenschaft</p>	<p>exercise of the termination right.</p> <p>(d) Notification.</p> <p>A notification or termination pursuant to § [8][●](a) has to be effected by the Noteholder in writing in the German or English language <i>vis-a-vis</i> the Issuer together with a special confirmation of the Depository Bank in accordance with § [16][●](d) hereof or in any other adequate manner evidencing that the notifying person is a Noteholder as per the notification, to be delivered personally or by mail to the Issuer. A notification or termination will become effective upon receipt thereof by the Issuer.</p> <p>[§ 9][●] Limitation on certain Payments</p> <p>The Issuer undertakes [not][, neither directly nor through any of its subsidiaries,] to pay out any dividend or to make any other distribution to a direct or indirect shareholder, which exceeds [50][<i>insert other percentage rate</i>] % of the result after taxation determined by [the consolidated and] audited Annual Report of the Issuer of the respective year, save for any legally bases payment claims or payment claims in connection with the Issuer's articles of association.]</p> <p>§ [10][●] Presentation Period and Prescription</p> <p>Waiving the statutory provisions, the period for presentation of the Notes (in accordance with § 801 (1) sentence 1 BGB) will be ten years. The period of limitation for claims under the Notes presented during the period for presentation will be two years calculated from the expiration of the relevant presentation period.</p> <p>§ [11][●] Paying Agent</p> <p>(a) Appointment.</p> <p>(a) [flatex Bank AG, registered in the commercial register kept with the local court (<i>Amtsgericht</i>) Frankfurt am Main, registration number HRB 105687 with business address at: Rotfeder-Ring 7, 60327 Frankfurt am Main][Baader Bank AG, registered in the commercial register kept with the local court (<i>Amtsgericht</i>) München registration number HRB 121537 with business address: Weihenstephaner Straße 4, 85716 Unterschleißheim][●], (the "Paying Agent") will</p>
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<p>als Hauptzahlstelle und jede an ihre Stelle tretende Hauptzahlstelle werden in diesen Anleihebedingungen auch als "Hauptzahlstelle" bezeichnet. Die Hauptzahlstelle behält sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere Geschäftsstelle in derselben Stadt zu ersetzen.</p> <p>(b) Änderung der Bestellung oder Abberufung.</p> <p>Die Emittentin wird dafür Sorge tragen, dass stets eine Hauptzahlstelle vorhanden ist. Die Emittentin ist berechtigt, andere Banken von internationalem Standing als Hauptzahlstelle zu bestellen. Die Emittentin ist weiterhin berechtigt, die Bestellung einer Bank zur Hauptzahlstelle zu widerrufen. Im Falle einer solchen Abberufung oder falls die bestellte Bank nicht mehr als Hauptzahlstelle tätig werden kann oder will, bestellt die Emittentin eine andere Bank von internationalem Standing als Hauptzahlstelle. Eine solche Bestellung oder ein solcher Widerruf der Bestellung ist gemäß § [14][●] oder, falls dies nicht möglich sein sollte, durch eine öffentliche Bekanntmachung in sonstiger Weise bekannt zu machen.</p> <p>(c) Status.</p> <p>Die Hauptzahlstelle ist in dieser Funktion ausschließlich Beauftragte der Emittentin. Zwischen der Hauptzahlstelle und den Anleihegläubigern besteht kein Auftrags- oder Treuhandverhältnis.</p> <p>(d) Befreiung von den Beschränkungen des § 181 BGB.</p> <p>Die Hauptzahlstelle ist von den Beschränkungen des § 181 BGB und etwaigen gleichartigen Beschränkungen des anwendbaren Rechts anderer Länder befreit.</p> <p>§ [12][●] Begebung weiterer Schuldverschreibungen</p> <p>Die Emittentin behält sich vor, jederzeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit im wesentlichen gleicher Ausstattung wie die Schuldverschreibungen (gegebenenfalls mit Ausnahme des Begebungstages, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit den Schuldverschreibungen zu einer einheitlichen Serie von Schuldverschreibungen konsolidiert werden können und ihren Gesamtnennbetrag erhöhen. Der</p>	<p>be the Principal Paying Agent. The Principal Agent in its capacity as Principal Paying Agent and any successor Principal Paying Agent are also referred to in these Terms and Conditions as "Principal Paying Agent". The Principal Paying Agent reserves the right at any time to change its specified offices to some other office in the same city.</p> <p>(b) Änderung der Bestellung oder Abberufung.</p> <p>The Issuer will procure that there will at all times be a Principal Paying Agent. The Issuer is entitled to appoint banks of international standing as Principal Paying Agent. Furthermore, the Issuer is entitled to terminate the appointment of the Principal Paying Agent. In the event of such termination or such bank being unable or unwilling to continue to act as Principal Paying Agent, the Issuer will appoint another bank of international standing as Principal Paying Agent. Such appointment or termination will be published without undue delay in accordance with § [14][●], or, should this not be possible, be published by way of a public publication in another way.</p> <p>(c) Status.</p> <p>The Principal Paying Agent acting in such capacity, act only as agent of the Issuer. There is no agency or fiduciary relationship between the Principal Paying Agent and the Noteholders.</p> <p>(d) Exemption from the restrictions of § 181 BGB.</p> <p>The Principal Paying Agent is hereby granted exemption from the restrictions of § 181 BGB and any similar restrictions of the applicable laws of any other country.</p> <p>§ [12][●] Further Issuances of Notes</p> <p>The Issuer reserves the right to issue from time to time, without the consent of the Noteholders, additional notes with substantially identical terms as the Notes (as the case may be, except for the issue date, interest commencement date and/or issue price), in a manner that the same can be consolidated to form a single series of Notes and increase the aggregate principal amount of the Notes. The term "Note" will, in the event of such consolidation, also comprise such additionally issued Notes. The Issuer shall, however, not be</p>
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<p>Begriff "Schuldverschreibung" umfasst im Falle einer solchen Konsolidierung auch solche zusätzlich begebenen Schuldverschreibungen. Die Begebung weiterer Schuldverschreibungen, die mit den Schuldverschreibungen keine Einheit bilden und die über andere Ausstattungsmerkmale verfügen, sowie die Begebung von anderen Schuldtiteln bleiben der Emittentin unbenommen.</p> <p>§ [13][●] Änderung der Anleihebedingungen durch Beschluss der Anleihegläubiger und gemeinsamer Vertreter</p> <p>(a) Änderung der Anleihebedingungen.</p> <p>Die Anleihebedingungen können durch die Emittentin mit Zustimmung der Anleihegläubiger aufgrund Mehrheitsbeschlusses nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen ("SchVG") in seiner jeweiligen gültigen Fassung geändert werden. Die Anleihegläubiger können insbesondere einer Änderung wesentlicher Inhalte der Anleihebedingungen, einschließlich der in § 5 Absatz 3 SchVG vorgesehenen Maßnahmen, mit den in dem nachstehenden § [13][●](b) genannten Mehrheiten zustimmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Anleihegläubiger verbindlich. Ein Mehrheitsbeschluss der Anleihegläubiger, der nicht gleiche Bedingungen für alle Anleihegläubiger vorsieht, ist unwirksam, es sei denn, die benachteiligten Anleihegläubiger stimmen ihrer Benachteiligung ausdrücklich zu.</p> <p>(b) Qualifizierte Mehrheit.</p> <p>Vorbehaltlich des nachstehenden Satzes und der Erreichung der erforderlichen Beschlussfähigkeit, beschließen die Anleihegläubiger mit der einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen, insbesondere in den Fällen des § 5 Absatz 3 Nummern 1 bis 9 SchVG, geändert wird, bedürfen zu ihrer Wirksamkeit einer Mehrheit von mindestens 75 % der an der Abstimmung teilnehmenden Stimmrechte (eine "qualifizierte Mehrheit").</p> <p>(c) Beschlussfassung.</p> <p>Beschlüsse der Anleihegläubiger werden entweder in einer Gläubigerversammlung nach § [13][●](c)(i) oder im Wege der Abstimmung ohne Versammlung nach § [13][●](c)(ii) getroffen.</p>	<p>limited in issuing additional notes, which are not consolidated with the Notes and which provide for different terms, as well as in issuing any other debt securities.</p> <p>§ [13][●] Amendments to the Terms and Conditions by resolution of the Noteholders and Common Representative</p> <p>(a) Amendments to the Terms and Conditions.</p> <p>The Issuer may amend the Terms and Conditions with consent by a majority resolution of the Noteholders pursuant to § 5 et seq. of the German Act on Issues of Debt Securities (<i>Gesetz über Schuldverschreibungen aus Gesamtemissionen ("SchVG")</i>), as amended from time to time. In particular, the Noteholders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5 (3)SchVG, by resolutions passed by such majority of the votes of the Noteholders as stated under § [13][●](b) below. A duly passed majority resolution shall be binding upon all Noteholders. Resolutions which do not provide for identical conditions for all Noteholders are void, unless Noteholders who are disadvantaged have expressly consented to their being treated disadvantageously.</p> <p>(b) Qualified Majority.</p> <p>Except as provided by the following sentence and provided that the quorum requirements are being met, the Noteholders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of § 5 (3) numbers 1 through 9 SchVG, may only be passed by a majority of at least 75 % of the voting rights participating in the vote (a "Qualified Majority").</p> <p>(c) Passing of resolutions.</p> <p>Resolutions of the Noteholders shall be made either in a Noteholder's meeting in accordance with § [13][●](c)(i) or by means of a vote without a meeting (<i>Abstimmung ohne Versammlung</i>) in</p>
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<p>(i) Beschlüsse der Anleihegläubiger im Rahmen einer Gläubigerversammlung werden nach §§ 9 ff. SchVG getroffen. Anleihegläubiger, deren Schuldverschreibungen zusammen 5 % des jeweils ausstehenden Gesamtnennbetrags der Schuldverschreibungen erreichen, können schriftlich die Durchführung einer Gläubigerversammlung nach Maßgabe von § 9 SchVG verlangen. Die Einberufung der Gläubigerversammlung regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Einberufung der Gläubigerversammlung werden in der Tagesordnung die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Anleihegläubigern bekannt gegeben. Für die Teilnahme an der Gläubigerversammlung oder die Ausübung der Stimmrechte ist eine Anmeldung der Anleihegläubiger vor der Versammlung erforderlich. Die Anmeldung muss unter der in der Einberufung mitgeteilten Adresse spätestens am dritten Kalendertag vor der Gläubigerversammlung zugehen.</p> <p>(ii) Beschlüsse der Anleihegläubiger im Wege der Abstimmung ohne Versammlung werden nach § 18 SchVG getroffen. Anleihegläubiger, deren Schuldverschreibungen zusammen 5 % des jeweils ausstehenden Gesamtnennbetrags der Schuldverschreibungen erreichen, können schriftlich die Durchführung einer Abstimmung ohne Versammlung nach Maßgabe von § 9 i.V.m. § 18 SchVG verlangen. Die Aufforderung zur Stimmabgabe durch den Abstimmungsleiter regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Aufforderung zur Stimmabgabe werden die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Anleihegläubigern bekannt gegeben.</p> <p>(d) Stimmrecht.</p> <p>An Abstimmungen der Anleihegläubiger nimmt jeder Anleihegläubiger nach Maßgabe des Nennwerts oder des rechnerischen Anteils seiner Berechtigung an den ausstehenden Schuldverschreibungen teil. Das Stimmrecht ruht, solange die Anteile der Emittentin oder einem mit ihr verbundenen Unternehmen (§ 271 Absatz 2 Handelsgesetzbuch) zustehen oder für Rechnung der Emittentin oder eines mit ihr verbundenen Unternehmens gehalten werden. Die Emittentin darf Schuldverschreibungen, deren Stimmrechte ruhen, einem anderen nicht zu dem Zweck</p>	<p>accordance § [13][●](c)(ii).</p> <p>(i) Resolutions of the Noteholders in a Noteholder's meeting shall be made in accordance with § 9 et seq. SchVG. Noteholders holding Notes in the total amount of 5 % of the outstanding Aggregate Principal Amount of the Notes may request, in writing, to convene a Noteholders' meeting pursuant to § 9 SchVG. The convening notice of a Noteholders' meeting will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions will be notified to Noteholders in the agenda of the Noteholders' meeting. The attendance at the Noteholders' meeting or the exercise of voting rights requires a registration of the Noteholders prior to the meeting. Any such registration must be received at the address stated in the convening notice by no later than the third calendar day preceding the Noteholders' meeting.</p> <p>(ii) Resolutions of the Noteholders by means of a voting not requiring a physical meeting (<i>Abstimmung ohne Versammlung</i>) shall be made in accordance § 18 SchVG. Noteholders holding Notes in the total amount of 5 % of the outstanding Aggregate Principal Amount of the Notes may request, in writing, the holding of a vote without a meeting pursuant to § 9 in connection with § 18 SchVG. The request for voting as submitted by the chairman (<i>Abstimmungsleiter</i>) will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions shall be notified to Noteholders together with the request for voting.</p> <p>(d) Voting right.</p> <p>Each Noteholder participating in any vote shall cast votes in accordance with the nominal amount or the notional share of its entitlement to the outstanding Notes. As long as the entitlement to the Notes lies with, or the Notes are held for the account of, the Issuer or any of its affiliates (§ 271 (2) of the German Commercial Code (<i>Handelsgesetzbuch</i>)), the right to vote in respect of such Notes shall be suspended. The Issuer may not transfer Notes, of which the voting rights are so suspended, to another person for the purpose of exercising such voting rights in the place of the Issuer; this shall also apply</p>
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<p>überlassen, die Stimmrechte an ihrer Stelle auszuüben; dies gilt auch für ein mit der Emittentin verbundenes Unternehmen. Niemand darf das Stimmrecht zu dem in Satz 3 erster Halbsatz bezeichneten Zweck ausüben.</p> <p>(e) Nachweise.</p> <p>Anleihegläubiger haben die Berechtigung zur Teilnahme an der Abstimmung zum Zeitpunkt der Stimmabgabe durch besonderen Nachweis der Depotbank gemäß § [16][●](d) und die Vorlage eines Sperrvermerks der Depotbank zugunsten der von der Emittentin mit der Tagesordnung für die Abstimmung benannten Hinterlegungsstelle, die nicht die Zahlstelle sein wird, für den Abstimmungszeitraum nachzuweisen.</p> <p>(f) Gemeinsamer Vertreter.</p> <p>Die Anleihegläubiger können durch Mehrheitsbeschluss zur Wahrung ihrer Rechte nach Maßgabe des SchVG einen gemeinsamen Vertreter für alle Anleihegläubiger (der "gemeinsame Vertreter") bestellen:</p> <p>(i) Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Anleihegläubigern durch Mehrheitsbeschluss eingeräumt wurden. Der gemeinsame Vertreter hat die Weisungen der Anleihegläubiger zu befolgen. Soweit der gemeinsame Vertreter zur Geltendmachung von Rechten der Anleihegläubiger ermächtigt ist, sind die einzelnen Anleihegläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn, der Mehrheitsbeschluss sieht dies ausdrücklich vor. Über seine Tätigkeit hat der gemeinsame Vertreter den Anleihegläubigern zu berichten. Die Bestellung eines gemeinsamen Vertreters bedarf einer qualifizierten Mehrheit, wenn der gemeinsame Vertreter ermächtigt wird, wesentlichen Änderungen der Anleihebedingungen gemäß § [13][●](b) zuzustimmen.</p> <p>(ii) Der gemeinsame Vertreter kann von den Anleihegläubigern jederzeit ohne Angabe von Gründen abberufen werden. Der gemeinsame Vertreter kann von der Emittentin verlangen, alle Auskünfte zu erteilen, die zur Erfüllung der ihm übertragenen Aufgaben erforderlich sind. Die durch die Bestellung eines gemeinsamen Vertreters entstehenden Kosten und Aufwendungen, einschließlich einer angemessenen Vergütung des gemeinsamen Vertreters, trägt die Emittentin.</p>	<p>to any affiliate of the Issuer. No person shall be permitted to exercise such voting right for the purpose stipulated in sentence 3, first half sentence, herein above.</p> <p>(e) Proof of eligibility.</p> <p>Noteholders must demonstrate their eligibility to participate in the vote at the time of voting by means of a special confirmation of the Depository Bank in accordance with § [16][●](d) hereof and by submission of a blocking instruction by the Depository Bank for the benefit of the depository (<i>Hinterlegungsstelle</i>), as specified by the Issuer together with agenda for the vote and being different from the Paying Agent, for the voting period.</p> <p>(f) Common Representative.</p> <p>The Noteholders may by majority resolution appoint a common representative (the "Common Representative") in accordance with the SchVG to exercise the Noteholders' rights on behalf of all Noteholders:</p> <p>(i) The Common Representative shall have the duties and powers provided by law or granted by majority resolution of the Noteholders. The Common Representative shall comply with the instructions of the Noteholders. To the extent that the Common Representative has been authorized to assert certain rights of the Noteholders, the Noteholders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Common Representative shall provide reports to the Noteholders on its activities. The appointment of a Common Representative by a Qualified Majority is required if such Common Representative is to be authorised to consent to a material change in the substance of the Terms and Conditions as set out in § [13][●](b) hereof.</p> <p>(ii) The Common Representative may be removed from office at any time by the Noteholders without specifying any reasons. The Common Representative may demand from the Issuer to furnish all information required for the performance of the duties entrusted to it. The Issuer shall bear the costs and expenses arising from the appointment of a Common Representative, including reasonable remuneration of the Common Representative.</p>
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<p>(iii) Der gemeinsame Vertreter haftet den Anleihegläubigern als Gesamtgläubiger für die ordnungsgemäße Erfüllung seiner Aufgaben; bei seiner Tätigkeit hat er die Sorgfalt eines ordentlichen und gewissenhaften Geschäftsleiters anzuwenden. Die Haftung des gemeinsamen Vertreters kann durch Beschluss der Anleihegläubiger beschränkt werden. Über die Geltendmachung von Ersatzansprüchen der Anleihegläubiger gegen den gemeinsamen Vertreter entscheiden die Anleihegläubiger.</p> <p>(g) Mitteilungen.</p> <p>Mitteilungen betreffend diesen § [13][●] erfolgen gemäß den §§ 5 ff. SchVG sowie nach § [14][●].</p> <p>§ [14][●] Bekanntmachungen</p> <p>(a) Regelungen über Bekanntmachungen.</p> <p>Die Schuldverschreibungen betreffende Bekanntmachungen werden auf der Internetseite der Emittentin unter [www.timberland-securities-investment.com] [eine andere Internetseite einfügen] [oder] [andere Internetseite einfügen] [bzw. einer [jeweiligen] Nachfolgeinternetseite] und sofern zwingend vorgeschrieben, im Bundesanzeiger veröffentlicht. Eine Bekanntmachung gilt mit dem Tag ihrer Veröffentlichung (oder bei mehreren Bekanntmachungen mit dem Tage der ersten Veröffentlichung) als erfolgt.</p> <p>(b) Sofern die Regularien der Wertpapierbörse, an der die Schuldverschreibungen notiert sind, dies zulassen, ist die Emittentin berechtigt, Bekanntmachungen auch durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Anleihegläubiger oder durch eine schriftliche Mitteilung direkt an die Anleihegläubiger zu bewirken. Bekanntmachungen über das Clearingsystem gelten [sieben][andere Anzahl Tage einfügen] Tage nach der Bekanntmachung an das Clearingsystem, direkte Bekanntmachungen an die Anleihegläubiger mit ihrem Zugang als bewirkt.</p> <p>[§ [15][●] Ersetzung der Emittentin</p> <p>(a) Ersetzung.</p> <p>Für den Fall, dass die Tilgung der Schuldverschreibungen ohne Verzug erfolgt, ist die Emittentin jederzeit berechtigt, ohne Zustimmung der Anleihegläubiger an ihrer Statt eine andere</p>	<p>(iii) The Common Representative shall be liable for the performance of its duties towards the Noteholders who shall be joint and several creditors (<i>Gesamtgläubiger</i>); in the performance of its duties it shall act with the diligence and care of a prudent business manager. The liability of the Common Representative may be limited by a resolution passed by the Noteholders. The Noteholders shall decide upon the assertion of claims for compensation of the Noteholders against the Common Representative.</p> <p>(g) Notices.</p> <p>Any notices concerning this § [13][●] shall be made in accordance with § 5 et seq. SchVG and § [14][●].</p> <p>§ [14][●] Publications</p> <p>(a) Provisions for Publications.</p> <p>Publications relating to the Notes will be published on the Issuer's website [www.timberland-securities-investment.com] [<i>insert any other website</i>] [or] [<i>insert other website</i>] [or any successor website [in each case] thereof] and, to the extent mandatorily required, in the Federal Gazette (<i>Bundesanzeiger</i>). A publication will be deemed to be made on the day of its publication (or in the case of more than one publication on the day of the first publication).</p> <p>(b) The Issuer shall also be entitled to make publication to the Clearing System for communication by the Clearing System to the Noteholders or directly by way of a written notice to the Noteholders provided this complies with the rules of the stock exchange on which the Notes are listed. Publication vis-à-vis the Clearing System will be deemed to be effected [seven][<i>insert other number of days</i>] days after the publication to the Clearing System, direct publication of the Noteholders will be deemed to be effected upon their receipt.</p> <p>[§ [15][●] Substitution of the Issuer</p> <p>(a) Substitution.</p> <p>The Issuer shall be entitled at any time, without the consent of the Noteholders, if no payment of principal of any of the Notes is in default, to substitute for itself as the Issuer another person (the</p>
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<p>Person (der "Ersatzemittent") als Hauptschuldner der Schuldverschreibungen für alle sich aus den Schuldverschreibungen ergebenden Anleiheverpflichtungen einzusetzen, die zum Zeitpunkt der Ersetzung und nach Ansicht der Emittentin ihrem Rang und ihrer Bonität nach der Emittentin mindestens gleichgestellt ist, vorausgesetzt:</p> <p>(i) der Ersatzemittent ist zahlungsfähig und kann allen Verpflichtungen aus den Schuldverschreibungen fristgemäß nachkommen;</p> <p>(ii) gegen den Ersatzemittenten sind keine Liquidations-, Abwicklungs-, Insolvenz- oder ähnliches Sanierungsverfahren eröffnet oder angedroht worden;</p> <p>(iii) der Ersatzemittent hat von den zuständigen Behörden seines Sitzstaates sämtliche erforderlichen Genehmigungen erteilt bekommen (zur Klarstellung: ausgenommen hiervon ist die Billigung zur Veröffentlichung des Basisprospekts);</p> <p>(iv) die Ersetzung der Emittentin durch den Ersatzemittenten hat nicht zur Folge, dass den Anleihegläubigern unmittelbar oder mittelbar zusätzliche Steuern, Zölle oder Abgaben auferlegt werden, wobei der Ersatzemittent sich verpflichtet hat, jeden Anleihegläubiger von allen Steuern, Zöllen, Veranlagungen oder Abgaben freizustellen, die dem Anleihegläubiger aufgrund oder infolge der Ersetzung auferlegt werden.</p> <p>Die Ersetzung ist den Anleihegläubigern in Übereinstimmung mit § [14][●] anzuzeigen.</p> <p>[Emittentin übernimmt keine Garantien für die Verpflichtungen des Ersatzemittenten aus den Schuldverschreibungen nach der Ersetzung. Es wird unterstellt, dass die Anleihegläubiger durch Zeichnung oder Erwerb der Schuldverschreibungen (i) sowohl dem in Übereinstimmung mit § [15][●] durchgeführten Ersetzung als auch der Freistellung der Emittentin von sämtlichen Verpflichtungen aus den betroffenen Schuldverschreibungen und der vorliegenden Urkunde zugestimmt haben und (ii) die Ersetzung und die sich hieraus ergebenden Folgen akzeptiert haben.]</p> <p>(b) Änderung der Bezugnahme.</p> <p>Im Fall einer Ersetzung wird ab diesem Zeitpunkt unterstellt, dass mit jeder Bezugnahme auf die</p>	<p>"Substitute Issuer") as principle debtor under all Notes in respect of any and all obligations arising from and in connection with the Notes, which is, on the date of such substitution and in the opinion of the Issuer, of at least the equivalent standing and creditworthiness to the Issuer provided that:</p> <p>(i) the Substitute Issuer is solvent and can perform all obligations under and in connection with the Notes;</p> <p>(ii) no liquidation, winding-up, insolvency proceedings or similar reorganisation measures are opened or imminent in respect of the Substitute Issuer;</p> <p>(iii) the Substitute Issuer has been granted all necessary consents (excluding, for the avoidance of any doubt, the approval of the base prospectus for the public offering of the Notes) from the authorities of the country in which it has its registered office;</p> <p>(iv) the substitution of the Substitute Issuer for the Issuer (as the case may be) does not result in additional tax, duty or governmental charge being directly or indirectly imposed on the Noteholders whereby the Substitute Issuer has agreed to indemnify and hold harmless each Noteholder against any tax, duty, assessment or governmental charge imposed on such Noteholder in respect of such substitution.</p> <p>Notice of any such substitution shall be given to the Noteholders in accordance with § [14][●].</p> <p>[The Issuer will not guarantee the obligations of the Substitute Issuer under the Notes after the substitution(s). The Noteholders, by subscribing for, or otherwise acquiring, the Notes, are deemed to have (i) consented to any substitution(s) of the Issuer effected in accordance with this § [15][●] and to the release of the Issuer from any and all obligations in respect of the relevant Notes and these presents; and (ii) accepted such substitution(s) and the consequences thereof.]</p> <p>(b) Change of references.</p> <p>In the event of any such substitution(s), any reference in these Terms and Conditions to the</p>
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<p>Emittentin in diesen Anleihebedingungen auf den Ersatzemittenten verwiesen wird und dass mit jeder Bezugnahme auf das Land, in dem die Emittentin ihren Sitz hat oder steueransässig ist, auf das Land verwiesen wird, in dem der Ersatzemittent seinen Sitz hat oder steueransässig ist.</p> <p>[(c) Weitere Ersetzungen.</p> <p>Nach einer Ersetzung gemäß § [15][●](a) kann der Ersatzemittent ohne Zustimmung der Anleihegläubiger eine weitere Ersetzung vornehmen. Sämtliche in den § [15][●](a) und § [15][●](b) enthaltenen Bestimmungen sind entsprechend anzuwenden, wobei unterstellt wird, dass jede Bezugnahme auf die Emittentin in diesen Anleihebedingungen jeden weiteren Ersatzemittenten einschließt, falls der Zusammenhang dies erfordert.]</p> <p>[[c)][(d)] Rückgängigmachung der Ersetzung.</p> <p>Nach einer Ersetzung gemäß § [15][●](a) [oder § [15][●](c)] kann jeder Ersatzemittent ohne Zustimmung der Anleihegläubiger die Ersetzung entsprechend rückgängig machen.]]</p> <p>§ [16][●] Schlussbestimmungen</p> <p>(a) Anwendbares Recht.</p> <p>Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger, der Emittentin, und der Hauptzahlstelle bestimmen sich in jeder Hinsicht nach dem Recht der Bundesrepublik Deutschland.</p> <p>(b) Erfüllungsort.</p> <p>Erfüllungsort ist [Duisburg][●].</p> <p>(c) Gerichtsstand.</p> <p>(c) Gerichtsstand ist [Duisburg][●]. Für Entscheidungen gemäß § 9 Absatz 2, § 13 Absatz 3 und § 18 Absatz 2 SchVG in Verbindung mit § 9 Absatz 3 SchVG ist [zuständiges Gericht einfügen] zuständig. Für Entscheidungen über die Anfechtung von Beschlüssen der Anleihegläubiger ist gemäß § 20 Absatz 3 SchVG [zuständiges Gericht einfügen] ausschließlich zuständig.</p> <p>(d) Geltendmachung von Rechten.</p> <p>Jeder Anleihegläubiger kann in</p>	<p>Issuer shall from then on be deemed to refer to the Substitute Issuer and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Issuer.</p> <p>[(c) Further substitution.</p> <p>After a substitution pursuant to § [15][●](a), the Substitute Issuer may, without the consent of any Noteholders, effect a further substitution. All the provisions specified in § [15][●](a) and § [15][●](b) shall apply mutatis mutandis, and references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further the Substitute Issuer.]</p> <p>[[c)][(d)] Reverse substitution.</p> <p>After a substitution pursuant to § [15][●](a) [or § [15][●](c)] any the Substitute Issuer may, without the consent of any Noteholder, reverse the substitution, mutatis mutandis.]]</p> <p>§ [16][●] Final Provisions</p> <p>(a) Applicable law.</p> <p>The form and content of the Notes and the rights and duties of the Noteholders, the Issuer and the Principal Paying Agent shall in all respects be governed by the laws of the Federal Republic of Germany.</p> <p>(b) Erfüllungsort.</p> <p>Place of performance is [Duisburg][●].</p> <p>(c) Place of jurisdiction.</p> <p>(c) Place of jurisdiction shall be [Duisburg][●]. The [insert applicable courts] will have jurisdiction for all judgments pursuant to § 9 (2), § 13 (3) and § 18 (2) SchVG in accordance with § 9 (3) SchVG. The [insert applicable courts] will have exclusive jurisdiction for all judgments over contested resolutions by Noteholders in accordance with § 20(3) SchVG.</p> <p>(d) Enforcements of rights.</p> <p>Any Noteholder may in any proceedings against the</p>
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<p>Rechtsstreitigkeiten gegen die Emittentin oder in Rechtsstreitigkeiten, an denen der Anleihegläubiger und die Emittentin beteiligt sind, im eigenen Namen seine Rechte aus den von ihm gehaltenen Schuldverschreibungen geltend machen unter Vorlage einer Bescheinigung seiner Depotbank, die (i) den vollen Namen und die volle Anschrift des Anleihegläubigers enthält, (ii) den Gesamtnennbetrag der Schuldverschreibungen angibt, die am Tag der Ausstellung dieser Bescheinigung dem bei dieser Depotbank bestehenden Depot des Anleihegläubigers gutgeschrieben sind. Im Sinne der vorstehenden Bestimmungen ist "Depotbank" ein Bank- oder sonstiges Finanzinstitut (einschließlich des Clearingsystems), das eine Genehmigung für das Wertpapier-Depotgeschäft hat und bei dem der Anleihegläubiger Schuldverschreibungen im Depot verwahren lässt.</p> <p>(e) Kraftloserklärung.</p> <p>Für die Kraftloserklärung abhanden gekommener oder vernichteter Schuldverschreibungen sind ausschließlich die Gerichte in [Duisburg][●] zuständig.</p> <p>(f) Sprache.</p> <p>Die englische Fassung dieser Anleihebedingungen ist rechtsverbindlich.</p>	<p>Issuer or to which the Noteholder and the Issuer are parties protect and enforce in its own name its rights arising under its Notes by submitting the following documents: a certificate issued by its Depository Bank (i) stating the full name and address of the Noteholder, (ii) specifying an aggregate principal amount of Notes credited on the date of such statement to such Noteholders' securities deposit account maintained with such Depository Bank. For purposes of the foregoing, "Depository Bank" means any bank or other financial institution authorized to engage in securities deposit business with which the Noteholder maintains a securities deposit account in respect of any Notes, and includes the Clearing System.</p> <p>(e) Annulment.</p> <p>The courts of [Duisburg][●] shall have exclusive jurisdiction over the annulment of lost or destroyed Notes.</p> <p>(f) Language.</p> <p>The English version of these Terms and Conditions shall be binding.</p>
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NOTEHOLDER MEETING PROVISIONS

[Please note: The final Noteholder Meeting Provisions, including the complete relevant placeholders, will be included in "Part III – Noteholder Meeting Provisions" in the relevant Final Terms.]

[in the case of bearer Notes, the following applies: The Noteholder Meeting Provisions of Option III (Maltese Fixed Rate Registered Notes) and Option IV (German Fixed Rate Bearer Notes) are not defined or described in this section, but are directly part of the relevant Terms and Conditions of the Notes.]

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1. DEFINITIONS

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

[in the case of bearer Notes, the following applies:

voting certificate means an [English] [or] [●] language certificate issued by the Paying Agent and dated in which it is stated that the bearer of the voting certificate is entitled to attend and vote at the meeting and any adjourned meeting in respect of the Notes represented by the certificate;

block voting instruction means an [English] [or] [●] language document issued by the Paying Agent and dated which:

- (a) relates to a specified nominal amount of Notes and a meeting (or adjourned meeting) of the holders of the series of which those Notes form part;
- (b) states that the Paying Agent has been instructed (either by the holders of the Notes or by a relevant clearing system) to attend the meeting and procure that the votes attributable to the Notes are cast at the meeting in accordance with the instructions given;
- (c) identifies with regard to each resolution to be proposed at the meeting the nominal amount of Notes in respect of which instructions have been given that the votes attributable to them should be cast in favour of the resolution and the nominal amount of Notes in respect of which instructions have been given that the votes attributable to them should be cast against the resolution; and
- (d) states that one or more named persons (each a proxy) is or are authorised and instructed by the Paying Agent to cast the votes attributable to the Notes identified in accordance with the instructions referred to in (c) as set out in the block voting instruction;

a relevant clearing system means, in respect of any Notes represented by a Global Note, any clearing system on behalf of which the Global Note is held or which is the bearer of the Global Note, in either case whether alone or jointly with any other clearing system(s);]

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 *[in the case of bearer Notes, the following applies: Paying Agent] [and][or] [in the case of registered Notes, the following applies: 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 *[in the case of bearer Notes, the following applies: Paying Agent] [and][or] [in the case of registered Notes, the*

following applies: 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 [*in the case of bearer Notes, the following applies:* bearer] [and][or] [*in the case of registered Notes, the following applies:* registered] Notes in respect of which the meeting is, or is proposed to be, convened. References in this section to the Notes are to the series of [*in the case of bearer Notes, the following applies:* bearer] [or] [*in the case of registered Notes, the following applies:* registered] Notes [, or to the series of bearer Notes and series the registered Notes collectively] 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:

[in the case of bearer Notes, the following applies:

- (a) a holder of any Notes in definitive bearer form;
- (b) a bearer of any voting certificate in respect of the Notes;
- (c) a proxy specified in any block voting instruction.]

[in the case of registered Notes, the following applies:

- [(a)][(d)] a holder of a registered Note; and
- [(b)][(e)] a proxy appointed by a holder of a registered Note.]

[In the case of bearer Notes, the following applies: A Noteholder may require the issue by the Paying Agent of voting certificates and block voting instructions in accordance with the terms of subclauses 2.2 to 2.5.

For the purposes of subclauses 2.2 and 2.5, the Paying Agent shall be entitled to rely, without further enquiry, on any information or instructions received from a relevant clearing system and shall have no liability to any Noteholder or other person for any loss, damage, cost, claim or other liability caused by its reliance on those instructions, nor for any failure by a relevant clearing system to deliver information or instructions to the Paying Agent.

The holder of any voting certificate or the proxies named in any block voting instruction shall for all purposes in connection with the meeting or adjourned meeting be deemed to be the holder of the Notes to which the voting certificate or block voting instruction relates and the Paying Agent with which the Notes have been deposited or the person holding the Notes to the order or under the control of any Paying Agent shall be deemed for those purposes not to be the holder of those Notes.

2.2 Definitive bearer Notes – voting certificate

A holder of a Note in definitive form may obtain a voting certificate in respect of that Note from the Paying Agent (unless the Note is the subject of a block voting instruction which has been issued and is outstanding in respect of the meeting specified in the voting certificate or any adjourned meeting) subject to the holder procuring that the Note is deposited with the Paying Agent or (to the satisfaction of the Paying Agent) is held to its order or under its control or blocked in an account with a relevant

clearing system upon terms that the Note will not cease to be deposited or held or blocked until the first to occur of:

- (a) the conclusion of the meeting specified in the voting certificate or, if later, of any adjourned meeting; and
- (b) the surrender of the voting certificate to the Paying Agent who issued it.

2.3 Global Notes – voting certificate

A holder of a Note (not being a Note in respect of which instructions have been given to the Paying Agent in accordance with subclause 2.5) represented by a Global Note may procure the delivery of a voting certificate in respect of that Note by giving notice to the relevant clearing system specifying by name a person (an **Identified Person**) (which need not be the holder himself) to collect the voting certificate and attend and vote at the meeting. The voting certificate will be made available at or shortly before the start of the meeting by the Paying Agent against presentation by the Identified Person of the form of identification previously notified by the holder to the relevant clearing system. The relevant clearing system may prescribe forms of identification (including, without limitation, passports) which it considers appropriate for these purposes. Subject to receipt by the Paying Agent from the relevant clearing system, no later than 48 hours before the time for which the meeting is convened, of notification of the nominal amount of the Notes to be represented by any voting certificate and the form of identification against presentation of which the voting certificate should be released, the Paying Agent shall, without any obligation to make further enquiry, make available voting certificates against presentation of forms of identification corresponding to those notified.

2.4 Definitive bearer Notes – block voting instruction

A holder of a Note in definitive form may require the Paying Agent to issue a block voting instruction in respect of that Note (unless the Note is the subject of a voting certificate which has been issued and is outstanding in respect of the meeting specified in the block voting instruction or any adjourned meeting) by depositing the Note with the Paying Agent or (to the satisfaction of the Paying Agent) by:

- (a) procuring that, not less than 48 hours before the time fixed for the meeting, the Note is held to the Paying Agent's order or under its control or is blocked in an account with a relevant clearing system, in each case on terms that the Note will not cease to be so deposited or held or blocked until the first to occur of:
 - (i) the conclusion of the meeting specified in the block voting instruction or, if later, of any adjourned meeting; and
 - (ii) the surrender to the Paying Agent, not less than 48 hours before the time for which the meeting or any adjourned meeting is convened, of the receipt issued by the Paying Agent in respect of each deposited Note which is to be released or (as the case may require) the Note ceasing with the agreement of the Paying Agent to be held to its order or under its control or to be blocked and the giving of notice by the Paying Agent to the Issuer in accordance with subclause 2.5 of the necessary amendment to the block voting instruction; and
- (b) instructing the Paying Agent that the vote(s) attributable to each Note so deposited or held or blocked should be cast in a particular way in relation to the resolution or resolutions to be put to the meeting or any adjourned meeting and that the instruction is, during the period commencing 48 hours before the time for which the meeting or any adjourned meeting is convened and ending at the conclusion or adjournment of the meeting, neither revocable nor capable of amendment.

2.5 Global Notes - block voting instruction

- (a) A holder of a Note (not being a Note in respect of which a voting certificate has been issued) represented by a Global Note may require the Paying Agent to issue a block voting instruction in respect of the Note by first instructing the relevant clearing system to procure that the votes attributable to the holder's Note should be cast at the meeting in a particular way in relation to the resolution or resolutions to be put to the meeting. Any such instruction shall be given in accordance with the rules of the relevant clearing system then in effect. Subject to receipt by the Paying Agent, no later than 48 hours before the time for which the meeting is convened, of (i) instructions from the relevant clearing system, (ii) notification of the nominal amount of the Notes in respect of which instructions have been given and (iii) the manner in which the votes attributable to the Notes should be cast, the Paying Agent shall, without any obligation to make further enquiry, attend the meeting and cast votes in accordance with those instructions.
- (b) Each block voting instruction shall be deposited by the relevant Paying Agent at the place specified by the Paying Agent for the purpose not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the proxies named in the block voting instruction propose to vote, and in default the block voting instruction shall not be treated as valid unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business. A certified copy of each block voting instruction shall (if so requested by the Issuer) be deposited with the Issuer before the start of the meeting or adjourned meeting but the Issuer shall not as a result be obliged to investigate or be concerned with the validity of or the authority of the proxies named in the block voting instruction.
- (c) Any vote given in accordance with the terms of a block voting instruction shall be valid notwithstanding the previous revocation or amendment of the block voting instruction or of any of the instructions of the relevant Noteholder or the relevant clearing system (as the case may be) pursuant to which it was executed provided that no indication in writing of any revocation or amendment has been received from the relevant Paying Agent by the Issuer at its registered office by the time being 24 hours before the time appointed for holding the meeting or adjourned meeting at which the block voting instruction is to be used.]

[in the case of registered Notes, the following applies:

[2.2][2.6] Registered Notes - appointment of proxy

- (a) A holder of Notes may, by an instrument in writing in the [English] [or] [●] 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.

- (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][●] per cent. 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 [*in the case of bearer Notes, the following applies: Paying Agent*] [and][or] [*in the case of registered Notes, the following applies: 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 the relevant terms and conditions of the Notes. The notice, which shall be in the [English] [or] [●] 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 [*in the case of bearer Notes, the following applies: and arrange for voting certificates or block voting instructions to be issued*], or (ii) inform Noteholders that details of the voting arrangements are available free of charge from the [*in the case of bearer Notes, the following applies: Paying Agent*] [and][or] [*in the case of registered Notes, the following applies: 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][●] per cent. 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.

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 block voting instruction 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.

[In the case of bearer Notes, the following applies: Without prejudice to the obligations of the proxies named in any block voting instruction,] [A][a]ny 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.

[In the case of bearer Notes, the following applies:

- 4.6 The proxies named in any block voting instruction need not be Noteholders.]

[4.6][4.7] 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 [*in the case of bearer Notes, the following applies:* and/or paying agents and securities custodians if such modification would have an effect to lower the rank of such entities in the order of payment of costs set out in the terms and conditions of the Notes].

[4.7][4.8] 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][4.9] 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;
- 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.]

FORM OF FINAL TERMS

[PROHIBITION OF SALES TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA

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 European Economic Area (**EEA**). Consequently, no key information document required by Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (**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. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast), as amended, Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC, as amended (**MiFID II**); (ii) a customer within the meaning of Directive 2002/92/EC of the European Parliament and of the Council of 9 December 2002 on insurance mediation, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended.]

[MIFID II PRODUCT GOVERNANCE / ELIGIBLE COUNTERPARTIES, PROFESSIONAL CLIENTS AND RETAIL CLIENTS TARGET MARKET

Solely for the purposes of [the][each] manufacturer['s']['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, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended or superseded, **MiFID II**)] [MiFID II] [*specify further target market criteria*], and [(ii) all channels for distribution of the Notes are appropriate[, including investment advice, portfolio management, non-advised sales and [pure execution services]]] [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate: investment advice [,] [and] portfolio management [,] [and] [non-advised sales] [and pure execution services] [*specify negative target market, if applicable*]. Any person subsequently offering, selling or recommending the Notes (a **Distributor**) should take into consideration the manufacturer['s']['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']['s'] target market assessment) and determining appropriate distribution channels.]

[Insert in case of continuation of the public offer:

[

**Warning
(continuing offer):**

An offer of securities to the public may continue after the expiration of this base prospectus dated 29 April 2022 [under which it was commenced] provided that a succeeding base prospectus is approved and published no later than the last day of validity of [this][the previous] base prospectus dated [insert date].

[The last day of validity of the previous base prospectus was [insert date].] The succeeding base prospectus to this base prospectus dated 29 April 2022 will be published on [insert website] (or any successor website thereof, in which case an automatic redirection will be ensured by the Issuer).

]

[

**Warning
(continuing offer):**

Notwithstanding the validity of the previous base prospectus dated 29 April 2022 and the previous Final Terms dated [insert date], which have initially served to continue the public offering of the Notes, this new set of Final Terms prepared by the Issuer shall, as of [insert date], serve to continue the public offering of the Notes.

The succeeding base prospectus [which serves to continue the public offering of the Notes] [will be][is] published on [insert website] (or any successor website thereof, in which case an automatic redirection will be ensured by the Issuer).

]

[

IMPORTANT NOTICE IN CASE OF CONTINUATION OF THE PUBLIC OFFER

[insert details]

]

Final Terms

dated [*insert date*]

to the Base Prospectus dated 29 April 2022
[supplemented by [*insert all relevant supplements including its date and number*]]
(the **Base Prospectus**)

of

TIMBERLAND SECURITIES INVESTMENT PLC

Legal Entity Identifier (LEI): 894500CA1XTDSTWJ1T79

(incorporated as a public limited liability company under the laws of Malta)

Issue of

[*insert name of the notes*]

(the **Notes**)

Issue Date: [●]

[Series Number: [●]]

[Issue Price: [100%][●]]

[GLOBAL COORDINATOR AND BOOKRUNNER]

[●]

[SELLING AGENT[S]]

[●]

[*Insert further Name(s), Logos as applicable and function(s) as applicable*]

[●]

Important Notice

These Final Terms contain the final terms of an issue of Notes under the base prospectus of Timberland Securities Investment plc for the issuance of Luxembourg fixed rate bearer notes, Luxembourg fixed rate registered notes, Maltese fixed rate registered notes and German Fixed Rate Bearer Notes.

*These final terms (the **Final Terms**) have been prepared for the purposes of Article 8 para. 5 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (as amended) (the **Regulation (EU) 2017/1129**). These Final Terms are represented in the form of a separate document according to Article 8 para. 4 of Regulation (EU) 2017/1129.*

*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 [insert date] for the issuance of Luxembourg Fixed Rate Bearer Notes, Luxembourg Fixed Rate Registered Notes, Maltese Fixed Rate Registered Notes (the latter, issued in dematerialised form) and German Fixed Rate Bearer Notes (the **Base Prospectus**) [and with regard to the continuation of a public offer under a Successor Base Prospectus (as defined below), the **Original Base Prospectus** (as defined below)], (b) any supplements to this Base Prospectus (the **Supplements**), and (c) all other documents whose information is incorporated herein by reference .*

*[In the case of a planned continued offer after expiry of the initial base prospectus under which the notes are issued, add: This Base Prospectus shall cease to have effect on [insert date] (midnight) (the **Base Prospectus Expiry Date**). In respect of Notes whose date of maturity is later than the Base Prospectus Expiry Date, the public offer of such Notes may be made on the basis of one or more subsequent base prospectuses (each a **Successor Base Prospectus**) after the Base Prospectus Expiry Date in accordance with Article 8 para. 11 of Regulation (EU) 2017/1129, to the extent that the (respective) Successor Base Prospectus provides for a continuation of the public offer of the Notes. In this context, these Final Terms are, in each case, to be read in conjunction with the (most recent) Succeeding Base Prospectus. The (respective) Successor Base Prospectus will be approved and published prior to the expiry of the validity of the Base Prospectus or the respective Successor Base Prospectus (whichever applies) (as required by Regulation (EU) 2017/1129). The (respective) Successor Base Prospectus will be published in electronic form on the website [insert website] (or any successor website thereof, in which case an automatic redirection will be ensured by the Issuer).]*

*[In the case of a continued offer of the notes, add: This Base Prospectus (also the **Original Base Prospectus**) under which the public offering of the Notes described in these Final Terms is continued, shall cease to have effect on [insert date] (midnight) (the **Original Base Prospectus Expiry Date**). In respect of Notes whose date of maturity is later than the Original Base Prospectus Expiry Date, the public offer of such Notes may be continued on the basis of one or more subsequent base prospectuses (each a **Successor Base Prospectus**) after the Original Base Prospectus Expiry Date in accordance with Article 8 para. 11 of Regulation (EU) 2017/1129, to the extent that the (respective) Successor Base Prospectus provides for a continuation of the public offer of the Notes. In this context, these Final Terms are, in each case, to be read in conjunction with the (most recent) Successor Base Prospectus. The (respective) Successor Base Prospectus will be approved and published prior to the expiry of the validity of the respective preceding base prospectus (as required by Regulation (EU) 2017/1129). The respective Successor Base Prospectus will be published in electronic form on the website [insert website] (or any successor website thereof, in which case an automatic redirection will be ensured by the Issuer).]*

The Base Prospectus dated 29 April 2022 has been approved by the Central Bank of Ireland (the Central Bank) as competent authority under Regulation (EU) 2017/1129.

The Central Bank has only approved the base prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are the subject of these final terms and investors should make their own assessment as to the suitability of investing in the securities.

The Central Bank has provided the competent authority(ies) of [insert details of relevant Host Member State(s)] with a certificate of approval attesting that the Base Prospectus dated 29 April 2022 has been drawn up in accordance with the provisions of Regulation (EU) 2017/1129. This should not be considered as an endorsement of the quality of the securities that are the subject of these final terms and investors should make their own assessment as to the suitability of investing in the securities.

This Base Prospectus is drawn up in the English language. The language of the Base Prospectus is English.

Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

These Final Terms must be read in conjunction with the Base Prospectus dated 29 April 2022 (as supplemented from time to time) including the information incorporated by reference. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus (as supplemented from time to time), including the information incorporated by reference.

These Final Terms consist of three parts: Part I – General Information; Part II – Terms and Conditions of the Notes; and Part III – Noteholder Meeting Provisions. [A summary of the individual issue of the Notes is annexed to these Final Terms.³]

[Investors who have already agreed to purchase or subscribe for Notes during the validity period of the afore-mentioned Base Prospectus have the right, exercisable within a time limit of two working days after the publication of a succeeding base prospectus, to withdraw their acceptances, provided that the Notes have not already been delivered to them.]

The Base Prospectus, any Supplements and these Final Terms are available [[●] and in addition] [in printed version free of charge at [●] and in addition] on the website [insert website] or any successor website thereof, in which case an automatic redirection will be ensured by the Issuer.

³ Not applicable in the case of an issue of Notes with a minimum denomination of at least EUR 100,000.
Nicht anwendbar im Fall einer Emission von Wertpapieren mit einer Mindeststückelung in Höhe von mindestens EUR 100.000.

Part I – General Information

[In case of a continuation, insert: This Part I. of these Final Terms is to be read in conjunction with the terms and conditions set forth [initially] in the part of the base prospectus dated 29 April 2022 [and the supplement[s] to it dated [insert date]], as incorporated by reference. [Besides that these Final Terms are also to be read in conjunction with this Base Prospectus [, as amended,] and the base prospectus[es] [, as amended,] dated [insert date], as incorporated by reference.]

The conditions applicable to the Notes are the result of following selection, completion, reproduction or deletion of the options contained in the relevant terms and conditions as set out in the relevant terms and conditions.]

ISIN:	[ISIN] [●] [Not applicable.]
Other security identification code[s]:	[WKN] [●] [MT] [●] [FISN] [●] [CFI Code] [●] [insert any other security code] [●] [Not applicable.]
Aggregate principal amount:	[●]
Principal amount/specified denomination:	[●]
Specified currency:	[●]
Issue price:	[The issue price of the Notes is [●].][The issue price means the price of the Notes subscribed for during the subscription period. The issue price corresponds to [●][the principal amount of a Note] [plus the front-up commission] [plus][minus] [accrued interest][●].] [The issue price means [for the period between [insert date] until and including [insert date] [●]] [and for the period between [insert date] until and including [insert date] [●]] [and for the period between [insert date] until and including [insert date] [●]] [and for the period between [insert date] until and including [insert date] [●]][●].] [In case the Notes are offered without engagement after expiry of the subscription period, the issue price of the Notes will be determined by the Issuer in its own free discretion taking into account actual market conditions.]
Selling commission:	[●][None.]
Other commissions:	[Front-up commission of up to [5][●] per cent. of [the principal amount][●] per Note.][●][None.]

Expenses and taxes specifically charged to the subscriber or purchaser:	[●][None.]
Reasons for the Offer and use of proceeds:	[Specify details with regard to reasons for the offer and use of proceeds.]
[Expenses and proceeds to be broken into each principal intended use and presented in order of priority of such uses:	[●]]
[In case the anticipated proceeds will not be sufficient to fund all the proposed uses, a statement regarding the amount and sources of other funds needed:	[●][Not applicable.]]
Net proceeds:	[●][Not applicable.]
Estimated total expenses:	[●][Not applicable.]
Indication of yield:	[●]
Material interests, including conflicting ones, of natural and legal persons involved in the issue/offer:	[Insert description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest.][Not applicable.]
Jurisdiction[s], in which non-exempt offer may take place:	Non-exempt offers may be made in [the Republic of Austria][,] [and] [the Kingdom of Belgium][,] [and] [the Republic of Bulgaria][,] [and] [the Republic of Croatia][,] [and] [the Republic of Cyprus][,] [and] [the Czech Republic][,] [and] [the Kingdom of Denmark][,] [and] [the Republic of Finland][,] [and] [the French Republic][,] [and] [the Hellenic Republic][,] [and] [Hungary][,] [and] [the Republic of Ireland][,] [and] [the Italian Republic][,] [and] [the Republic of Malta][,] [and] [the Kingdom of Norway][,] [and] [the Republic of Poland][,] [and] [the Portuguese Republic][,] [and] [Romania][,] [and] [the Slovak Republic][,] [and] [the Republic of Slovenia][,] [and] [the Kingdom of Spain][,] [and] [the Kingdom of Sweden][●].
Conditions, to which the offer is subject:	[Save for the conditions to the Offer as set out in the Base Prospectus, no further conditions to the Offer shall apply.][insert other conditions to which the offer is subject to]
Underwriting:	[The Notes will be underwritten [with a firm commitment basis][without a firm commitment basis][under best efforts arrangements] by the following distributor[s]: [insert distributor[s].][insert percentage] per cent. of the issue is not underwritten.] [The [underwriting][subscription] agreement [is][will be] dated as of [insert date].][Not applicable.][●]

Name and address of the coordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer, of the placers in the various countries where the offer takes place:	[●][Not applicable.]
Minimum amount of application:	[●][Not applicable.]
Maximum amount of application:	[●][Not applicable.]
Manner and date in which results of the offer are to be made public:	[The Issuer will inform the Noteholders during the offer period about the number of Notes sold during such offer period to investors by publishing the relevant information on the website of the Issuer (www.timberland-securities-investment.com) or any successor website.][●]
Method and time limits for paying up the Notes and for delivery of the Notes:	[The delivery of the Notes shall be [free of payment][against payment] [on [insert date]]. [Each investor will be notified of the settlement arrangements in respect of the Notes at the time of such investor's application.][●] [The appropriate number of Notes shall be credited to the holder's account in accordance with the rules of the corresponding Clearing System.][●]
Description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants:	[●][Not applicable.]
[Process for notifying applicants of the amount allotted and an indication whether dealing may begin before notification is made:	[●][Trading on terms of issue is reserved.]
Clearing System, Custody:	[Euroclear] [/] [Clearstream Luxembourg] [/] [Clearstream Frankfurt] [/] [Central Securities Depository of the Malta Stock Exchange] [OeKB CSD] [/] [SIX SIS AG] [/] [Euronext Securities Milan (Monte Titoli S.P.A.)] [Not applicable.]
Admission to trading:	[Not applicable.] [However, application][Application] [has been][will be][may be] made to [list the Notes][include the Notes to trading] on [the Vienna MTF market of the Vienna Stock Exchange] [and] [Prospects MTF of the Malta Stock Exchange] [and] [insert other unregulated market], which [is][are] not [a] regulated market[s] [and] [on one or more organised trading facilities (OTF)] [each] within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.][●]

[Application [has been][will be][may be] made for the admission to trading of the Notes on the regulated market[s] of [the Irish Stock Exchange] [and] [the Vienna Stock Exchange] [and] [the Malta Stock Exchange], which [is][are] [a] regulated market[s] [and] [on an organised trading facility (OTF)] [each] within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU. For the avoidance of doubt "and" means in regard to admission to trading of Notes one or more regulated market(s).]

[Expected date of admission:

[●][Not applicable.]

[Regulated markets (or third country markets, SME Growth Market or MTFs) on which, to the knowledge of the Issuer, securities of the same class of the Notes to be offered to the public or admitted to trading are already admitted to trading:

[Irish Stock Exchange] [and] [the] [Vienna Stock Exchange] [and] [the] [Malta Stock Exchange] [Not applicable.]

[Offer period [(and period in during which subsequent resale or final placement of the Notes can be made)]:

The offer period [starts][started] on [*insert date*] and will finish on [*insert date*]; the Issuer intends to continue the offer period for the Notes after expiry of the period of validity of the Base Prospectus under a succeeding Base Prospectus. [The Issuer reserves the right for any reason to close the offer period at any time.]

[Subsequent resale or final placement of the Notes may be made until [*insert date*].][●]

[Under the previous Base Prospectus[es] dated [*insert date(s)*], the offer period initially started on [*insert date*]. The offer period in accordance with this Base Prospectus starts on [*insert date*] and will finish on [*insert date*] [([*insert time*] [p.m.][a.m.] local time)] or, in case the Issuer continues the offer period for the Notes after expiry of the period of validity of this Base Prospectus under one or more succeeding Base Prospectus, on [[*insert date*] at the latest; the Issuer intends to continue the offer period for the Notes after expiry of the period of validity of the Base Prospectus under a succeeding Base Prospectus. The Issuer reserves the right for any reason to close the offer period at any time.]

[*insert other offer period details*]

[Time period, including any possible amendments, during which the offer of the Notes will be open and description of the application process:

[The Notes will [initially] be offered during a subscription period[.]; the Issuer intends to continue the subscription period for the Notes after expiry of the period of validity of the Base Prospectus under a succeeding Base Prospectus in case the offer period

will be continued under a succeeding Base Prospectus.]][●]

[Subscription period: [*insert first day of subscription period*] – [*insert last day of subscription period*] (*insert time*) [p.m.][a.m.] local time)][●]

[The Issuer intends to continue the subscription period for the Notes after expiry of the period of validity of the Base Prospectus under a succeeding base prospectus.]

[The Issuer reserves the right to continue the subscription period in connection with a public offer subject to the filing of new Final Terms for the Notes under another base prospectus.][●]

[After expiration of the subscription period, the offer period [continues][may be continued.] [[The][A possible] offer will be made without engagement.][●]

Consent to the use of the Base Prospectus:

[In the case of a general consent, the following applies:

The Issuer consents to the use of the Base Prospectus (under which the offer of the Notes takes place) and the applicable Final Terms in connection with a subsequent resale or final placement of the Notes by all financial intermediaries during the period of validity of the Base Prospectus by all financial intermediaries (so-called general consent).

General consent for the subsequent resale or final placement of Notes by the financial [intermediary][intermediaries] is given in relation to [the Republic of Austria][,] [and] [the Kingdom of Belgium][,] [and] [the Republic of Bulgaria][,] [and] [the Republic of Croatia][,] [and] [the Republic of Cyprus][,] [and] [the Czech Republic][,] [and] [the Kingdom of Denmark][,] [and] [the Republic of Finland][,] [and] [the French Republic][,] [and] [the Hellenic Republic][,] [and] [Hungary][,] [and] [the Republic of Ireland][,] [and] [the Italian Republic][,] [and] [the Republic of Malta][,] [and] [the Kingdom of Norway][,] [and] [the Republic of Poland][,] [and] [the Portuguese Republic][,] [and] [Romania][,] [and] [the Slovak Republic][,] [and] [the Republic of Slovenia][,] [and] [the Kingdom of Spain][,] [and] [the Kingdom of Sweden][●].][●]

[In the case of an individual consent, the following applies:

The Issuer consents to the use of the Base Prospectus (under which the offer of the Notes takes place) and

the applicable Final Terms in connection with a subsequent resale or final placement of the Notes by the following financial intermediaries during the period of validity of the Base Prospectus by the following financial intermediaries (so-called individual consent):

[Insert name(s) and address(es)].

Individual consent for the subsequent resale or final placement of the Notes by the financial [intermediary][intermediaries] is given in relation to [the Republic of Austria][,] [and] [the Kingdom of Belgium][,] [and] [the Republic of Bulgaria][,] [and] [the Republic of Croatia][,] [and] [the Republic of Cyprus][,] [and] [the Czech Republic][,] [and] [the Kingdom of Denmark][,] [and] [the Republic of Finland][,] [and] [the French Republic][,] [and] [the Hellenic Republic][,] [and] [Hungary][,] [and] [the Republic of Ireland][,] [and] [the Italian Republic][,] [and] [the Republic of Malta][,] [and] [the Kingdom of Norway][,] [and] [the Republic of Poland][,] [and] [the Portuguese Republic][,] [and] [Romania][,] [and] [the Slovak Republic][,] [and] [the Republic of Slovenia][,] [and] [the Kingdom of Spain][,] [and] [the Kingdom of Sweden][●] to *[insert name(s) and address(es)].*

[The Issuer's consent to the use of the Base Prospectus is subject to the condition that each financial intermediary complies with the applicable selling restrictions as well as the Terms and Conditions of the offer.]

[Moreover, the Issuer's consent to the use of the Base Prospectus is subject to the condition that the financial intermediary using the Base Prospectus commits itself towards its customers to a responsible distribution of the Notes. This commitment is made by the publication of the financial intermediary on its website stating that the Base Prospectus is used with the consent of the Issuer and subject to the conditions set forth with the consent.]

[Besides, the consent is not subject to any other conditions.]

[Not applicable. No consent is given.]

[Selling Restrictions:

[The offer is [not] a non-exempt offer.]

[Prohibition of sales to retail investors in the European Economic Area does [not] apply.]

[Insert any other selling restriction.]

[Not applicable.]]

[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:

[Insert website] [(or any successor or replacement address thereto, in which case an automatic redirection will be ensured by the Issuer)]

Part II – Terms and Conditions of the Notes

[In the case of Luxembourg Fixed Rate Bearer Notes replicate the relevant provisions of Option I (including relevant further options contained therein) set out in this Base Prospectus and complete relevant placeholders.]

[In the case of Luxembourg Fixed Rate Registered Notes replicate the relevant provisions of Option II (including relevant further options contained therein) set out in this Base Prospectus and complete relevant placeholders.]

[In the case of Maltese Fixed Rate Registered Notes replicate the relevant provisions of Option III (including relevant further options contained therein) set out in this Base Prospectus and complete relevant placeholders.]

[In the case of German Fixed Rate Bearer Notes replicate the relevant provisions of Option IV (including relevant further options contained therein) set out in this Base Prospectus and complete relevant placeholders.]

Part III – Noteholder Meeting Provisions

[In the case of Option I and Option II:]

[In accordance with applicable laws, articles 470-3 - 470-19 of the Companies Act 1915 are not applicable to the Notes.]

[Replicate the relevant provisions of Noteholder Meeting Provisions (including relevant further options contained therein) set out in this Base Prospectus:]

[In the case of Option III – Fixed Rate Registered Notes issued in dematerialized form the relevant provisions of Noteholders Meeting Provisions are already part of the relevant Terms and Conditions of the [Notes][Bonds]. Therefore, in this case this Part III just refers to the Terms and Conditions of the [Notes][Bonds]:]

[This Part refers to Clause 13 of the Terms and Conditions of the [Notes][Bonds].]

[In the case of Option IV – German Fixed Rate Bearer Notes the relevant provisions of Noteholders Meeting Provisions are already part of the relevant Terms and Conditions of the Notes. Therefore, in this case this Part III just refers to the Terms and Conditions of the Notes:]

[This Part refers to the Terms and Conditions of the Notes and there to § [13][●] that covers the amendments to the Terms and Conditions by resolution of the Noteholders; Joint Representative.]]

[Insert issue specific summary here. It shall be noted that the issue specific summary needs to be drafted on the basis of the summary relating to the Base Prospectus. No further information may be added, but the information will be made specific for the relevant issue of Notes only, i.e. parts of the summary relating to the Base Prospectus which are of no relevance for a specific issue must be deleted and information which is drafted in a general manner must be replaced by issue specific information.⁴]

⁴

Not required for Notes with a Specified Denomination of at least EUR 100,000.

Nicht erforderlich bei Wertpapieren mit einer Festgelegten Stückelung von mindestens EUR 100.000.

DESCRIPTION OF THE PARTIES

I. DESCRIPTION OF THE ISSUER

1. The Issuer

1.1. History and Development of the Issuer

The Issuer was registered in Malta for an indefinite duration on 30 January 2015 under the name Timberland Securities Investment Ltd, a private limited liability company incorporated in terms of the Companies Act (Cap. 386 of the Laws of Malta). On 19 April 2016, the Issuer changed its status to a public limited liability company, as a result of which, the name of the Issuer was changed to Timberland Securities Investment plc.

1.2. Additional Information about the Issuer

Full legal and commercial name:	Timberland Securities Investment plc
Legal Identifier (LEI):	894500CA1XTDSTWJ1T79
Company registration number:	C-68856
Registered address:	171, Old Bakery Street, Valletta VLT 1455
Office:	Aragon House, St. George's Park, St. Julian's STJ 3140, Malta
Place of registration and domicile:	Malta
Telephone number:	+356-209081-00
Fax number:	+356-209081-50
Email:	info@timberland-securities-investment.com
Website	www.timberland-securities-investment.com

As at the date of this Base Prospectus, the Issuer has an authorised share capital of EUR 50,000 divided into 49,999 ordinary A shares and 1 ordinary B share of one (1) Euro each. The issued share capital of the Issuer is of EUR 50,000 divided into 49,999 ordinary A shares and 1 ordinary B share of one (1) Euro each. The Issuer is a subsidiary of Timberland Holding II Ltd, Malta, incorporated under the laws of Malta.

There are no actual conflicts of interests between the interests of the Issuer and its duties vis-à-vis other issuers for which the Issuer acts as arranger or sub-arranger or in relation to Noteholders.

The business address of the Issuer is the same as that of, as applicable, the Distributor Timberland Invest Ltd.

An entrepreneurial conflict of interest could arise in the fact, that persons such as but not limited to the Members of the Board of Directors of the Issuer are acting in different functions such as Members of the Board of Directors of inter alia (i) Timberland Invest Ltd and/or Timberland Capital Management GmbH as distributor(s) to Notes of the Issuer, to the extent as applicable, and (ii) E-Stream Energy Management GmbH as the General Partner of E-Stream Energy GmbH & Co KG and E-Stream GmbH & Co KGaA, while the Issuer is guarantor to Notes issued by E-Stream Energy

GmbH & Co KG. Furthermore there might be potential conflicts of interest for such persons in regard to current or future entrepreneurial activities or shareholdings outside their activity to the Issuer or due to other business activities or other entrepreneurial participations or shareholdings of (i) their own and/or (ii) while acting for and on behalf of other parties. There are actually no such conflicts of interests.

The measures in place that a control of the Issuer is not abused is governed by and in accordance with the provisions of the applicable laws and regulations. There is no knowledge of the existence of any abuse of control is exercised by the Issuer.

1.3. Selected Financial Information

The audited Report and Financial Statements of the Issuer for the financial period from 1 January 2020 to 31 December 2020 and the audited Report and Financial Statements of the Issuer for the financial period from 1 January 2021 to 31 December 2021 have been prepared in accordance with General Accounting Principles for Small and Medium-sized Entities (GAPSME), Cap. 386 of the Laws of Malta:

	2020 (€)
Non-Current assets	3,716,169
Current assets	1,909,510
Total Assets	5,625,679
Shareholder's Equity	(3,384,800)
Total Liabilities	9,010,479
Total Equity and Liabilities	5,625,679
	2021 (€)
Non-Current assets	3,751,277
Current assets	1,312,870
Total Assets	5,064,147
Shareholder's Equity	(4,697,705)
Total Liabilities	9,761,852
Total Equity and Liabilities	5,064,147

The Financial Statements of the Issuer for the financial period from 1 January 2021 to 31 December 2021 have been independently audited and have been drawn up in accordance with Directive 2014/56/EU and Regulation (EU) 537/2014.

1.4. Significant or Material Changes and recent Events and Trends

1.4.1. Significant or material change in the financial or trading position of the Issuer

There has been no significant change in the financial position or financial performance of the Issuer and no material adverse change in the prospects of the Issuer since 31 December 2020 the date of its last published audited financial statements.

Safe for this, due to the uncertain duration and consequences of the coronavirus pandemic, the effects on sales, earnings and liquidity for the current fiscal year 2022 and potentially beyond cannot be quantified at present. However, in view of the current development in connection with the coronavirus (COVID-19), the situation in many of the Issuer's core markets is challenging. The Issuer expects the coronavirus pandemic to have a considerable impact on sales, earnings and liquidity in the 2022 financial year and potentially beyond. The extent of the impacts resulting from the COVID-19 pandemic and other events beyond the Issuers' control will depend on future developments, which are highly uncertain at this time, including new information that may emerge concerning the spread of the pandemic and actions taken to contain the coronavirus or its impact, among others.

1.4.2. Material changes in the Issuer's borrowing and funding structure since the last financial year and the expected financing of the Issuer's activities

There are no material changes in the Issuer's borrowing and funding structure since the last financial year. Financing is still based on (i) own funds, (ii) operating income, (iii) loans granted to Timberland Securities Investment plc and (iv) future refinancing by issuing bonds.

Safe for this, due to in particular the effects in connection with the global corona pandemic crisis and the associated necessary effects in certain financial instruments of the Issuer (a description of which is incorporated by reference – see section "*Documents incorporated by reference*") are potentially relevant to the financing of the Issuer's activities.

1.4.3. Details of any recent events particular to the issuer and which are to a material extent relevant to an evaluation of the Issuer's solvency

The events that which are to a material extent relevant to an evaluation of the Issuer's solvency (a description of which is incorporated by reference – see section "*Documents incorporated by reference*") are potentially relevant to the Issuer.

Safe for this, due to the uncertain duration and consequences of the coronavirus pandemic, the effects on sales, earnings and liquidity for the current fiscal year 2022 and potentially beyond cannot be quantified at present. However, in view of the current development in connection with the coronavirus (COVID-19), the situation in many of the Issuer's core markets is challenging. The Issuer expects the coronavirus pandemic to have a considerable impact on sales, earnings and liquidity in the 2022 financial year and potentially beyond. The extent of the impacts resulting from the COVID-19 pandemic and other events beyond the Issuers' control will depend on future developments, which are highly uncertain at this time, including new information that may emerge concerning the spread of the pandemic and actions taken to contain the coronavirus or its impact, among others.

1.4.4. Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year

The trends, uncertainties, demands, commitments and events that may impact the Issuer (a description of which is incorporated by reference – see "*Documents Incorporated by Reference*" above) are potentially relevant to the Issuer's prospects at least the current financial year.

Safe for this, due to the uncertain duration and consequences of the coronavirus pandemic, the material effect on the Issuer's prospects for at least the current financial year and potentially beyond cannot be quantified at present. However, in view of the current development in connection with the coronavirus (COVID-19), the situation in many of the Issuer's core markets is challenging. The Issuer expects the coronavirus pandemic to have a reasonably likely material effect on the Issuer's prospects for at least the current financial year financial year and potentially beyond. The extent of the impacts resulting from the COVID-19 pandemic and other events beyond the Issuers' control will depend on future developments, which are highly uncertain at this time, including new information that may emerge concerning the spread of the pandemic and actions taken to contain the coronavirus or its impact, among others.

1.5. Litigation and Arbitration

The Issuer was not engaged in any governmental, legal, arbitration, administrative or other proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which are likely to have a material adverse effect upon the Issuer's financial position or profitability.

1.6. Statutory Auditor

The audit firm of the Issuer is KSI Malta, Certified Public Accountants, having its registered office at 6, Villa Gauci, Mdina Road, Balzan, BZN 9031 and is registered with the Malta business registry under No LPA 92. The Issuer has changed its statutory auditor for the period of its Financial Statements beginning 01 January 2019 to KSI Malta.

1.7. Tax Advisory

Tax advisory to the Issuer is provided inter alia by Deloitte, a civil partnership, registered in Malta; having its registered office at Deloitte Place, Triq L-Intornjatur, Central Business District, CBD 3050 Malta.

1.8. Administration

In terms of the Issuer's Memorandum of Association, the Issuer's board of directors must consist, at all times, of a minimum of two directors and a maximum of five directors. The business address of the directors of the Issuer is the same as that of the Issuer.

As at the date of the publication of this Base Prospectus, the directors of the Issuer are as follows:

Dirk Koester

Since 22 June 2015, Mr Koester has been Managing Director of E-Stream Energy Management GmbH, the managing general partner of the Issuer. Mr Koester is authorized to represent the Issuer on his own behalf and to enter into legal transactions with himself in his own name or as a representative of a third party (exemption from the restrictions of section 181 German Civil Code (*Bürgerliches Gesetzbuch*)).

He has worked for the Issuer's General Partner since 2004, is since June 2015 member of its Board of Directors and has around 15 years experience in its energy business and energy storage and technology business.

Furthermore, Mr Koester has been working in the financial sector since 1987. From 1987 to 1992 he worked in foreign exchange trading and futures trading, first with Dean Witter Reynolds in Frankfurt am Main, later with Prudential Bache in Munich and with Merrill Lynch in Munich.

In 1992, Mr Koester became self-employed in the investment sector and has been working with Timberland Capital Management GmbH since 1996, where he has been responsible for asset management since 1999. Since 1999 Mr Koester has been working for Timberland Service GmbH in the field of sales control.

Since 2003, Mr Koester has been responsible together with Mr Kraemer for the portfolio management of the mutual fund "Timberland Top-Dividende International". He is a member of the Board of Directors of Timberland SICAV. He is also a member of the Board of Directors of the financial services institution Timberland Fund Management Ltd. (Malta) and Timberland Invest Ltd. (Malta). Mr Koester has, since 2003, performed individual portfolio management, fund management and investment advisory services for Timberland Capital Management GmbH.

In particular, he performs the day-to-day portfolio management of the retail sub-fund Timberland Top-Dividende International together with Mr Kraemer. Since 1999, Mr Koester has also worked for Timberland Service GmbH, Germany, which is a licensed financial service provider in Germany (section 34 lit. f German Trade, Commerce and Industry Regulation Act (*Gewerbeordnung*) whose services include the distribution of financial products, including the fund Timberland Top-Dividende International, to retail, professional and institutional investors as well as other financial service providers. In this regard, Mr Koester works on a day-to-day basis with the register and transfer agents of the said products.

In addition to the above, Mr Koester has also, since 1999, setup (together with Mr Kraemer) several investment structures and AIFs in Germany, which are authorized for public offering by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, BaFin). His work included several functions ranging from assistance in setting up of the said structures to the day-to-day running thereof including inter alia being a member of a supervisory board (*Aufsichtsrat*).

Mr. Koester serves since 2015 as member of the board of directors of E-Stream Energy Management GmbH, which is a General Partner to E-Stream Energy GmbH & Co KG.

Mr Koester is a member of the board of directors and member of the investment committee of Timberland Fund Management Ltd. and member of the board of directors and member of investment advisory committee of Timberland Invest Ltd. Timberland Fund Management Ltd. is a Maltese MFSA-licensed full-scope AIFM, which is authorised to manage open-ended and close-ended AIFs and is also authorised to perform discretionary portfolio management services, to receive and transmit orders and to provide investment advice. Timberland Fund Management Ltd. passports its services to nearly all Member States of the European Union. Timberland Invest Ltd. is licensed as MiFID-company to provide a number of services including the reception and transmission of orders, investment advice and placement of financial instruments without a firm commitment in respect of all financial instruments falling within the remit of Annex 1 to MiFID II. Timberland Invest Ltd. passports its service to all Member States of the European Union and to Norway, Island and Liechtenstein, all of which are countries of the European Economic Area.

Mr Koester is since 2015 a Managing Director of E-Stream Energy Management GmbH. Mr Koester is authorized to represent the Issuer on his own behalf and to enter into legal transactions with himself in his own name or as a representative of a third party (exemption from the restrictions of section 181 German Civil Code (*Bürgerliches Gesetzbuch*)). E-Stream Energy Management GmbH is General Partner (*Komplementärin*) of E-Stream GmbH & Co KGaA, a limited Partnership limited by shares, where the Issuer is shareholder. E-Stream GmbH & Co KGaA has been incorporated in 2019 and entered in the German trade register (*Handelsregister*) in the beginning of 2020.

Currently, Mr Koester is also inter alia a member of the management boards of the securitisation companies Timberland Securities SPC and Timberland Securities II SPC (Cayman Islands) as well as Timberland Investment S.A. (Luxembourg). He is also a member of the management bodies of other companies in the financial sector and other areas. As of today, Mr Koester also serves as member of

the board of directors of Timberland Securities SPC and Timberland Securities II SPC (Cayman Islands), and Timberland Investment S.A. (Luxembourg), all of which are securitisation companies. He also serves as member of the board of directors of additional financial and non-financial entities. Furthermore, he serves inter alia as a member of the board of directors of (i) Timberland Management GmbH, which is a General Partner to inter alia Timberland Finance GmbH & Co KG and its branch in Hungary as well Timberland Finance International GmbH & Co KG and its branch in Hungary and (ii) E-Stream Energy Management GmbH, which is a General Partner to E-Stream Energy GmbH & Co KG and E-Stream GmbH & Co KGaA.

Thomas Kraemer

Mr Kraemer has been working in the financial sector since 1993. Since 1996 he has been a managing partner of Timberland Capital Management GmbH, which manages financial portfolios throughout Europe, and since 1999 a managing partner of Timberland Service GmbH, a financial service provider for investment brokerage and investment consulting. Mr Kraemer is also a member of the Board of Directors of Timberland SICAV and in this capacity is responsible for the portfolio management of the "Timberland Top-Dividend International" mutual fund launched jointly with DG Bank Luxembourg in 1999. Since 2003 he has been carrying out this task together with Mr Koester. Mr Kraemer is also managing partner of Timberland Investment GmbH, a financial services provider for investment advice, investment brokerage and financial portfolio management. He is also a member of the Board of Directors of the financial services companies Timberland Fund Management Ltd. (Malta) and Timberland Invest Ltd. (Malta).

Currently, Mr Kraemer is also a member of the executive boards of the securitisation companies Timberland Securities SPC and Timberland Securities II SPC (Cayman Islands) and Timberland Investment S.A. (Luxembourg). He is also a member of the management bodies of other companies in the financial sector and other areas.

Mr Kraemer has, since 1996, performed individual portfolio management and investment advisory services. Mr Kraemer has been a shareholder and board member of Timberland Capital Management GmbH since 1996. The said company is since 1998 under authorization of the predecessor of the BaFin, *Bundesaufsichtsamt für das Kreditwesen* (BaKred), and the services thereof are passported to several European countries.

In 1999, together with DG Bank Luxembourg, Mr Kraemer set up a retail sub-fund, Timberland Top-Dividende International, which was a sub-fund of DG LUX Multimanager I SICAV (the latter being authorized for retail public offering in Luxembourg, Germany, and, as of 2002, also in Austria). Mr Kraemer is responsible for the day-by-day portfolio management of this fund and since 2003, he has performed this role together with Mr Dirk Koester.

Mr Kraemer has also, since 1999, been a member of the board of directors of Timberland Service GmbH, Germany, which is licensed as a financial service provider in Germany (section 34 lit. f German Trade, Commerce and Industry Regulation Act (*Gewerbeordnung*)) and acts as distribution agent of the fund Timberland Top-Dividende International.

Mr. Kraemer serves since 2004 as member of the board of directors of E-Stream Energy Management GmbH, which is a General Partner to E-Stream Energy GmbH & Co KG.

In 2006, Mr Kraemer assisted in the migration of the fund Timberland Top-Dividende International to AHW SICAV (a new setup SICAV) with LRI Invest as UCITS Management Company. Mr Kraemer was deputy chairman (*stellvertretender Verwaltungsrat*) of the board of directors (*Verwaltungsrat*) of the SICAV between 2006 and August of 2010. Timberland Capital Management GmbH and Timberland Service GmbH (both of which Mr Kraemer was involved in, in the capacities referenced above) were respectively appointed as portfolio manager and distribution agent/information agent to the said SICAV.

In 2010, Mr Kraemer assisted in the migration of the fund Timberland Top-Dividende International to Timberland SICAV. Mr Kraemer has, since August 2010, been appointed as deputy chairman (*stellvertretender Verwaltungsrat*) of Timberland SICAV. In this instance, Timberland Capital Management GmbH and Timberland Service GmbH (both of which Mr Kraemer was involved in, in the capacities referenced above) were also appointed to perform the functions of portfolio manager and distribution agent/information agent to the said SICAV.

In addition to the above, Mr Kraemer has also, since 1999, setup several investment structures (*Vermögensanlagen*) and AIFs in Germany, which have been (as of 2009) authorized for public offering by BaFin. His work included several functions ranging from assistance in drafting the prospectus of the said AIF/investment structures (together with the advising law firm) to the day-to-day running thereof, including setting up the relationship with Commerzbank AG (as account bank for the said AIFs/investment structures).

Mr Kraemer is a shareholder and board member of Timberland Investment GmbH. In 2014, Timberland Investment GmbH was granted authorization by the BaFin as full scope AIFM for closed ended AIFs including individual portfolio management, investment advice, reception and transmission of orders and the safekeeping and management of shares or units in domestic investment funds, EU investment funds and/or foreign AIF for others and the marketing of units or shares in investment funds to third parties.

Mr Kraemer is also a board member and investment committee member of Timberland Fund Management Ltd. and a board member and member of investment advisory committee of Timberland Invest Ltd. Timberland Fund Management Ltd. is a Maltese MFSA-licensed full-scope AIFM, which is authorised to manage open-ended and close-ended AIFs and is also authorised to perform discretionary portfolio management services, to receive and transmit orders and to provide investment advice. Timberland Fund Management Ltd. passports its services to nearly all Member States. Timberland Invest Ltd. is licensed as MiFID-company to provide a number of services including the reception and transmission of orders, investment advice and placement of financial instruments without a firm commitment in respect of all financial instruments falling within the remit of Annex 1 to MiFID. Timberland Invest Ltd. passports its service to all Member States and to Norway, Island and Liechtenstein, all of which are countries of the European Economic Area.

As of today, Mr Kraemer serves as member of the board of directors of Timberland Securities SPC and Timberland Securities II SPC (Cayman Islands), and Timberland Investment S.A. (Luxembourg), all of which are securitisation companies.

Since E-Stream Energy GmbH & Co KG was founded on 19 November 2004 (entered in the commercial register on 1 December 2004), Mr Kraemer has been Managing Director of E-Stream Energy Management GmbH. Mr Kraemer is authorized to represent the Issuer on his own behalf and to enter into legal transactions with himself in his own name or as a representative of a third party (exemption from the restrictions of section 181 German Civil Code (*Bürgerliches Gesetzbuch*)). E-Stream Energy Management GmbH is General Partner (*Komplementärin*) of E-Stream GmbH & Co KGaA, a limited Partnership limited by shares, where the Issuer is shareholder. E-Stream GmbH & Co KGaA has been incorporated in 2019 and entered in the German trade register (*Handelsregister*) in the beginning of 2020.

Mr Kraemer also serves as member of the board of directors of additional financial and non-financial entities. Furthermore, he serves inter alia as a member of the board of directors of (i) Timberland Management GmbH, which is a General Partner to inter alia Timberland Finance GmbH & Co KG and its branch in Hungary as well Timberland Finance International GmbH & Co KG and its branch in Hungary and (ii) E-Stream Energy Management GmbH, which is a General Partner to E-Stream Energy GmbH & Co KG and E-Stream GmbH & Co KGaA.

Anthony J Paris

Mr Paris is a business consultant mainly working on projects to deliver improvements in service delivery performance and project management. His ideas on project leadership and management are described in a book written by Gordon D. Webster and published by Gower Press in English and by the Spanish Institute for Quality in Spanish. His management work included several years helping organizations like Chase Manhattan Bank, American Express, Metropolitan Life, NASA, and General Electric in the USA. Currently he is based in Europe, consulting with large organizations such as Computer Sciences Corporation (CSC), Schindler Elevators & Escalators, Citibank, BBVA, Department of the Treasury (Southern Australia), Genpact and UST Global.

He graduated in mechanical engineering from University of Manchester, in England. At the same university, he later wrote a thesis on the cooling and controlling of nuclear reactors using liquid sodium as a coolant and was awarded a M.Sc. from Manchester University. His mathematical modelling work on nuclear reactors forms the basis of a number of business, financial and risk assessment models that he developed for various clients.

Mr Paris worked as systems analyst in England from 1968 to 1970 and moved to USA in 1970 where he worked with several financial institutions as management consultant from 1970 to 1978 developing systems to help investment analysts and portfolio managers. In 1978, he started a management training & consulting business in New York delivering services to Fortune 500 companies. From 1990 to 1996, he was managing director for Air Malta, the Maltese national airline, performing a major reorganization and implementing major automation projects. From 1996 onwards, he worked with major companies in the fields of operations management, project management and service management. He also worked with hedge fund managers on forecasting models and risk management models.

Mr Paris currently co-manages a USD 30 million family office fund. In addition, he is a director on the board of various fund management and administration companies based in Malta, with MLRO and risk officer responsibility. Mr Paris is a director of companies within the E-Seven Systems Group of companies.

2. Organisational Structure and Dependency on other Companies

As of the date of this Base Prospectus, the shareholders of the Issuer are as follows:

- Timberland Holding II Ltd. (C 68800), having registered address at 171, Old Bakery Street, Valletta, VLT 1455, Malta, which holds 99.99 per cent. of the issued share capital of the Issuer; and
- Timberland Investment Ltd. (MC-295373), having registered address at PO Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands, which holds 0.01 per cent. of the issued share capital of the Issuer.

The Issuer does not, as of the date of this Base Prospectus, have shareholdings in other companies. Besides the fact that the Issuer is a subsidiary of Timberland Holding II Ltd, the Issuer is not dependent on any other company.

3. Principal Activities and Markets

The principal objects of the Issuer (and powers which may be exercised to attain such objects) are those which are set out in clause 4 of the Issuer's Memorandum of Association, which is incorporated by reference herein.

As of the date of the publication of this Base Prospectus, the principal activity of the Issuer comprises acting as arranger or sub-arranger in respect of the issuance of limited recourse notes by Timberland Securities SPC, Timberland Securities II SPC and Timberland Investment S.A.

In its role as arranger or sub-arranger in respect of the issuance of notes by the aforementioned entities, all of which are securitization vehicles, the Issuer provides (amongst others) the following services:

- the provision of consultancy services in connection with the acquisition, holding and liquidation of the underlying securitized assets;
- the co-ordination of all documentary and legal aspects of the issuance of notes by Timberland Securities SPC, Timberland Securities II SPC and Timberland Investment S.A.; and
- paying amounts due under the notes issued by Timberland Securities SPC, Timberland Securities II SPC and Timberland Investment S.A.

As consideration for performing its role as arranger or sub-arranger in respect of the issuance of the notes by Timberland Securities SPC, Timberland Securities II SPC and Timberland Investment S.A., the Issuer receives or will receive, with respect to each different notes issued by Timberland Securities SPC and Timberland Securities II SPC: (i) fees of up to 15 per cent. of the adjusted nominal value of each note (which adjusted nominal value is calculated by reference, amongst others, to the value of the underlying securitized and/or index-linked assets obtaining on the day on which such note is subscribed); and/or (ii) further fees, currently up to a maximum limit of EUR 1,995,000 of each note.

The main markets within which the Issuer currently competes are the Republic of Malta, the Republic of Austria, the Federal Republic of Germany, Hungary, the Republic of Ireland, the Grand Duchy of Luxembourg and the Cayman Islands, whilst the main markets within which Timberland Securities SPC, Timberland Securities II SPC and Timberland Investment S.A. currently compete are mainly in the Republic of Austria, Hungary, the Republic of Ireland, the Italian Republic, the Grand Duchy of Luxembourg, as well in the Republic of Croatia, the Republic of Cyprus, the Czech Republic, the French Republic, the Federal Republic of Germany, the Republic of Malta, the Republic of Poland, Romania, the Slovak Republic and the Republic of Slovenia.

The Issuer is a shareholder in various companies.

The Issuer may, in the future, act as arranger or sub-arranger in other securitization and index-linked transactions or carry out other services in any of the aforementioned and/or other jurisdictions.

4. Material Contracts

Arranger Agreements in respect of Issuance of notes by Timberland Securities SPC, Timberland Securities SPC II and Timberland Investment S.A.

Pursuant to agreements dated 27 August 2015, the Issuer was appointed to act as arranger or sub-arranger in respect of the issuance of notes by Timberland Securities SPC, Timberland Securities II SPC and Timberland Investment S.A. In terms of the said agreements, the Issuer was appointed to assist in the setting up of the securitization transactions and to provide, amongst others, the following services to Timberland Securities SPC, Timberland Securities II SPC and Timberland Investment S.A. respectively: (a) the provision of consultancy services in connection with the acquisition, holding and liquidation of the underlying securitized assets; and (b) the co-ordination of all documentary and legal aspects of the issuance of notes by Timberland Securities SPC, Timberland Securities II SPC and Timberland Investment S.A. All agreements may be terminated, inter alia, by the delivery by either party thereto of one month's written notice.

The Issuer is acting as guarantor to a bond issued by E-Stream Energy GmbH & Co KG in an amount of up to EUR 8 million (plus interest and potential additional costs in connection with said bond) which has a maturity date of 15 November 2029.

II. DESCRIPTION OF THE AGENTS

1. Paying Agents

- (a) Under a paying agency agreement between the Issuer and Baader Bank AG, a public limited liability company incorporated and existing under the laws of Germany, under the supervision of the BaFin, having its head office in Weißenstephaner Straße 4, 85716 Unterschleißheim, Germany, registered with the Munich registry of companies under number HRB 121537 (**Baader Bank**), Baader Bank may be appointed as principal paying agent for one or more series of bearer notes from time to time beside other paying agent(s) in regard to other series of bearer notes.

Baader Bank will carry out the tasks set out in the paying agency agreement, including the provision of customary banking services to the Issuer with respect to the Notes issued by the Issuer (except for the registrar and transfer agent services with regard to the registered Notes, which are performed by the registrar and transfer agent(s) (as defined below)).

Baader Bank has an interest in the offer of the bearer Notes and, for the performance of the respective paying agency function, will receive a remuneration of approximately EUR 8,000 per annum.

The Issuer is free to conclude in future one or more paying agency agreements with one or more paying agents for one or more issued Notes.

- (b) Under a paying agency agreement between the Issuer and BankM AG, a public limited liability company incorporated and existing under the laws of Germany, under the supervision of the National Competent Authority in Germany, having its head office in Mainzer Landstr. 61, 60329 Frankfurt am Main, Germany, registered with the Frankfurt am Main registry of companies under number HRB 79542 (**BankM**), BankM may be appointed as principal paying agent for one or more series of bearer notes from time to time beside other paying agent(s) in regard to other series of bearer notes.

BankM may carry out the tasks set out in the paying agency agreement, including the provision of customary banking services to the Issuer with respect to the Notes issued by the Issuer (except for the registrar and transfer agent services with regard to the registered Notes, which are performed by the registrar and transfer agent(s) (as defined below)).

BankM will then have an interest in the offer of the bearer Notes and, for the performance of the respective paying agency function, will receive a remuneration of approximately EUR 8,000 per annum.

The Issuer is free to conclude in future one or more paying agency agreements with one or more paying agents for one or more issued Notes.

2. Registrar and Transfer Agents

Timberland Securities Investment plc is free to perform the function of the registrar and transfer agent itself or appoint one or more other registrar and transfer agents for one or more issued Notes.

Under a registrar and transfer agreement between the Issuer and Alter Domus Fund Services (Malta) Limited, a private limited liability company incorporated and existing under the laws of Malta, having its registered office at Vision Exchange Building, Territorials Street, Mriehel BKR 3000, Malta,

registered with the Companies Register of Malta under number C52740 (**Alter Domus**), Alter Domus is appointed by the Issuer as registrar and transfer agent in respect of the registered Notes.

Alter Domus is regulated by the MFSA and is authorised to provide, inter alia, fund administration services in accordance with the Investment Services Act (Cap. 370 of the laws of Malta). Alter Domus acts as administrator to various other collective investment schemes licensed in Malta.

Timberland Securities Investment plc, in its role as registrar and transfer agent, and Alter Domus are both authorised to have its tasks performed by suitable third parties.

Alter Domus has an interest in the offer of the registered Notes and will receive a remuneration of up to EUR 12,000 per annum (based on 1,000 registers) and EUR 1 for any additional register.

In case of Maltese fixed rate registered notes issued in dematerialised form, the Malta Stock Exchange (**MSE**) having its office at Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta functions as registrar and transfer agent (in the sense of the Terms and Conditions of Option III). The MSE and the Issuer have concluded an agreement with respect to the role and functions of MSE. Furthermore, MSE has an interest in the offer of the registered Notes issued in dematerialised form and will receive a remuneration for the services performed and executed of approximately EUR 9,000 per annum.

The Issuer is free to conclude in future one or more registrar and transfer agreement(s) with one or more registrar and transfer agents for one or more issued Notes.

3. **Fiscal Agents**

Based on a fiscal agency agreement the Issuer has concluded with Timberland Invest Ltd., which is a private limited liability company incorporated and existing under the laws of Malta, under the supervision of the MFSA, with registered office at 171, Old Bakery Street, Valletta VLT 1455, Malta, having its Head Office in Aragon House, St. George's Park, St. Julian's STJ 3140, Malta, registered with the Maltese registry of companies under number C60291 (the **Fiscal Agent**), the Fiscal Agent, as far as the appointment of a fiscal agent is mandatory in any Public Offer Jurisdictions, performs customary fiscal agency services in respect of the Notes.

Under the fiscal agency agreement, will carry out the customary tasks set out in the fiscal agency agreement.

The Fiscal Agent has an interest in the offer of the Notes and will receive in respect of each issuance of Notes a remuneration of EUR 2,500 plus costs and expenses occurred by third parties (tax advisors a.o.) in the relevant Public Offer Jurisdictions.

The Issuer is free to conclude in future one or more fiscal agency agreements with one or more fiscal agents.

4. **Listing Agents**

- (a) The Issuer has concluded a listing agency agreement with Baader Bank, acting as listing agent of the Issuer for the application that may be made to the Vienna MTF market of the Vienna Stock Exchange (the **Vienna MTF**).

Under the listing agency agreement, Baader Bank will ensure the listing of the bearer Notes with the before mentioned markets/exchanges.

Baader Bank has an interest in the offer of the Notes and, for the performance of the respective listing agency function, will receive a remuneration equivalent to an amount of up to EUR 8,000 per each issuance of bearer Note and a onetime remuneration of EUR 1,500.

- (b) The Issuer has concluded a listing agency agreement with Timberland Capital Management GmbH, a private limited liability company incorporated and existing under the laws of Germany, under the supervision of the BaFin, having its head office in Hüttenallee 137, 47800 Krefeld, Germany, registered with the Duisburg registry of companies under number HRB 7204 (**Timberland Capital Management**), acting as listing agent of the Issuer for the application that may be made to the Vienna MTF.

Under the listing agency agreement, Timberland Capital Management will ensure the listing of the register and/or the bearer Notes with the before mentioned market/exchange. Timberland Capital Management may use third parties in order to fulfil its scope of business and its agent role.

Timberland Capital Management has an interest in the offer of the Notes and, for the performance of the respective listing agency function, will receive a remuneration equivalent to an amount of up to EUR 8,000 per each issuance of bearer Note and a onetime remuneration of EUR 1,500.

The Issuer is free to conclude in future one or more listing agency agreements with one or more listing agents for the before mentioned listings.

5. Collecting and Account Banks

- (a) The Issuer has appointed Commerzbank AG, a public limited company (*Aktiengesellschaft*) incorporated under the laws of the Federal Republic of Germany, having its registered office at Kaiserplatz, 60311 Frankfurt am Main, Germany, and registered in the trade register of Frankfurt/Main under number HRB 32000 as collecting bank and account bank (the **Collecting Bank** and/or **German Account Bank**).

The Collecting Bank will receive (i) subscription monies from the registered Notes and bearer Notes from the relevant investors which pay the issue price in Euro and (ii) any subscription monies in a currency other than Euro from the Notes from the relevant local branches and subsidiaries or correspondent banks of the Collecting Bank in the relevant jurisdictions. The Collecting Bank will immediately convert the subscription monies (as mentioned under (ii) above) into a Euro amount taking into consideration the applicable spot rate.

The Collecting Bank/German Account Bank has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 650 per annum and market standard payment fees.

- (b) The Issuer has appointed Bank of Valletta, a public limited company incorporated under the laws of Malta, having its registered office at 58, Zachary Street, Valletta VLT 1130, Malta, and registered in the trade register of Malta under number C2833 as account bank (the **Maltese Account Bank**).

The Maltese Account Bank will receive subscription monies (as mentioned under (a) above) from the registered Notes and bearer Notes from the relevant investors which pay the issue in Euro.

The Maltese Account Bank has an interest in the offer of the Notes and will receive a remuneration of approximately EUR 650 per annum and market standard payment fees.

The Issuer is free to conclude in future one or more Collecting and Account Bank agreements with one or more Collecting and Account Banks.

6. Distribution Agents

- (a) The Issuer has concluded a distribution agency agreement with Timberland Invest Ltd., a private limited liability company incorporated and existing under the laws of Malta, under the supervision of the MFSA, with registered office at 171, Old Bakery Street, Valletta VLT 1455, Malta, having its head office in Aragon House, St. George's Park, St. Julian's STJ 3140, Malta, registered with the Maltese registry of companies under number C60291 (**Timberland Invest**), acting as distribution agent of the Issuer in respect of the Notes.

Under the distribution agency agreement, Timberland Invest and its sales partners and sub-sales partners will ensure the offering and distribution of the Notes in the Public Offer Jurisdictions. Timberland Invest undertakes to use best efforts to offer and distribute the Notes in the Public Offer Jurisdictions in accordance with the relevant selling restrictions and applicable law.

Timberland Invest has an interest in the offer of the Notes and will receive in respect of each subscribed Note a remuneration equivalent to an amount of up to 15 per cent. of the issued Notes.

- (b) The Issuer has concluded furthermore a distribution agency agreement with Timberland Capital Management acting as distribution agent of the Issuer in respect of the Notes.

Under the distribution agency agreement, Timberland Capital Management and its sales partners and sub-sales partners will ensure the offering and distribution of the Notes in certain Public Offer Jurisdictions. Timberland Capital Management undertakes to use best efforts to offer and distribute the Notes in certain Public Offer Jurisdiction in accordance with the relevant selling restrictions and applicable law.

Timberland Capital Management has an interest in the offer of the Notes and will receive a remuneration equivalent to an amount of up to 15 per cent. of the issued Notes.

- (c) The Issuer has concluded a distribution agency agreement with Timberland Finance International GmbH & Co KG, a limited partnership incorporated and existing under the laws of Germany, a Tied Agent of Timberland Invest Ltd. (as per above) and with office at Hüttenallee 137, 47800 Krefeld, Germany, and registered in the trade register of Duisburg under number HRA 12350 (**Timberland Finance International**), acting as distribution agent of the Issuer in respect of the Notes.

Under the distribution agency agreement, Timberland Finance International and its sales partners and sub-sales partners will ensure the offering and distribution of the Notes in certain Public Offer Jurisdictions. Timberland Finance International undertakes to use best efforts to offer and distribute the Notes in certain Public Offer Jurisdiction in accordance with the relevant selling restrictions and applicable law.

Timberland Finance International has an interest in the offer of the Notes and will receive a remuneration equivalent to an amount of up to 15 per cent. of the issued Notes.

- (d) The Issuer has concluded a distribution agency agreement with Timberland Finance International GmbH & Co KG Branch Hungary ("Timberland Finance International GmbH & Co. KG Magyarországi Fióktelepe"), a limited partnership incorporated and existing under the laws of Germany, a Tied Agent of Timberland Invest Ltd. (as per above) and with registered office at Benczúr utca 47, 1068 Budapest, Hungary, registered with the Capital Court registry of companies under number 01-17-001166 (**Timberland Finance International Branch Hungary**), acting as distribution agent of the Issuer in respect of the Notes.

Under the distribution agency agreement, Timberland Finance International Branch Hungary and its sales partners and sub-sales partners will ensure the offering and distribution of the Notes in certain Public Offer Jurisdictions. Timberland Finance International Branch Hungary undertakes to use best efforts to offer and distribute the Notes in certain Public Offer Jurisdiction in accordance with the relevant selling restrictions and applicable law.

Timberland Finance International Branch Hungary has an interest in the offer of the Notes and will receive a remuneration equivalent to an amount of up to 15 per cent. of the issued Notes.

TAXATION

Warning: The tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the Notes. Prospective purchasers of Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of Notes, including the effect of any state or local taxes, under the tax laws applicable in the Republic of Austria, Kingdom of Belgium, the Republic of Bulgaria, the Republic of Croatia, the Republic of Cyprus, the Czech Republic, the Kingdom of Denmark, the Republic of Finland, the French Republic, the Hellenic Republic, Hungary, the Republic of Ireland, the Italian Republic, the Republic of Malta, the Kingdom of Norway, the Republic of Poland, the Portuguese Republic, Romania, the Slovak Republic, the Republic of Slovenia, the Kingdom of Spain and the Kingdom of Sweden and each country of which they are resident.

SELLING RESTRICTIONS

I. PUBLIC OFFER SELLING RESTRICTION UNDER THE PROSPECTUS REGULATION

In relation to each Member State of the European Economic Area other than a Public Offer Jurisdiction falling under the Prospectus Regulation (each, a **Relevant Member State**), and with effect from and including the date on which the Prospectus Regulation is applicable in that Relevant Member State (the **Relevant Date**) an offer of Notes which are the subject of the offering contemplated by this Base Prospectus cannot be made to the public in that Relevant Member State except that, with effect from and including the Relevant Date, an offer of such Notes to the public may be made in that Relevant Member State at any time:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the Issuer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer to publish a prospectus pursuant to Article 6 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- (a) the expression an offer of Notes to the public in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure under the Prospectus Regulation in that Member State;
- (b) the expression Prospectus Regulation means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (and amendments thereto).

II. EUROPEAN ECONOMIC AREA

The Notes have not been and will not be offered, sold or publicly promoted or advertised in the European Economic Area other than in compliance with the Prospectus Regulation (as amended).

III. UNITED STATES OF AMERICA AND ITS TERRITORIES

The Notes are not and will not be registered under the U.S. Securities Act of 1933, as amended. Accordingly, they will not be offered, sold or delivered, directly or indirectly, to the public in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act of 1933 and, in particular, this Base Prospectus does not constitute and may not be distributed as a public offering or invitation to purchase Notes in the United States.

IV. SWITZERLAND

In case an offer of Notes, if any, takes place into or within Switzerland, each of the Distribution Agents as mentioned in this Base Prospectus have represented and agreed that it will only offer or sell the Notes in Switzerland in compliance with all applicable laws and regulations in force in Switzerland, and will, to the extent necessary, obtain any consent, approval or permission required, if any, for the

offer or sale by it of Notes under the laws and regulations in force in Switzerland. Only this Base Prospectus and any other information incorporated therein by reference and required to ensure compliance with the Swiss Code of Obligations and all other applicable laws and regulations of Switzerland (in particular, additional and updated corporate and financial information that shall be provided by the Issuer) may be used in the context of an offer to the public in or into Switzerland. Each of the Distribution Agents as mentioned in this Base Prospectus have agreed that all of such documents and information shall be furnished to any potential purchaser in Switzerland upon request in such manner and at such times as shall be required by the Swiss Code of Obligations and all other applicable laws and regulations of Switzerland.

OFFER TO THE PUBLIC

The Issuer has requested or will request that the Central Bank provides to the competent authority in each of the Public Offer Jurisdictions a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Regulation. Upon provision of such certificate, an offer of the Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in the Public Offer Jurisdictions during the period set out in section "*Offer Period*" below. The Notes may only be offered or sold in any jurisdictions (including, without limitation, the Public Offer Jurisdictions), in accordance with the requirements of the relevant securities laws and regulations applicable in such jurisdictions.

I. OFFER PERIOD

The offer period of the relevant issuance of Notes under this Base Prospectus will be specified in the applicable Final Terms. The Issuer reserves the right for any reason to close the relevant offer period early. Subject to the Final Terms the Issuer reserves the right for any reason to continue the offer period after expiry of the period of validity of the Base Prospectus under a succeeding base prospectus.

Notice will be made to investors by means of a notice published on the website of the Issuer (www.timberland-securities-investment.com or any successor or replacement address thereto). The Issuer will also regularly inform the Noteholders during the offer period about the number of Notes sold during such offer period to investors by publishing the relevant information on the website of the Issuer (www.timberland-securities-investment.com or any successor or replacement address thereto). The Issuer will notify the Central Bank of the result of the offering of the Notes at the end of the offer period.

II. SUBSCRIPTION PERIOD

Notes will be offered during a subscription period as specified in the Final Terms. Subject to applicable Final Terms, after expiration of the subscription period, the offer period may be continued after expiry. In this case, a respective offer may be made without engagement.

III. ISSUE PRICE

During the relevant subscription period or in case the Notes are offered without engagement after expiration of the subscription period, the Issuer will offer and sell each Note at the relevant issue price as determined in the applicable Final Terms. The issue price in respect of the Notes is published on each business day (as defined in the Terms and Conditions) on the Issuer's website (www.timberland-securities-investment.com or any successor or replacement address thereto) and sent to the Central Bank in accordance with Article 17(2) of the the Prospectus Regulation.

IV. PUBLICATION OF AN OFFER TO THE PUBLIC

The offer of the Notes 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.

V. METHOD OF CALCULATING THE YIELD

The yield for Notes will be calculated by the use of the applicable calculation method (as defined in the Terms and Conditions (see the relevant clause which is entitled *Distributions or Interest*, as applicable)), which determines the effective rate of interest of notes taking into account accrued interest (if any) and the applicable rate of distributions (as determined in the applicable Final Terms). An indication of the yield in respect of the Notes will be specified in the applicable Final Terms. The yield indicated will be calculated as the yield to maturity as at the issue date of the Notes and will not be an indication of future yield.

VI. CONDITIONS OF THE OFFER

The Issuer reserves the right to withdraw the offer of Notes for any reason at any time prior to the end of the offer period. In addition, and subject to the Final Terms, the Issuer reserves the continuation of the public offering of the Notes after expiry of the period of validity of the Base Prospectus under a succeeding base prospectus. Subject to the Final Terms, the Issuer reserves the right to continue the public offer subject to the filing of new Final Terms for the Notes under another base prospectus.

For the avoidance of doubt, if any application has been made by a potential investor to purchase the Notes and the Issuer exercises the right to withdraw the offer, each such potential investor shall not be entitled to subscribe for or otherwise purchase any Notes. Notice of such withdrawal or cancellation of the issuance of the Notes will be made to investors by means of a notice published on the website of the Issuer (www.timberland-securities-investment.com or any successor or replacement address thereto). In addition, further conditions may apply (subject to the relevant Final Terms) with a longer period of validity.

VII. THE TIME PERIOD DURING WHICH THE OFFER OF THE NOTES WILL BE OPEN AND DESCRIPTION OF THE APPLICATION PROCESS

The offer of the Notes will be open during the offer period (as set out in the relevant Final Terms). Applications for the purchase of Notes can be made to the Issuer with a copy to the Distribution Agent(s) at its/their address(es) as set out in section "*Description of the Parties*". Amendments to the offer period and the application process, if any, will be notified to investors by means of a notice published on the website of the Issuer (www.timberland-securities-investment.com or any successor or replacement address thereto).

VIII. DETAILS OF THE MINIMUM AND/OR MAXIMUM AMOUNT OF APPLICATION

Subject to applicable Final Terms and further specification, 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. Also subject to further specification, there are no pre-identified allotment criteria. The Issuer will adopt allotment criteria that ensure equal treatment of prospective investors and the Issuer or the Distribution Agents will notify each applicant of the amount of Notes allotted. All the Notes requested during the offer period will be assigned up to the maximum amount of the offer.

IX. DETAILS OF THE METHOD FOR PAYING UP AND DELIVERING THE NOTES

The Notes will be, as the case may be and subject to further determination in the relevant Final Terms, either sold against payment of the relevant issue price to the Issuer or to any agent designated by the Issuer as described under the section entitled "*Selling Restrictions*" of this Base Prospectus or free of payment. Each investor will be notified of the settlement arrangements in respect of the Notes at the time of such investor's application.

X. DESCRIPTION OF THE POSSIBILITY TO REDUCE SUBSCRIPTIONS AND MANNER FOR REFUNDING EXCESS AMOUNT PAID BY APPLICANTS

In case not specified otherwise in the relevant Final Terms, it is not possible to reduce subscriptions.

XI. MANNER AND DATE IN WHICH RESULTS OF THE OFFER ARE TO BE MADE PUBLIC

The Issuer will inform the Noteholders during the offer period about the number of Notes sold during such offer period to investors by publishing the relevant information on the website of the Issuer (www.timberland-securities-investment.com or any successor or replacement address thereto) or any successor website.

XII. PROCESS FOR NOTIFYING APPLICANTS OF THE AMOUNT ALLOTTED AND AN INDICATION WHETHER DEALING MAY BEGIN BEFORE NOTIFICATION IS MADE

Information in relation to the process for notifying applicants of the amount allotted will be set out in the applicable Final Terms. Subject to the relevant Final Terms, the Issuer reserves the right to arrange for a trading on terms of issue.

XIII. CATEGORIES OF POTENTIAL INVESTORS TO WHICH THE NOTES ARE OFFERED

Offers of Notes may be made in each of the Public Offer Jurisdictions (as specified in the Final Terms) 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 Prospectus Regulation, as implemented in such countries, to publish a prospectus. Outside of the offer period, offers in all jurisdictions (including the Public Offer Jurisdictions) will only be made pursuant to an exemption from the obligation under the Prospectus Regulation, as implemented in such countries, to publish a prospectus.

XIV. LIST OF JURISDICTIONS, IN WHICH NON-EXEMPT OFFERS MAY BE MADE

Non-exempt offers may be made in the Republic of Austria, the Kingdom of Belgium, the Republic of Bulgaria, the Republic of Croatia, the Republic of Cyprus, the Czech Republic, the Kingdom of Denmark, the Republic of Finland, the French Republic, the Hellenic Republic, Hungary, the Republic of Ireland, the Italian Republic, the Republic of Malta, the Kingdom of Norway, the Republic of Poland, the Portuguese Republic, Romania, the Slovak Republic, the Republic of Slovenia, the Kingdom of Spain and the Kingdom of Sweden.

GENERAL INFORMATION

I. AUTHORISATION

The issue of the Notes was duly authorised by the resolution of the board of directors of the Issuer during a meeting held on 21 January 2022.

II. LISTING AND ADMISSION TO TRADING

Registered Notes

An application for the admission to trading of the Maltese fixed rate registered notes (issued in dematerialised form) may be made to Official List of the Malta Stock Exchange and/or the Vienna MTF market of the Vienna Stock Exchange and any other market(s) as defined in the relevant Final Terms. The Luxembourg fixed rate registered notes will not be listed or admitted to trading on any stock exchange. An application for the admission to trading of the Luxembourg fixed rate registered notes may be made to the Vienna MTF market of the Vienna Stock Exchange.

Bearer Notes

Application may be made to (i) any regulated market of the following stock exchanges: Vienna Stock Exchange / Malta Stock Exchange / European Wholesale Securities Market / Luxembourg Stock Exchange or (ii) to an organised trading facility (OTF) (each within the meaning of Directive 2014/65/EU on markets in financial instruments).

Application may also be made for the inclusion to trading on the Vienna MTF market of the Vienna Stock Exchange and/or any other Open Market (*Freiverkehr*) within the EU/EEA. The aforementioned markets do not classify as 'regulated' within the meaning of Directive 2014/65/EU on markets in financial instruments, however, are nonetheless subject to regulation emanating from said Directive.

III. CLEARING SYSTEMS

Notes issued in bearer form may be accepted for clearance through the following clearing systems: Euroclear Bank SA/NV (1 Boulevard du Roi Albert II, B-1210 Brussels), Clearstream Banking S.A. (42, avenue J.F. Kennedy, L-1855 Luxembourg), Clearstream Banking AG (The Cube, Mergenthalerallee 61, D-65760 Eschborn) and/or OeKB CSD GmbH (Strauchgasse 1-3, A-1010 Wien) and/or SIX SIS AG, Baslerstrasse 100, 4601 Olten, Switzerland and/or Euronext Securities Milan (Monte Titoli S.P.A.), Piazza degli Affari 6, 20123 Milano, Italian Republic.

Notes issued in registered form in dematerialised form may be accepted for clearance through the following clearing systems: Central Securities Depository of the Malta Stock Exchange (Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta).

The International Security Identification Number (ISIN) or other securities identification numbers (if any) for each issue of Notes will be set out in the relevant Final Terms.

IV. DOCUMENTS AVAILABLE

During the life span of this Base Prospectus physical copies of the following documents may be inspected during usual business hours at the registered office of the Issuer and on the website of the Issuer (www.timberland-securities-investment.com or any successor or replacement address thereto):

- (a) the Memorandum of Association of Timberland Securities Investment plc. dated 19 April 2016 (as amended from time to time);

- (c) audited Report and Financial Statements of Timberland Securities Investment plc for the period from 01 January 2020 to 31 December 2020; and
- (d) audited Report and Financial Statements of Timberland Securities Investment plc for the period from 01 January 2021 to 31 December 2021; and
- (e) any future financial statements of the Issuer.

V. FORWARD-LOOKING STATEMENTS

This Base Prospectus contains forward-looking statements. Forward-looking statements are all statements that do not relate to historical or current facts and events. This also applies to statements in the "Risk Factors" and "Business Review and Prospects" sections and wherever the Base Prospectus contains information about the Issuer's future financial performance, plans and expectations regarding the Issuer's business, growth and profitability and the economic environment to which the Issuer is exposed. The forward-looking statements are based on the current assessment made by the Issuer to the best of its knowledge. Such forward-looking statements are based on assumptions and factors and are therefore subject to risks and uncertainties. Therefore, it is important to read in particular the sections "Risk Factors", "Business Review" and "Business Review and Prospects" which contain a detailed description of factors that may affect the business development of the Issuer and the industry in which the Issuer operates.

The forward-looking statements are based on the Issuer's current plans, estimates, forecasts and expectations and on certain assumptions which, although the Issuer believes that they are reasonable at this time, may subsequently prove to be incorrect. Many factors may cause the actual performance or earnings or performance of the Issuer to be materially different from any future performance or performance expressed or implied by such forward-looking statements.

These factors include, among others:

- changes in general economic, business or legal conditions,
- political or regulatory changes,
- changes in the Issuer's competitive environment,
- other factors discussed in more detail in the section "Risk Factors", and
- factors that are not known to the Issuer at the present time.

If, as a result of these factors, risks or uncertainties arise in individual or several cases, or if assumptions made by the Issuer prove to be incorrect, it cannot be excluded that actual results may differ materially from those described in this Base Prospectus as assumed, believed, estimated or expected. For this reason, the Issuer may be prevented from achieving its financial and strategic objectives.

The Issuer does not intend to go beyond its legal obligation to update such forward-looking statements or to conform them to future events or developments.

Pursuant to applicable laws, the Issuer is obliged to prepare and publish a supplement to this Base Prospectus if important new circumstances arise or material inaccuracies in the information contained in this Base Prospectus become known which could influence the assessment of the Issuer's shares and which occur or are determined after the approval of this Base Prospectus and before the final closing of the public offering.

VI. REFERENCE TO SOURCES OF MARKET INFORMATION AND TECHNICAL TERMS

The Issuer has not verified information contained in this Base Prospectus from third-party documents and studies *inter alia* on the market environment, market developments, growth rates, market trends and the competitive situation. The Issuer has accurately reproduced this information from third parties and, as far as the Issuer's is aware and is able to ascertain published information, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Furthermore, information on the market environment, market developments, growth rates, market trends and the competitive situation in the areas in which the Issuer is active is based on estimates made by the Issuer.

Information derived therefrom which has not been obtained from independent sources may therefore differ from the estimates of the Issuer's competitors or from future surveys by independent sources.

VII. NOTE ON FINANCIAL AND NUMERICAL DATA

The financial data contained in this Base Prospectus (including such incorporated by reference), which are the subject of the Issuer's financial statements, are primarily derived from the Issuer's annual financial statements as of December 31, 2020.

This Base Prospectus contains currency information in Euro. Currency information in euros was indicated with "EUR", and currency information in thousand euros was indicated with "TEUR" before the amount and abbreviated. Individual figures (including percentages) in this Base Prospectus have been rounded according to commercial practice. In tables, such commercially rounded figures may not add up exactly to the totals contained in the table.

VIII. POST-ISSUANCE TRANSACTION INFORMATION

The Issuer does not intend to provide any post-issuance transaction information in relation to the issue of the Notes, except if required by any applicable laws and regulations.

IX. ISSUER'S WEBSITE

The website of the Issuer is "www.timberland-securities-investment.com". The information on such website does not form part of this Base Prospectus, except where that information has been incorporated by reference into this Base Prospectus.

X. SUPPLEMENTS TO THE BASE PROSPECTUS AND SUCCESSOR BASE PROSPECTUSES

This Base Prospectus will be effective for 12 months from its approval. If this Base Prospectus is updated at a later time pursuant to the provisions of the Prospectus Regulation, this Base Prospectus will from the date of publication of the relevant supplement be deemed to apply as amended. The supplements will become parts of this Base Prospectus. The supplements will be published and made available in the same manner as this Base Prospectus.

When the Base Prospectus ceases to be effective, the offer may be continued in accordance with the relevant Final Terms and on the basis of a Successor Base Prospectus. Publication of a Successor Prospectus shall be made in accordance with the details set out in the relevant Final Terms.

In the case of a public offering of Notes under this base prospectus (at the same time the Original Base Prospectus) the relevant Final Terms may provide for a succession of the public offering of the Notes after the validity of this Base Prospectus, if a successor prospectus is published.

IN THE EVENT OF A PUBLIC OFFERING BEING CONTINUED UNDER A SUCCESSOR BASE PROSPECTUS, THE RELEVANT FINAL TERMS, INCLUDING THE RELEVANT SUMMARY,

IF ANY, SHALL BE READ IN CONJUNCTION WITH THE SUCCESSOR BASE PROSPECTUS, WHICH MEANS THAT, IN SUCH CASE, EACH REFERENCE TO THE BASE PROSPECTUS MADE IN THE RELEVANT FINAL TERMS SHALL BE DEEMED TO CONSTITUTE A REFERENCE TO THE RELEVANT SUCCESSOR BASE PROSPECTUS, WITH THE EXCEPTION OF THE SECURITY-SPECIFIC TERMS AND CONDITIONS OF THE RELEVANT ISSUE WHICH WILL CONTINUE TO BE GOVERNED BY THE ORIGINAL BASE PROSPECTUS. SUCCESSOR BASE PROSPECTUS MEANS THE MOST CURRENT APPLICABLE BASE PROSPECTUS, SPECIFYING THE NOTES TO BE INCLUDED IN THE CONTINUED PUBLIC OFFERING AND INCORPORATING BY REFERENCE THOSE PARTS OF THE ORIGINAL BASE PROSPECTUS WHICH ARE REQUIRED FOR THE RELEVANT ISSUE OF NOTES.

Signed on behalf of Timberland Securities Investment plc:

By: Mr Thomas Kraemer

Duly authorised

THIS PAGE IS FOR INFORMATION PURPOSES ONLY AND DOES NOT FORM PART OF THE BASE PROSPECTUS.

Issuer

Timberland Securities Investment plc
Aragon House Buisness Centre,
Dragonara Road,
St. Julians, STJ 3140

Distributing Agents

Timberland Invest Ltd.
Aragon House Buisness Centre,
Dragonara Road,
St. Julians, STJ 3140

Collecting and Account Banks

Commerzbank AG
Kaiserplatz
60311 Frankfurt am Main
Germany

Bank of Valletta plc
58, Zachary Street
Valletta VLT 1130
Malta

Timberland Capital Management GmbH
Hüttenallee 137
47800 Krefeld
Germany

Listing Agents

Baader Bank AG
Weihestephaner Straße 4
85716 Unterschleißheim
Germany

Paying Agents

Baader Bank Aktiengesellschaft
Weihestephaner Str. 4
85716 Unterschleißheim
Federal Republic of Germany

BankM AG
Mainzer Landstr. 61
60329 Frankfurt am Main
Germany

Timberland Capital Management GmbH
Hüttenallee 137
47800 Krefeld
Germany

Registrar and Transfer Agents

Timberland Securities Investment plc
Aragon House Buisness Centre,
Dragonara Road,
St. Julians, STJ 3140

Auditors

KSI
Villa Gauci
Balzan, BZN 9031
Malta

Legal Advisors to the Issuer

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The Notes have been dematerialized through the Central Securities Depository of the Malta Stock Exchange

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