

DATED 9 FEBRUARY 2017

IA CAPITAL STRUCTURES (IRELAND) PLC

**6.75% Senior Secured Amortizing Convertible Notes (Series 102) due 2020
issued under its €5,000,000,000 Secured Note Programme**

SERIES MEMORANDUM

General

This Series Memorandum (as used herein, this "**Series Memorandum**") is prepared in connection with the EUR 5,000,000,000 Secured Note Programme (the "**Programme**") of IA Capital Structures (Ireland) plc (the "**Issuer**") and is issued in conjunction with, and incorporates by reference the contents of, the Programme Memorandum dated 15 March 2012 relating to the Programme (the "**Programme Memorandum**").

Neither this Series Memorandum nor the Programme Memorandum constitutes a prospectus for the purposes of the Prospectus Directive.

This document should be read in conjunction with the Programme Memorandum and the Master Conditions (March 2014 Edition). Save where the context otherwise requires, terms defined in the Programme Memorandum have the same meaning when used in this Series Memorandum.

Subject as set out below the Issuer accepts responsibility for the information contained in this Series Memorandum other than the information in the sections (i) Information relating to the Arranger and Calculation Agent, (ii) Information relating to the Sale Agent and Placing Agent, (iii) Information relating to the Charged Assets. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information for which it accepts responsibility contained in this Series Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer confirms that the information in the sections referred to in (i) to (iii) above has been accurately reproduced from information provided by (a) the Arranger and Calculation Agent, (b) the Sale Agent and Placing Agent and (c) the Borrower, and as far as the Issuer is able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading.

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

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

Sanne Fiduciary Services Limited (the "**Trustee**") has not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking is made, whether express or implied, and no responsibility or liability is accepted by the Trustee as to the accuracy, completeness or nature of the information contained in this Series Memorandum, the Convertible Promissory Note and VME Loan Memorandum or with respect to the legality of investment in the Notes by any prospective investor or purchaser under applicable legal investment or similar laws or regulations.

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

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

- (i) This Series Memorandum and the Programme Memorandum;
- (ii) The Master Documents;

- (iii) The Constituting Instrument dated the Issue Date;
- (iv) The Certificate of Incorporation and the Memorandum and Articles of Association of the Issuer;
- (v) The Convertible Promissory Note; and
- (vi) The VME Loan Memorandum.

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

The following legend will appear on all Temporary or Permanent Global Notes and any Receipts, Coupons or Talons in respect thereof:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE U.S. INTERNAL REVENUE CODE."

The sections of the U.S. Internal Revenue Code referred to in the foregoing legend provide that, with certain exceptions, a United States taxpayer will not be entitled to deduct any loss, and will not be entitled to capital gains treatment in respect of any gain realised, on any sale, disposition or payment of a Note, Receipt, Coupon or Talon for U.S. federal income tax purposes.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), an offer of Notes to the public has not and may not be made in that Relevant Member State.

The Notes are illiquid investments, the purchase of which involves substantial risks. Any investor investing in the Notes should fully consider, understand and appreciate those risks.

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

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

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Documents incorporated by reference

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

Risk Factors

General

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

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

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

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

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

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

Each prospective investor should ensure that it fully understands the nature of the transaction into which it is entering and the nature and extent of its exposure to the risk of loss of all or a substantial part of its investment. Attention is drawn, in particular, to the sections of the Programme Memorandum entitled "Conditions of the Notes - Security" and "Conditions of the Notes - Enforcement and Limited Recourse" and the sections in this Series Memorandum entitled "Information relating to the Charged Assets".

Risks relating to the Issuer and Transaction Parties

Special purpose company

The Issuer is a special purpose company and has been established for the purpose of issuing multiple Series of secured Notes under the Programme. The Issuer has issued share capital only in the amount of EUR 38,100. Should any unforeseen expenses or liabilities (which have not been provided for) arise, the Issuer may be unable to meet them, leading to an Event of Default under the Notes.

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

Limited recourse

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

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

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

No Loan Guarantor

There is no Loan Guarantor guaranteeing the payment of principal or interest under the Convertible Promissory Note.

Liability for the obligations of other Series

The Issuer has undertaken not to incur any obligations with respect to any other Series of Notes unless recourse in respect of such obligations is limited to the proceeds of enforcement of the Security over the assets of the Issuer on which such obligations are secured (which assets shall exclude the Mortgaged Property securing any other Series of Notes). Nevertheless, to the extent there are any creditors with respect to a Series of Notes whose recourse is not so limited Noteholders may be exposed to risks incurred for the account of other Series.

Risks relating to the Notes

Nature of the investment

These Notes are not principal protected and are a high-risk investment in the form of a debt instrument. The Noteholders are neither assured of repayment of the capital invested nor are they assured of payment of a stated rate of interest. The Notes give Noteholders exposure to the Series Assets, see “*Investment relating to the Charged Assets*” below.

Any payments to be made on the Notes depend on the value of the Charged Assets held by the Issuer, which is the value of the amounts received by the Issuer in respect of the Charged Assets. Should the Charged Assets decrease in value, Noteholders will incur a partial or total loss of their investment.

In certain circumstances, described in the Conditions of the Notes, the Notes will be redeemed early pursuant to a Mandatory Redemption Event, an Additional Mandatory Redemption Event or a redemption event pursuant to Condition 2(c)(A)(1) and Noteholders shall be entitled to receive only such amount as is available following the sale or redemption of the Charged Assets, or a proportion of such Charged Assets, as the case may be, subject to the provisions of the Notes described under “*Limited recourse*” above.

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

Change of law, tax and administrative practice

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

Fees

In addition to the fees due to the Trustee and any Agents, and any other transaction related fees incurred by the Issuer in respect of the issuance of the Notes, the Issuer will pay a fee to the Arranger calculated as a percentage of the amount outstanding under the Convertible Promissory Note, which is further described in Special Condition (XI) of the Notes.

In connection with the offer and sale of the Notes, the Arranger or any of its associated companies may, directly or indirectly, pay fees in varying amounts to third parties or, as the case may be, receive fees (including but not limited to distribution fees and retrocessions) in varying amounts, including, from third parties (which may include any Transaction Participants as defined below). Each Noteholder acknowledges that the Arranger or any of its associated companies may retain all or part of such fees.

Foreign exchange risk

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

Optional Redemption by the Issuer

Investors in the Notes should be aware that the Issuer has the option to redeem any amount of the Notes at their Optional Redemption Amount on the Optional Redemption Payment Date, by giving not less than ten (10) Business Days' prior notice to the Noteholders and the Trustee. Such notice may be revoked by the Issuer at any time prior to the Optional Redemption Date. The Optional Redemption Payment Date may be significantly later than the Optional Redemption Date. See "*Risk Factors – Payments*".

Optional Redemption by the Arranger

Investors in the Notes should further be aware that the Arranger has the option, without limitation, at any time to redeem any amount of the Notes at their Optional Redemption Amount on the Optional Redemption Payment Date. The Arranger would redeem Notes if it is the holder of such Notes, pursuant to the Conditions of the Notes. While the Arranger may actively become involved in the secondary market in the Notes (if any), such participation would be at the Arranger's sole discretion and the Arranger shall not have any obligation to make a secondary market. See "*Liquidity*" below.

Restrictions on Transfer

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

Arranger Default

The Notes may be redeemed if the Arranger is dissolved or becomes unable to perform its obligations in relation to the Notes unless a substitute arranger (the "**Substitute Arranger**") is appointed by the Issuer within 90 days of such event.

Payments

The ability of the Issuer to make payments to the Noteholders under the Notes depends entirely on payment of principal and payment of interest by the Borrower under the Convertible Promissory Note. Investors in the Notes should have particular regard to the section entitled "Risk Factors" in the VME Loan Memorandum. Payments under the Notes will only be made after receipt of the Realisable Value by the Issuer. The date of payment of the redemption amount under the Notes is therefore not fixed. Payment of redemption amounts under the Notes depends on the realisation of (including repayment of principal and interest in full by the Borrower under the Convertible Promissory Note) or the liquidation of the Charged Assets. Payment of interest under the Notes depends on the payment of interest by the Borrower under the Convertible Promissory Note. It may take a considerable period of time to redeem the Charged Assets, in particular in the case of an early redemption of Notes. Noteholders may only receive payment of the relevant redemption amount under the Notes significantly later than the specified redemption date of the Notes.

Liquidity

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

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

Notwithstanding the foregoing, the Arranger may provide a secondary market with a monthly dealing frequency and monthly purchases and sales by investors. The Arranger will not provide a secondary market in circumstances where the Calculation Agent is unable to calculate the Net Asset Value of the Portfolio for any reason, such as an event of default on the Charged Assets or due to the illiquidity or suspension of trading of any of the Series Assets comprising the Portfolio. The Arranger does not have and will not assume any liability, whether legal or otherwise, *vis-à-vis* the Noteholders to provide a market for the Notes or with regard to the level of the applicable prices nor how they are determined. To the extent that the Arranger purchases Notes in a secondary market provided by the Arranger, the Arranger will impose a USD 500 fee in respect of its administration expenses.

Extended Maturity Date

The term of the Notes may be extended for further periods of up to ten years, provided that, at the request of the Issuer, the Calculation Agent, on behalf of the Issuer, has given a notice (the “**Extension Notice**”) to the Trustee, the Principal Paying Agent and the Noteholders three (3) calendar months prior to the Scheduled Maturity Date or the anniversary thereof in each subsequent year, if applicable, stating that such extension shall take place in respect of the Notes. If no Extension Notice, or no further Extension Notices (if applicable) are delivered by the Calculation Agent, the Notes shall be redeemed on the Scheduled Maturity Date or the anniversary thereof in accordance with the final Extension Notice (such date being the “**Extended Maturity Date**”) or on the Final Maturity Payment Date if later.

Market and legal risk

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

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

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

Independent review and advice

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

Legality of purchase

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

No reliance

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

No restrictions on activities

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

The Borrower has a history of operating losses and negative cash flow

The Borrower a history of operating losses and negative cash flow. The Borrower has incurred recurring net losses, including net losses from operations before income taxes of US\$5.5 million, US\$4.0 million and US\$2.2 million in fiscal 2013, 2014 and 2015, respectively. The Borrower used US\$2.5 million and US\$1.0 million of cash for operating activities during fiscal 2014 and 2015, respectively. Continued operating losses and negative cash flow of the Borrower may adversely affect its ability to make Convertible Promissory Note Payments, thus reducing the Interest payments which would be made to Noteholders. Please see the Risk Factors in the VME Loan Memorandum for more information.

The Borrower is not required to provide investors with any annual audited financial statements or quarterly unaudited financial statements.

The Borrower is not required to provide investors in the Notes with financial information concerning the Borrower which the investors may use in analyzing an investment in the Notes. Therefore, investors' decision to make an investment in the Notes must be based upon the information provided to the investors in this Memorandum without financial statement information and therefore, the limited information provided herewith with which investors will make an investment decision may not completely or accurately represent the financial condition of the Borrower. *Provision of information*

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

Taxation

Each Noteholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes. Neither the Issuer nor any other person will pay any additional amounts to the Noteholders to reimburse them

for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Notes by the Issuer or by the Principal Paying Agent (or any other Paying Agent), although such requirement will give rise to an obligation to redeem the Notes early in the circumstances described in Condition 2 as amended by Special Condition (IV) of the Conditions of the Notes set out below.

Legal opinions

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

Conflict of interests

Any of the Transaction Participants or any affiliate of any of them or any other person acting on their behalf may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market in any securities (including shares in a Transaction Participant), currencies, financial instruments or other assets owned by a Transaction Participant. Any trading and / or hedging activities of Transaction Participants or any affiliate of any of them or any other person acting on their behalf related to this transaction may have an impact on the price of the underlying assets. It should also be noted that FlexFunds Ltd. acts as both the Arranger of the issue of the Notes and as Calculation Agent in respect of the Charged Assets.

Clearing systems

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

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

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

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

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

Risks relating to the Charged Assets

Investment in the Series Assets

The Issuer intends to use the proceeds of the issue of the Notes to make, on or as soon as practicable after the Issue Date a loan pursuant to the Convertible Promissory Note (as lender) between the Issuer and V-ME Media Inc. (the “**Borrower**”).

Prospective purchasers of the Notes should conduct their own independent investigation and analysis regarding the Issuer, the Convertible Promissory Note and VME Loan Memorandum,

the Borrower and the Notes as they deem appropriate to evaluate the merits and risks of an investment in the Notes. Prospective purchasers of the Notes should also review the Risk Factors described in the VME Loan Memorandum.

On the Issue Date, or as soon as practicable thereafter, the Issuer shall advance the entire proceeds from the issue of the Notes, for the Loan, pursuant to the Convertible Promissory Note.

It is important to note that, while it is the Issuer's intent, there is no certainty as at the Issue Date that the Issuer will proceed with the Convertible Promissory Note, or what the timing of such Convertible Promissory Note may be. Therefore, neither the Issuer, the Arranger nor the Trustee nor any other party makes any representation regarding the possibility or timing of a Convertible Promissory Note between the Issuer and the Borrower.

The Notes will be redeemed early in full, upon the termination or liquidation of the Convertible Promissory Note, for any reason, including but not limited to, the completion of the Loan term, if the Loan is not made at all, as per the above, following any Event of Default by the Borrower, or as agreed from time to time by the Issuer and Borrower and notified to the Calculation Agent and the Sale Agent.

Conversion of the Convertible Promissory Note

Prior to the occurrence of a Sale of the Borrower, the Convertible Promissory Note will automatically convert into Common C Stock without further action by the Issuer (such stock being the "**Sale of the Borrower Conversion Stock**") at a conversion price equal to the price per share paid to the Company at the closing of the Sale of the Borrower. The Borrower will provide that upon the closing of the Sale of the Borrower, the purchaser in the Sale of the Borrower will purchase the Sale of the Borrower Conversion Stock at a price which is 20% greater than the price received by other shareholders of the Borrower.

Prior to the occurrence of a Qualified Public Offering, the Convertible Promissory Note will automatically convert into Common C Stock without further action by the Issuer (such stock being the "**Qualified Public Offering Conversion Stock**" and, together with the Sale of the Borrower Conversion Stock, the "**Conversion Stock**") at a conversion price equal to the number obtained by discounting by 20% the price per share paid to the Company at the closing of the Sale of the Borrower.

Automatic conversion of the Convertible Promissory Note into Conversion Stock will occur without any requirement for consent from the Trustee or an Extraordinary Resolution of the Noteholders. Following such conversion, the Series Assets will be the Conversion Stock and not the Convertible Promissory Note. The ability of the Issuer to make payments under the Notes will thereafter depend upon the performance of the Conversion Stock.

The receivables securing the Convertible Promissory Note may not be sufficient to cover the Borrower's obligations under the Convertible Promissory Note.

The Company's obligations under the Convertible Promissory Note will be secured by a first priority security interest in the monthly payments received by the Company from a multiple system operator commencing in January 2018 (the "**Receivables**"). The Receivables will be paid directly to an escrow account managed by Citibank N.A. (the "**Escrow Agent**"), with instructions to first disburse any cash needed to service the Convertible Promissory Note Payments, and thereafter to provide any surplus funds to the Borrower. The Receivables may vary according to the number of subscribers for the Company's programming, and there is no guarantee that the Receivables will be sufficient to cover the Borrower's obligations under the Convertible Promissory Note.

'Covenant-lite' Convertible Promissory Note

The Convertible Promissory Note does not contain financial covenants which the Borrower is required to maintain. The Convertible Promissory Note does not have "maintenance tests" which are reviewed periodically in order to determine whether the Borrower's operating performance is satisfactory and which provide lenders with greater control over the quality of their investment by

requiring the borrower to more strictly preserve its credit quality. The lack of maintenance tests may result in a higher risk of loss and may hinder the Issuer's ability to restructure the Loan in order to mitigate the Issuer's exposure to loss.

Insolvency of the Borrower could reduce or eliminate the return to the Issuer on the Convertible Promissory Note and so may impair payments on the Notes

There is a significant risk that the Borrower may enter bankruptcy proceedings. Such proceedings may result in, among other things, a substantial reduction in the interest rate and a substantial write down of the principal of the Convertible Promissory Note. Various laws enacted in the Borrower's home jurisdiction for the protection of debtors or creditors could adversely affect the Issuer's ability to recover amounts owed.

Redemption and Transfer of the Charged Assets

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

Security may be declared invalid

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

Not a bank deposit

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

Lack of diversification

The Issuer may only invest in one asset, being the Convertible Promissory Note. To the extent all the assets relating to the Notes are represented by one type or class of asset, such asset or class of asset may be more susceptible to a single adverse economic or regulatory occurrence, and lead to greater fluctuations in the value of Notes than may have been the case when investing in a diversified pool of assets.

Security for the Notes

The Issuer will grant security interests over the Series Assets pursuant to the Trust Deed. See "Description in relation to the Security Arrangements in respect of the Notes" below.

Risks Related to the Borrower and its operations

The performance and realisation of the Convertible Promissory Note, and thereby, of the Notes, is dependent on the overall performance, operations and financial condition of the Borrower

NEITHER THE ISSUER, THE TRUSTEE NOR ANY OF THE AGENTS HAVE REVIEWED THE OVERALL PERFORMANCE, OPERATIONS AND FINANCIAL CONDITION OF THE BORROWER OR ANY OTHER CONDITIONS OF THE BORROWER AT THE TIME OF THE ISSUE DATE AND DO NOT GUARANTEE OR MAKE ANY RECOMMENDATIONS OR WARRANTIES, IN ANY FORM, AS TO THE SUITABILITY OF ANY INVESTMENT, INCLUDING THROUGH PURCHASE OF THE

NOTES, THE PERFORMANCE OF WHICH IS DEPENDENT ON THE BORROWER OR ANY OF ITS OPERATIONS.

During the term of the Notes the Borrower's operating results may fluctuate.

The Borrower's operating results may fluctuate due to a number of factors, including the risks described in this Series Memorandum.

Any adverse effect on the Borrower may, through the Convertible Promissory Note, affect the performance of the Notes and the Issuer's ability to meet its obligations in respect of the Notes.

The performance of the Notes is tightly linked to the ability of the Borrower to meet its obligations under the Convertible Promissory Note. Therefore, any adverse effect on the Borrower's financial results, performance, and / or growth prospects may subsequently, through the Convertible Promissory Note, adversely affect the performance of the Notes and the ability by the Issuer to meet its obligations in respect of the Notes, which will be dependent on the receipt by the Issuer of moneys due to it under the Mortgaged Property (Including the Convertible Promissory Note).

Summary of Principal Underlying Investment Risks

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

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

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

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

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

Currency Exchange Rate Risk: Changes in currency exchange rates and the relative value of non-U.S. currencies may affect the value of the Issuer's investment and the value of the Notes. Currency exchange rates can be very volatile and can change quickly and unpredictably. As a result, the value of an investment in the Notes may change quickly and without warning and you may lose money.

Interest Rate Risk: Interest rate risk is the risk that fixed income securities will decline in value because of changes in interest rates and other factors, such as perception of an issuer's creditworthiness.

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

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

Liquidity Risk: The Issuer may invest in the Series Assets which may be less liquid than other types of investments. The derivatives in which the Issuer invests may not always be liquid. This could have a negative effect on the Issuer's ability to achieve its investment objective and may result in losses to holders of the Notes.

Non-Diversification Risk: The Portfolio is considered to be non-diversified, which means that it may invest more of its assets in the securities of a single issuer or a smaller number of issuers than if it were a diversified Portfolio. To the extent the Issuer invests a significant percentage of its assets in a limited number of issuers, the Issuer is subject to the risks of investing in those few issuers, and may be more susceptible to a single adverse economic or regulatory occurrence. As a result, changes in the market value of a single security could cause greater fluctuations in the value of the Notes than would occur in a diversified note.

AS WITH ANY INVESTMENT YOU COULD LOSE ALL OR PART OF YOUR INVESTMENT IN THE NOTES AND THE NOTES' PERFORMANCE COULD TRAIL THAT OF OTHER INVESTMENTS.

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

Summary of the Transaction

The following summary of the transaction does not purport to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Series Memorandum including, without limitation, the Conditions of the Notes. Words and expressions used but not expressly defined in this summary of the transaction shall have the meanings given to them in the Conditions.

Issuer:	IA Capital Structures (Ireland) plc, a special purpose company incorporated for the sole purpose of carrying out the activities described in the Programme Memorandum. See “ <i>Information relating to the Issuer</i> ” below.
Programme:	The Notes are issued pursuant to the Issuer’s €5,000,000,000 Secured Note Programme.
Arranger:	FlexFunds Ltd.
Calculation Agent:	FlexFunds Ltd.
Placing Agent:	Both GWM Group, Inc. and GWM LTD.
Sale Agent:	Both GWM Group, Inc. and GWM LTD.
Issue Agent:	Citibank N.A., London Branch.
Principal Paying Agent:	Citibank N.A., London Branch.
Trustee:	Sanne Fiduciary Services Limited.
Principal Amount:	Up to USD 10,000,000 (subject to the provisions of Further Notes and Redemptions below).
Currency:	USD
Authorised Denomination:	USD 1,000, provided that the minimum principal amount of Notes which an investor may subscribe for is USD 200,000.
Issue Price:	100% of the Authorised Denomination.
Interest:	<p>Interest is determined based on the total return of the Portfolio, such that an amount in respect of Interest shall be payable in respect of each Note on the Interest Payment Date equal to the greater of:</p> <ul style="list-style-type: none"> (a) Convertible Promissory Note Payment Amount; and (b) Zero. <p>Interest payments shall be made on an Interest Payment Date.</p> <p>Interest payable to Noteholders may be subject to deduction of the Arranger Fee as described in Special Condition (XI).</p>
Interest Payment Date:	Any Business Day determined by the Calculation Agent or the Issuer which falls within fifteen (15) Business Days of the Issuer receiving a Convertible Promissory Note Payment, dividend, distribution or similar payment in respect of the Series Assets.

- Issue Date:** 9 February 2017
- Charged Assets:** (i) The Series Assets (including the Convertible Promissory Note) and (ii) the Related Rights. See "*Information relating to the Charged Assets*" below.
- Series Assets:** (i) the Convertible Promissory Note (or, following conversion of the Convertible Promissory Note, the Conversion Stock); (ii) the Escrow Agreement and (iii) any and all investments, agreements, contracts (including loan agreements), shareholder and/or partnership interests acquired by the Issuer in relation to the Notes (including, but not limited to any Conversion Stock) and any and all related investments, monies, credit balances, assets or related contracts, trading positions, any sums standing to the credit of a deposit account (if any) or beneficial interests in any assets, to the extent any of the foregoing is:
- (i) held, carried and / or maintained by the Issuer, the Trustee and / or any of the Agents, in relation to the Notes, or
- (ii) established, agreed or obtained by the Issuer in relation to the Notes.
- Immediately following conversion of the Convertible Note the Series Assets will include the Conversion Stock, until such time as the Conversion Stock is purchased in a Sale of the Borrower.
- Fees:** In addition to the fees due to the Trustee and any Agents, and any other transaction related fees incurred by the Issuer in respect of the issuance of the Notes, the Issuer will pay a fee to the Arranger calculated as a percentage of the amount outstanding under the Convertible Promissory Note, which is further described in Special Condition (XI) of the Notes.
- All fees are payable prior to any amounts being payable in respect of the Notes to any Noteholders. Any outstanding fees not paid by the Borrower may be applied in calculating the value of the Portfolio and therefore may result in a reduction in the value of the Notes.
- Scheduled Maturity Date:** 7 February 2020
- Extended Maturity Date:** The Date to which the term of Notes may be extended under Special Condition (XII).
- Reports:** The Arranger will publish a summary of the NAV Report received from the Calculation Agent on Bloomberg and will disseminate the NAV to SIX Financial Information USA Inc. and to the Vienna Stock Exchange.
- See Special Condition (V) below.
- Redemption Amount:** Unless previously redeemed the Notes will be redeemed by a payment in respect of each Note on the Final Maturity Payment Date of an amount in USD (the "**Redemption Amount**") equal to the greater of:
- (a) Zero; and
- (b) Net Proceeds.
- See "*Limited recourse*" below.

The Final Maturity Payment Date may be significantly later than the Scheduled Maturity Date or, as applicable, the Extended Maturity Date. See “Risk Factors – Payments” above.

Optional Redemption by the Issuer or Arranger: The Issuer may, on giving not less than ten (10) Business Days’ prior notice to Noteholders, redeem any amount of the Notes by a payment to the holders of the Notes that are so redeemed on the Optional Redemption Payment Date of an amount equal to the Early Redemption Amount.

The Arranger may at any time instruct the Issuer to redeem any amount of the Notes by a payment to the holders of the Notes that are so redeemed on the Optional Redemption Payment Date of an amount equal to the Early Redemption Amount.

Early Redemption:

- (a) If the Notes become due and repayable in accordance with Condition 2(b)(1), the Notes will be redeemed by a payment in respect of each Note on the Early Redemption Payment Date of an amount in USD equal to the Net Proceeds.
- (b) If the Notes become due and repayable in accordance with Condition 2(b)(2), 2(b)(3), 2(b)(4) or Condition 2(c) (as the case may be), the Notes will be redeemed at the applicable Early Redemption Amount by a payment in respect of each Note on the Early Redemption Payment Date of an amount in USD equal to the Early Redemption Amount.

Early Redemption Amount: Subject to the provisions of Special Condition (IV) below, the Early Redemption Amount shall be determined as an amount equal to the Net Proceeds.

Net Proceeds: An amount determined by the Calculation Agent being the *pro rata* share of the Realisable Value in respect of one Note; *less* the *pro rata* share in respect of one Note of any redemption and settlement costs and expenses in the *pro rata* share in respect of one Note of any fees, costs respect of the Charged Assets; *less* or expenses owing to the Trustee and the Agents in connection with the Notes; and *less* the *pro rata* share in respect of one Note of any fees or amounts payable to the Arranger and the Issuer pursuant to the Conditions of the Notes and any other outstanding fees costs or expenses described in Special Condition (XI) (save to the extent that any such fees have been paid separately by the Borrower or an agent of the Borrower as further detailed in Special Condition XI below).

Realisable Value: An amount determined by the Calculation Agent being: (a) the proceeds of sale or other means of realisation of the Charged Assets (including for the avoidance of doubt any repayments or prepayments of principal under the Convertible Promissory Note) or any proportion thereof as determined by the Calculation Agent; *less* (b) any costs, expenses, taxes and duties incurred in connection with the disposal, liquidation, realisation or transfer of the Charged Assets by the Sale Agent or any Agent of the Issuer.

Payment: Payments in respect of redemption of the Notes will be made on the Final Maturity Payment Date, the Optional Redemption Payment Date or the Early Redemption Payment Date, as the case may be, in accordance with the Conditions.

- Limited recourse:** Amounts due under the Notes will be payable only to the extent that funds are available from the Mortgaged Property (including the Convertible Promissory Note) and the proceeds thereof. If the Mortgaged Property is insufficient to pay any amounts due in respect of the Notes, the Issuer will have no other assets available to meet such insufficiency. In the event that Charged Assets are sold or realised or the Security is enforced and after payment of all other claims with a senior priority in the relevant order of priority the remaining proceeds of such sale, realisation or enforcement are insufficient to pay in full all amounts whatsoever due in respect of the Notes, then the Noteholders' claims against the Issuer in respect of the Notes shall be limited to their respective shares of such remaining proceeds and, after payment to each Noteholder of its respective share of such remaining proceeds, the obligations of the Issuer to such Noteholder shall cease to be due and shall be extinguished.
- Security:** The Security for the Notes will be constituted by the Constituting Instrument, a Trust Deed entered into by the execution of a Constituting Instrument dated the Issue Date between the Issuer and the Trustee, amongst others (the "**Trust Deed**") and the Charging Instrument as described in the Conditions of the Notes. See "Description of the Security Arrangements in respect of the Notes" below.
- Priority on Enforcement of Security:** On enforcement of Security in respect of the Notes the Trustee will apply the enforcement proceeds in the following order of priority:
1. payment of the fees, costs, charges, expenses (including legal fees), liabilities, indemnity payments and all other amounts payable to the Trustee or incurred by the Trustee or by any receiver, custodian or other person appointed by it in connection with the performance of its duties and obligations;
 2. *pro rata* and *pari passu* according to the respective amounts thereof payment of the fees, costs, charges, expenses (including legal fees), liabilities, indemnity payments and all other amounts payable to the respective Agents in connection with the performance of their respective duties and obligations;
 3. payment of any unpaid taxes or other governmental duties or charges owing by the Issuer;
 4. in meeting the amounts due to Noteholders *pari passu* and rateably; and
 5. in payment of the balance (if any) owed to the Issuer.
- Events of Default:** The Security in respect of the Notes will become enforceable in the circumstances described in Condition 4 relating to Events of Default. The Events of Default include, without limitation, unremedied defaults

by the Issuer relating to the payment of amounts due on the Notes and the insolvency of the Issuer. Upon the occurrence of an Event of Default the Trustee may at its discretion (or, in certain cases, shall) deliver a notice to the Issuer and others declaring the Notes to be immediately due and payable and the amount payable in respect of each Note as set out in Condition 2(e)(2). See “*Conditions of the Notes*” below, see also Conditions 4 and 5.

- Form:** The Notes will initially each be represented by beneficial interests in a temporary global note (the “**Temporary Global Note**”) in bearer form. Pursuant to the Conditions of the Notes, each Temporary Global Note may be exchanged for a permanent global note in bearer form (the “**Permanent Global Note**”). Except in limited circumstances, bearer definitive Notes will not be issued in exchange for beneficial interests in the Permanent Global Notes.
- Status:** The Notes are limited recourse obligations of the Issuer secured in the manner described herein.
- Use of Proceeds:** The entire net proceeds from the issue of the Notes will be used by the Issuer to purchase the Charged Assets (by making, on or as soon as practicable after the Issue Date, a loan to the Borrower).
- Further Notes:** Further Notes may be issued which will be consolidated and form a single series with the Notes.
- Listing:** Application has been made to list the Notes on the Third Market of the Vienna Stock Exchange. Listing is expected to take place on or about the Issue Date but no assurance can be given that such application will be granted.
- Rating:** The Notes will not be rated.
- Business Days:** New York, Dublin and London.
- Governing Law:** The Notes and all non-contractual obligations and any other matters arising from them will be governed by, and construed in accordance with, the laws of Ireland. The courts of Ireland shall have non-exclusive jurisdiction in respect of any dispute. The Supplemental New York Security is governed by New York law and the New York Courts may have jurisdiction over any dispute or enforcement proceedings relating thereto.
- To the extent that any of the Series Assets acquired by the Issuer may require the establishment of further Security governed by other jurisdictions, the Issuer shall ensure the constitution of the required security interest. Such Security shall be governed by the Law of the applicable jurisdiction.
- Placing Agreement:** The Issuer has entered into the Placing Agreement with the Placing Agent, whereby the Placing Agent agreed to place the Notes with investors, subject to the selling restrictions.
- The Issuer, after prior consultation with the Arranger, reserves the right to modify the total nominal amount of the Notes to which investors can subscribe.
- Risk Factors:** The Notes are not principal protected and involve significant risks. The attention of prospective Noteholders is drawn to the section “*Risk Factors*” in the Programme Memorandum and in this Series

Memorandum, the section “*Information relating to the Charged Assets*” of this Series Memorandum.

Conditions of the Notes

6.75% Senior Secured Amortizing Convertible Notes (Series 102) due 2020

The Noteholders should note that words and expressions not otherwise defined below shall have the meanings respectively ascribed to them by Special Condition (I) below.

The Notes designated as above (the “**Notes**”) shall have the following terms and conditions which shall complete, modify and amend the Master Conditions (March 2014 Edition), which shall apply to the Notes as so completed, modified and amended. References to “**Conditions**” or “**Condition**” shall mean references to the Conditions of the Notes as modified herein.

The Issuer intends that any Further Notes which are issued pursuant to Condition 16 as amended by Special Condition (VI) (as defined herein) shall (save in respect of the relevant issue date) have the same Conditions as, and form a single Series with, the Notes of this Series.

	(i)	Issuer:	IA Capital Structures (Ireland) plc.
	(ii)	Arranger:	FlexFunds Ltd.
2.	(i)	Series Number:	102.
	(ii)	Tranche Number:	1.
3.		Principal Amount:	USD 10,000,000.
			The Principal Amount of the Notes may be increased, at the discretion of the Issuer, by the issue of Further Notes from time to time (without requiring the consent of Noteholders) which shall be consolidated and form a single Series with the Notes of this Series, subject as provided in Special Condition (VI).
4.		Issue Price:	100% of the Authorised Denomination.
5.		Authorised Denomination:	USD 1,000, provided that the minimum principal amount of Notes which an investor may subscribe for is USD 200,000.
	(i)	Issue Date:	9 February 2017.
	(ii)	Interest Commencement Date:	The date on which the Issuer makes the Loan pursuant to the Convertible Promissory Note.
7.		Maturity Date:	The later of (i) 7 February 2020 (the “ Scheduled Maturity Date ”); (ii) the Extended Maturity Date; and (iii) the Final Maturity Payment Date.
8.		Extended Maturity Date	The date to which the term of the Notes may be extended under Special Condition (XIII).
9.		Interest Basis:	Variable Coupon Amount.
10.		Status of the Notes:	

- (i) Status of the Notes: Secured and limited recourse obligations of the Issuer ranking *pari passu* without any preferences amongst themselves secured as set out under Security below and subject to the priority set out under Priority below.
- (ii) Priority: Counterparty Priority applies.
11. Listing: An application has been made for admission of the Notes to the official list of the Third Market of the Vienna Stock Exchange. Such listing is expected to take place on or about the Issue Date. However, no assurance is given that approval of such application will be granted.
12. Fixed Rate Note Provisions: Not applicable.
13. Floating Rate Note Provisions: Not applicable.
14. Zero Coupon Note provisions: Not applicable.
15. Dual Currency Note Provisions: Not applicable.
16. Variable Coupon Amount Note Provision: Applicable.
- (i) Interest Period As regards the first interest period, the period from and including the Issue Date to and excluding the first Interest Determination Date and as regards all subsequent interest periods the period from and including an Interest Determination Date to and excluding the next Interest Determination Date or to and including the Scheduled Maturity Date, Extended Maturity Date or Final Maturity Payment Date as applicable.
- (ii) Interest Determination Date: Any Business Day at the discretion of the Arranger, or the Issuer following receipt of Convertible Promissory Note Payment, dividend, distribution or similar payment in respect of the Series Assets.
- (iii) Interest Rate: The Notes shall receive interest in an amount equal to the Convertible Promissory Note Payment Amounts.
- (iv) Interest Amounts: The greater of:
- (a) The *pro rata* share of the relevant Convertible Promissory Note Payment Amount in respect of one Note; and
 - (b) Zero,
- provided that the Interest Amount may be subject to deduction of the Arranger Fee as described in Special Condition (XI).

	(v) Interest Payment Dates:	Any Business Day determined by the Calculation Agent or the Issuer which falls within fifteen (15) Business Days of the Issuer receiving a Convertible Promissory Note Payment.
	(vi) Business Day Convention:	Following Business Day Convention in Dublin, London and New York.
17.	Optional Redemption:	Condition 2(f)(2) applies as amended by Special Condition (III).
18.	Redemption Amount:	Special Condition (II) applies.
19.	Early Redemption Amount:	Special Condition (IV) applies.
20.	Redemption Amount on redemption for taxation:	Condition 2(c)(A)(1) shall apply as amended by Special Condition (IV).
21.	Form of Notes:	Bearer Notes:
	(i) The Notes will initially be represented by:	Temporary Global Note.
	(ii) Applicable TEFRA exemption:	D Rules
	(iii) Temporary Global Note exchangeable for Permanent Global / Definitive Bearer / Registered Notes:	Condition 10(a) applies.
	(iv) Permanent Global Note exchangeable for Definitive Bearer / Registered Notes:	Permanent Global Note is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note.
	(v) Registered Notes:	Not applicable.
22.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	Not applicable.
23.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No.
24.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not applicable.
25.	Redenomination applicable:	Not applicable.
26.	Portfolio Management:	
	(i) Portfolio Manager:	Not applicable.
	(ii) Portfolio Management Agreement:	Not applicable.

- (iii) Investment Objective: Not applicable.
- (iv) Management Criteria: Not applicable.
- (v) Portfolio: The Charged Assets .
- (vii) Series Assets:
 - (i) the Convertible Promissory Note (or, following conversion of the Convertible Promissory Note, the Conversion Stock); (ii) the Escrow Agreement and (iii) any and all investments, agreements, contracts (including loan agreements), shareholder and/or partnership interests acquired by the Issuer in relation to the Notes (including, but not limited to any Conversion Stock) and any and all related investments, monies, credit balances, assets or related contracts, trading positions, any sums standing to the credit of a deposit account (if any) or beneficial interests in any assets, to the extent any of the foregoing is:
 - (i) held, carried and / or maintained by the Issuer, the Trustee and / or any of the Agents, in relation to the Notes, or
 - (ii) established, agreed or obtained by the Issuer in relation to the Notes.

Immediately following conversion of the Convertible Note the Series Assets shall be the Conversion Stock, until such time as the Conversion Stock is purchased in a Sale of the Borrower.

27. Security:

- (i) Charged Assets:
 - The Charged Assets shall be: (i) the Series Assets (including the Convertible Promissory Note); and (ii) the Related Rights.

On the Issue Date, or as soon as practicable thereafter, the Issuer shall advance the entire proceeds from the issue of the Notes to the Borrower pursuant to the Convertible Promissory Note, as set out in the section *“Information relating to the Charged Assets”* below, (such Convertible Promissory Note, together with the Related Rights applicable thereto, the **“Original Charged Assets”**).

If the Issuer issues Further Notes pursuant to Condition 16 as amended by Special Condition (VI) with the intention that such Further Notes be consolidated and form a single Series with the Notes issued on the Issue Date (and all other Further Notes issued from time to time), the Issuer shall, in connection with each such issue of Further Notes, invest in the purchase of further assets which shall be combined with the Series Assets (such further assets, together

with the Related Rights applicable thereto, referred to as the "**Further Charged Assets**") with the issue proceeds of the relevant Further Notes such that the Notes and the Further Notes from time to time so issued shall be secured collectively on the Original Charged Assets and all of the Further Charged Assets. All references to "*Charged Assets*" shall be to the Original Charged Assets and the Further Charged Assets from time to time so purchased by the Issuer.

Furthermore, the Issuer will grant, in favour of the Trustee, as security for itself, and the Trustee, the Agents and investors in the Notes (together, the "**Secured Parties**"), a security interest over the Issuer's interest in any Series Assets acquired by the Issuer, from time to time.

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| (ii) Charging Instrument: | Pursuant to (i) a supplemental security agreement entered into between the Issuer and the Trustee dated on or about the Issue Date and (ii) a further supplemental security agreement entered into between the Issuer and the Trustee dated on or about the date on which the Convertible Promissory Note has been converted into Conversion Stock (provided that for the avoidance of doubt to the extent that Conversion Stock is sold to the purchaser of the Sale of the Borrower Conversion Stock on the date on which the Convertible Promissory Note has been converted into Conversion Stock as described in Special Condition (XV) no such further supplemental security agreement shall be entered into ((i) and (ii) together being the " Charging Instrument ") the Issuer has granted in favour of the Trustee, as security for itself, and the Secured Parties, a New York law governed security interest over the Issuer's interest in the Charged Assets from time to time (such security the " Supplemental New York Security "). Furthermore, the Issuer will grant, in favour of the Trustee, as security for itself, and the Secured Parties, a security interest over the Issuer's interest in any Series Assets acquired by the Issuer, from time to time. |
| (iii) Depository Account: | Not applicable. |
| (iv) Charged Agreement: | Not applicable. |
| (v) Swap Counterparty: | Not applicable. |
| 28. Securities Lending Agreement: | Not applicable. |
| 29. Portfolio Administrator: | Not applicable. |
| 30. Fees: | Special Condition (XI) applies. |

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| 31. | Additional selling restrictions | As set out in “ <i>Selling Restrictions</i> ” below. |
| 32. | ISIN Code: | XS1560647692 |
| 33. | Common Code: | 156064769 |
| 34. | Alternative Clearing System: | Not applicable. |
| 35. | Delivery: | Free of payment. |
| 36. | Principal Paying Agent: | Citibank N.A., London Branch. |
| 37. | Sub-Custody: | Not applicable. |
| 38. | Calculation Agent: | FlexFunds Ltd. |

The Calculation Agent shall provide the NAV Report to the Arranger on each NAV Report Date.

The Arranger will publish a summary of the NAV Report received from the Calculation Agent on Bloomberg and will disseminate the NAV to SIX Financial Information USA Inc. and to the Vienna Stock Exchange.

All determinations made by the Calculation Agent hereunder shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive. Whenever a Calculation Agent is required to act or to exercise judgment in any way, it will do so in good faith and in a commercially reasonable manner. Furthermore, each party agrees that the Calculation Agent is not acting as a fiduciary for or as an advisor to such party in respect of its duties as Calculation Agent in connection with any determinations hereunder.

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| 39. | Exchange of Permanent Global Note: | The Permanent Global Note will be exchangeable, in whole but not in part, for a definitive Bearer Note if: |
|-----|------------------------------------|--|

(i) Euroclear or Clearstream, Luxembourg or any other clearing system in which the Permanent Global Note is for the time being deposited is closed for business for a period of 14 days (other than by reason of holidays statutory or otherwise) or announces an intention to permanently cease business or to cease to make its book-entry system available for settlement of beneficial interests in such Permanent Global Note or does in fact do either of such things and no alternative clearing system, satisfactory to the Trustee and the Principal Paying Agent is available, or

(ii) the Notes become due and payable in accordance with Condition 4 and payment is not made on due presentation of the Permanent

Global Note for payment.

40. Governing law:

The Notes and all non-contractual obligations and any other matters arising from it will be governed by, and construed in accordance with, the laws of Ireland. The courts of Ireland shall have non-exclusive jurisdiction in respect of any dispute. The Supplemental New York Security is governed by New York law and the New York Courts may have jurisdiction over any dispute or enforcement proceedings relating thereto.

To the extent that any of the Series Assets acquired by the Issuer may require the establishment of further Security governed by other jurisdictions, the Issuer shall ensure the constitution of the required security interest. Such Security shall be governed by the Law of the applicable jurisdiction.

Admission to trading, public offer and listing

Application has been made to list the Notes on the Third Market of the Vienna Stock Exchange.

The Notes will not be offered to the public in any jurisdiction. See “Selling Restrictions” below and in the Programme Memorandum.

GWM Group, Inc. and GWM LTD in their capacity as the Placing Agent, will be solely responsible for the placing of the Notes with prospective investors.

Special Conditions:

(I) Definitions

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

“Additional Mandatory Redemption Event” means, for the purpose of Condition 2(b)(2) (as amended), the occurrence of any of the following:

- (i) the Calculation Agent determines that there is a termination or liquidation of the Series Assets, for any reason, including but not limited to a purchase of the Sale of the Borrower Conversion Stock as described in Special Condition (XV), the completion of a loan term, prepayment of the Loans in full or any event of default by a Borrower under a Convertible Promissory Note.
- (ii) the Issuer determines that performance of its obligations under the Notes at any time become illegal.

“Agents” means the Principal Paying Agent, the Issue Agent, the Sale Agent, the Placing Agent and the Calculation Agent.

“Arranger Default” means if any of the follow events occur (in the sole discretion of the Issuer) in respect of the Arranger. If the Arranger:

- (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (iv) (A) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in clause (A) above and either (I) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (II) is not dismissed, discharged, stayed or restrained in each case within 15 days of the institution or presentation thereof;
- (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or

any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter;

- (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) to (vii) above (inclusive);
- (ix) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or
- (x) becomes unable to, or fails to within 10 days of receiving notice from the Trustee or the Issuer, perform its duties under the Notes.

"Borrower" means V-ME Media Inc.

"Business Day" means a day on which banks are generally open for business in New York, Dublin and London.

"Calculation Agent" means FlexFunds Ltd and any successor appointed by the Issuer (with the prior approval of the Trustee) in accordance with the provisions of the Agency Agreement.

"Capital Event" shall mean a Sale of the Borrower or Qualified Public Offering.

"Charged Assets Default" shall have the meaning given in the Conditions.

"Collateral Default" means either (i) a compulsory redemption (howsoever described) of the Charged Assets; or (ii) a distribution or return of capital and / or assets to holders of the Charged Assets following the winding up or liquidation of the Series Assets.

"Common C Stock" means the Series C Common Stock of the Borrower.

"Conversion Stock" means the Common C Stock into which the Convertible Promissory Note has been converted following the occurrence of a Capital Event, including the Sale of the Borrower Conversion Stock and the Qualified Public Offering Conversion Stock.

"Convertible Promissory Note" means (i) the secured convertible promissory note to be entered into between the Borrower and the Issuer on or subsequent to the Issue Date (as may be amended, restated, supplemented, varied, assigned, novated, or otherwise from time to time), pursuant to which the Issuer shall advance the entire issue proceeds of the Notes to the Borrower; and (ii) any other loan agreement and/or promissory note entered into or acquired by the Issuer from time to time in respect of the Notes. A copy of the Convertible Promissory Note is attached in Appendix 1.

"Convertible Promissory Note Payment" means (i) a payment of interest by the Borrower to the Issuer under the Convertible Promissory Note and (ii) any principal payment under the Convertible Promissory Note, provided that to the extent that any such interest or principal payment comprises part of the Redemption Amount paid to Noteholders in respect of Notes being redeemed it shall not constitute a Convertible Promissory Note Payment.

"Convertible Promissory Note Payment Amount" means the amount of the relevant Convertible Promissory Note Payment net of any costs, expenses, taxes and duties incurred in connection with the receipt of such Convertible Promissory Note Payment or other revenue.

"Early Redemption Date" means in relation to Conditions 2(b) or 2(c), the date specified in the notice given by or on behalf of the Issuer to the Noteholders in accordance with the Conditions.

"Early Redemption Payment Date" means five (5) Business Days following the day that the Issuer receives the aggregate Realisable Value pursuant to Special Condition (IV). The Early

Redemption Payment Date may be significantly later than the Early Redemption Date. See “*Risk Factors – Payments*”.

“**Escrow Agreement**” means the escrow agreement to be entered into on or about the Issue Date between (1) the Escrow Agent, (2) the Issuer and (3) the Borrower.

“**Extended Maturity Date**” means the date to which the term of the Notes may be extended under Special Condition (XII).

“**Final Maturity Payment Date**” means, subject as provided in Special Condition (VII), five (5) Business Days following the day that the Issuer receives the aggregate Realisable Value pursuant to Special Condition (II). The Final Maturity Payment Date may be significantly later than the Scheduled Maturity Date or, as applicable, the Extended Maturity Date. See “*Risk Factors – Payments*”.

“**Loan**” means the loan made by the Issuer to the Borrower, pursuant to the Convertible Promissory Note.

“**Loan Arranger Fee**” means the arranger fee payable by the Borrower to the Issuer pursuant to clause 3 of the Convertible Promissory Note.

“**Mandatory Redemption Event**” means any of the events described in Conditions 2(b)(1), (2) or (3).

“**NAV Report**” means a report provided to the Issuer by the Calculation Agent setting out the calculation of the Net Asset Value of the Portfolio (net of any fees as described under Special Condition (XI) below).

“**NAV Report Date**” means the last Business Day of each calendar month.

“**Net Asset Value**” means, in respect of the Charged Assets, the value for each component of the Series Assets (net of any fees as described under Special Condition (XI) below), as provided by the Calculation Agent to the Issuer, as the case may be, on or before the NAV Report Date, and “**Net Asset Value of the Portfolio**” means the aggregate of the Net Asset Value of each component (net of any fees as described under Special Condition (XI) below) comprised in the Portfolio.

“**Net Proceeds**” means an amount determined by the Calculation Agent being the pro rata share of the Realisable Value in respect of one Note; less the pro rata share in respect of one Note of any redemption and settlement costs and expenses in respect of the Charged Assets; less the pro rata share in respect of one Note of any fees, costs or expenses owing to the Trustee and the Agents in connection with the Notes; and less the pro rata share in respect of one Note of any fees or amounts payable to the Arranger and the Issuer pursuant to the Conditions of the Notes and any other outstanding fees costs or expenses described in Special Condition (XI) (save to the extent that any such fees have been paid separately by the Borrower or an agent of the Borrower as further detailed in Special Condition XI below).

“**Optional Redemption Date**” means the requested date for redemption specified in an Issuer Optional Redemption Notice given by the Issuer pursuant to Condition 2(f)(2), as amended by Special Condition (III) or Arranger Optional Redemption Notice given by the Arranger.

“**Optional Redemption Payment Date**” means five (5) Business Days following a day that the Issuer receives the aggregate Realisable Value pursuant to Special Condition (III). The Optional Redemption Payment Date may be significantly later than the Optional Redemption Date. See “*Risk Factors – Payments*”.

“**Placing Agent**” means both GWM Group, Inc. and GWM LTD.

“**Portfolio**” means the Series Assets.

“Qualified Public Offering” shall mean the sale of at least 75% of the total outstanding capital stock of the Borrower pursuant to an effective registration statement under the United States Securities Act of 1933.

“Qualified Public Offering Conversion Stock” means the Common C Stock into which the Convertible Promissory Note has been converted prior to a Qualified Public Offering.

“Realisable Value” means an amount determined by the Calculation Agent being the *pro rata* share of the proceeds of sale or other means of realisation of the Charged Assets (including for the avoidance of doubt any repayments or prepayments of principal under the Convertible Promissory Note) or any proportion thereof, as determined by the Calculation Agent, in respect of one Note less any costs, expenses, taxes and duties incurred in connection with the disposal or transfer of the Charged Assets by the Sale Agent.

“Related Rights” means all rights of the Issuer derived from or connected to the Series Assets including, without limitation, any rights to receive additional shares or other securities, assets or rights or any offers in respect thereof (whether by way of bonus issue, option rights, exchange, substitution, conversion or otherwise) or to receive monies (whether by way of redemption, return of capital, interest, dividend, distribution, income or otherwise) in respect of the Series Assets.

“Sale of the Borrower” shall mean a transaction or series of related transactions to which the Borrower is a party (whether by merger, consolidation, stock acquisition or otherwise) in which at least 75% of the total outstanding capital stock of the Borrower is transferred to a party which is not an Affiliate of the Borrower on the date of the Convertible Promissory Note, other than a Qualified Public Offering.

“Sale of the Borrower Conversion Stock” means the Common C Stock into which the Convertible Promissory Note has been converted prior to a Sale of the Borrower.

“Sale Agent” means both GWM Group, Inc. and GWM LTD.

“Security” means the Charging Instrument and the security constituted by the Trust Deed entered into by the execution of the Constituting Instrument dated the Issue Date between the Issuer and the Trustee, amongst others.

“Series Assets” means (i) the Convertible Promissory Note (or, following conversion of the Convertible Promissory Note, the Conversion Stock), (ii) the Escrow Agreement and (iii) any and all investments, agreements, contracts (including loan agreements), shareholder and/or partnership interests acquired by the Issuer in relation to the Notes (including but not limited to any Conversion Stock) and any and all related investments, monies, credit balances, assets or related contracts, trading positions, any sums standing to the credit of a deposit account (if any) or beneficial interests in any assets, to the extent any of the foregoing is:

(i) held, carried and / or maintained by the Issuer, the Trustee and / or any of the Agents, in relation to the Notes, or

(ii) established, agreed or obtained by the Issuer in relation to the Notes.

See *“Information relating to the Charged Assets”* below.

“VME Loan Memorandum” means the VME loan memorandum dated 9 February 2017.

(II) **Redemption Amount**

Unless previously redeemed the Notes will be redeemed by a payment in respect of each Note on the Final Maturity Payment Date of an amount in USD (the **“Redemption Amount”**) equal to the greater of:

(a) Zero; and

(b) Net Proceeds.

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

(III) **Optional Redemption**

The amount payable in respect of any Notes pursuant to an optional redemption by the Issuer or an optional redemption by the Arranger will be an amount in USD determined by the Calculation Agent equal to the Early Redemption Amount (the "**Optional Redemption Amount**").

Optional Redemption by the Issuer

Condition 2(f)(2) shall apply to the Notes as amended and modified by this Special Condition (III).

The Issuer:

- (A) may, on giving not less than ten (10) Business Days' prior notice to the Trustee and the Noteholders (in accordance with Condition 7);
- (B) shall, at any time after receipt of a Notice pursuant to this Special Condition (III) from the Arranger,

(such notice an "**Optional Redemption Notice**") redeem any amount of the Notes at their Optional Redemption Amount on the Optional Redemption Payment Date. The provisions of Condition 2(f)(2) are hereby amended accordingly.

Optional Redemption by the Arranger

The Issuer shall, subject to compliance with all relevant laws, regulations and directives, at the option of the Arranger, where the Arranger is the holder of any Note, redeem such Note on the Optional Redemption Payment Date.

To exercise such option the Arranger must deposit the relevant Note with any Paying Agent (in the case of Bearer Notes) or the Registrar or any Transfer Agent (in the case of Registered Notes) at their respective specified offices, together with a duly completed notice of redemption specifying the Optional Redemption Date ("**Arranger Optional Redemption Notice**") in the form obtainable from any Paying Agent (in the case of Bearer Notes) or from the Registrar or any Transfer Agent (in the case of Registered Notes) not more than 30 nor less than 2 Business Days prior to the relevant date for redemption and provided that, in the case of any Note represented by a Global Note or a Global Registered Certificate registered in the name of a nominee for Euroclear or Clearstream, Luxembourg or an Alternative Clearing System, the Arranger must deliver such Redemption Notice together with an authority to Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System (in each case, as appropriate) to debit such Arranger's account accordingly and provided that, in the case of any Note represented by a Global Registered Certificate registered in the name of any other person, the Arranger must deliver such Redemption Notice together with an instruction to such person to amend its records accordingly. No Note (or authority) so deposited may be withdrawn (except as provided in the Constituting Instrument) without the prior written consent of the Issuer.

The Optional Redemption Payment Date may be significantly later than the Optional Redemption Date. See "*Risk Factors – Payments*".

(IV) **Early Redemption Amount**

(A) The Early Redemption Amount of the Notes (in respect of principal and interest (if applicable)) shall be determined in accordance with Condition 2(e)(2) read with this Special Condition (IV) as follows:

- (i) In the event the Notes become due and payable pursuant to Condition 2(b)(1), the Sale Agent shall, on behalf of the Issuer sell or procure the sale or other means of realisation of the Charged Assets in accordance with the Master Charged Assets Sale Terms. The applicable Early Redemption Amount payable in respect of each Note pursuant to Condition 2(b)(1) will be the *pro rata* share of the Net Proceeds; or
- (ii) If the Notes become due and repayable in accordance with Conditions 2(b)(2), 2(b)(3), 2(b)(4) or 2(c),

then the applicable Early Redemption Amount shall be determined as an amount equal to the Redemption Amount had the Early Redemption Date been the Final Maturity Payment Date.

The Early Redemption Amount shall be payable on the Early Redemption Payment Date and shall not exceed the Net Proceeds of the Charged Assets. In the event that such Early Redemption Amount is less than the Net Proceeds of the Charged Assets, Noteholders shall receive such lesser amount.

- (B) Subject as provided in Special Condition (VII), the Early Redemption Amount will be paid on the Early Redemption Payment Date. No interest or other amount shall accrue or be payable in respect of the Notes in respect of the period from and including the Early Redemption Date to and including the Early Redemption Payment Date.
- (C) The Early Redemption Payment Date may be significantly later than the Early Redemption Date, see “*Risk Factors – Payments*”.
- (D) For the avoidance of doubt, reference in Condition 4 and Condition 2(e) to the Early Redemption Amount payable pursuant to an Event of Default shall mean the amount payable on redemption of each Note upon its becoming due and payable as provided in Condition 4 being the lesser of (i) the outstanding principal amount of such Note and (ii) the amount available by applying the portion available to the Noteholders pursuant to Condition 3(d) of the Net Proceeds of the enforcement of the Security in accordance with Condition 3 *pari passu* and rateably between the Notes.

(V) **Calculations, determinations and notifications**

Following receipt by the Arranger of the NAV Report from the Calculation Agent on the NAV Report Date, the Arranger will publish a summary of the NAV Report on Bloomberg and will disseminate the NAV to SIX Financial Information USA Inc. and to the Vienna Stock Exchange.

The NAV Report and the summary thereof will be an estimated valuation of the Loan pursuant to the Convertible Promissory Note, together with any other Series Assets, and shall not be interpreted as an indication of expected redemption values of the Notes. The NAV Report and the summary thereof shall take account of any fees, expenses or charges that apply to the Notes, and is subject to amendments and / or corrections at any time without giving notice to any person.

Whenever any matter falls to be determined, considered or otherwise decided upon by the Calculation Agent or any other person (including where a matter is to be decided by reference to the Calculation Agent’s or such other person’s opinion), unless otherwise stated, that matter shall be determined, considered or otherwise decided upon by the Calculation Agent or such

other person, as the case may be, in its sole and absolute discretion. The Calculation Agent has agreed in the Constituting Instrument to comply with its obligations set out in these Conditions.

Each of the Issuer, the Principal Paying Agent and the Trustee shall be entitled to rely on any certification, notification, calculation or determination of the Calculation Agent given or copied to it as being true and accurate for all purposes and none of them shall be obliged to make any investigation or enquiry into any such certification, notification, calculation or determination or into the basis on which such certification, notification, calculation or determination was prepared, given or made.

The Calculation Agent is entitled to rely on any certification, notification, calculation, determination or announcement made by or on behalf of the Borrower and / or any Loan Agent in connection with the Convertible Promissory Note and shall not be obliged to make any investigation or enquiry into, and shall incur no liability to any person for relying on, any such certification, notification, calculation, determination or announcement reasonably believed by it to be genuine and made by or on behalf of the Borrower and / or any Loan Agent.

(VI) **Further Notes**

Pursuant to Condition 16 as amended and supplemented by this Special Condition (VI), the Issuer shall be at liberty to issue Further Notes with the express intention that such Further Notes be consolidated and form a single series with the Notes (and with any subsequent Further Notes so issued) provided that:

- (A) the net proceeds of the issue of such Further Notes shall be used to invest in further Series Assets, at the discretion of the Issuer, and such Series Assets shall form part of the Portfolio, on or about the same date as the date on which the Further Notes are issued (such Series Assets and the Related Rights applicable thereto being the Further Charged Assets);
- (B) each of the Further Notes that the Issuer may issue from time to time, together with the Notes, are secured collectively on the Issuer's right, title and interest in and to the Original Charged Assets and each of the Further Charged Assets such that the Security for the Notes and any Further Notes shall be the identical and all references to "*Charged Assets*" shall be to the Original Charged Assets and the Further Charged Assets from time to time;
- (C) the Conditions of each of the Further Notes are identical to the Conditions of the Notes (save in respect of their date of issue);
- (D) each issue of Further Notes will be constituted and secured by a supplement to the Constituting Instrument in the form substantially set out in the Constituting Instrument (or in such other form as is legally effective to constitute and secure the Further Notes) (the "**Further Constituting Instrument**") and so that upon the execution by the Issuer of the Further Constituting Instrument, all references to the Constituting Instrument shall be construed as being to such document as supplemented from time to time; and
- (E) the security interests granted by the Issuer in such Further Constituting Instrument and the Charging Instrument are granted to the Trustee for all the Noteholders of the consolidated Series on a *pari passu* basis.

(VII) **Collateral Default and Arranger Default**

- (A) If the Calculation Agent determines in its sole discretion that a Collateral Default or a Charged Assets Default has occurred then it shall give notice as soon as practicable thereafter to the Issuer, the Trustee, the Principal Paying Agent and the Noteholders (in accordance with Condition 7) of the occurrence of such event. The Issuer shall redeem the Notes in full by payment to each Noteholder of a *pro rata* amount of the

Net Proceeds of the Charged Assets five (5) Business Days following the day on which the Issuer receives the Realisable Value.

- (B) If the Issuer (in its sole discretion) determines that an Arranger Default has occurred then it shall give notice as soon as practicable thereafter to the Trustee, the Principal Paying Agent and the Noteholders (in accordance with Condition 7) of the occurrence of such event. If no Substitute Arranger, as appointed by the Issuer, is available to continue the functions of the Arranger, then the Issuer shall redeem the Notes in full by payment to each Noteholder of a *pro rata* amount of the Net Proceeds of the Charged Assets five (5) Business Days following the day on which the Issuer receives the Realisable Value.

(VIII) **Purchase**

Condition 2(g) shall apply subject as amended by this Special Condition (VIII). In determining what proportion of Charged Assets corresponds to the proportion of Notes to be purchased, the Issuer shall be entitled to rely on advice given to it by the Calculation Agent. The Issuer has absolute discretion to designate which Series Assets to select in order to fulfil its obligations pursuant to Condition 2(g) as hereby amended.

(IX) **The Trustee**

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

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

(X) **Sale Agent**

The Sale Agent shall, on behalf of the Issuer, sell or procure the sale or other means of realisation of the Charged Assets and shall be entitled to deduct any costs, expenses, taxes and duties incurred in connection with any disposal, realisation or transfer of such Charged Assets.

In the event of an Early Redemption Event or Mandatory Redemption Event, at the discretion of the Issuer and the Arranger, the Sale Agent may enter into agreements with third parties for the purpose of liquidation, realisation, disposal or transfer of Charged Assets, and shall be

entitled to deduct any costs, expenses, taxes, duties and / or interest due and incurred in connection with such liquidation, realisation, disposal or transfer.

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

(XI) **Fees**

In addition to the fees due to the Trustee and any Agents, and any other transaction related fees incurred by the Issuer in respect of the issuance of the Notes, as determined by the Calculation Agent, the Issuer has agreed to pay certain fees to the Arranger.

The following fees shall be determined by the Calculation Agent as at the date expected to be two Business Days immediately prior to the Interest Determination Date:

- (a) The fees payable to the Arranger (the “**Arranger Fee**”):
 - (i) 0.45% per annum of the first USD 50,000,000 of the Net Asset Value of the Portfolio and 0.40% of any sum thereafter, as applicable, as at the most recent NAV Report Date. The Arranger Fee shall be payable no later than five Business Days following receipt of the Loan Arranger Fee by the Issuer under the Convertible Promissory Note and no later than five Business Days following redemption of the Notes. The Arranger Fee is subject to an aggregate minimum payment of USD 1,500 per month.

It is intended that payment of the Arranger Fee shall be satisfied by the Issuer using the Loan Arranger Fee payable to it by the Borrower pursuant to the Convertible Promissory Note (provided that following conversion of the Convertible Promissory Note the Borrower shall be invoiced for payment of the Arranger Fee). To the extent that the Issuer does not receive payment in full of the Loan Arranger Fee under the Convertible Promissory Note the balance of the Arranger Fee may be deducted from either (i) the interest payment to Noteholders and therefore will result in a decrease of the Interest Amount or (ii) the Net Asset Value of the Portfolio and therefore will result in a decrease of the value of the Notes or both (i) and (ii), as the Calculation Agent may decide in its sole discretion.

The Issuer will incur fees in relation to the issuance of the Notes, which will be deducted from the Portfolio when determining the Redemption Amount. Such fees will include, but shall not be limited to:

- (A) any fees, costs and expenses payable by the Issuer which are directly attributable to the Notes, including:
 - (aa) costs incurred in connection with the issuance, listing, clearing of the Notes and / or the performance of obligations in relation thereto;
 - (bb) any commissions, fees, costs and expenses payable by the Issuer pursuant to the Constituting Instrument and the Series Documents as defined therein;
 - (cc) any fees, costs and expenses of the administrator of the Issuer payable by the Issuer or the Arranger in respect of the Notes; and
 - (dd) any legal fees and disbursements payable by the Issuer, the Arranger or the Trustee to Mason Hayes & Curran or to A&L Goodbody or any other legal advisers to the Issuer, the Arranger or the Trustee in respect of the issuance of the Notes;

- (B) a total of USD 1,000 per annum shall be retained by the Issuer (the “**Annual Retained Amount**”) in respect of all Series in issuance. A portion of the Annual Retained Amount will be attributed to this Series of Notes in an amount to be determined by the Calculation Agent acting in its sole and absolute discretion; and
- (C) in relation to any realisation of the Charged Assets, all commissions, fees, charges and expenses (including, without limitation, any stamp duty, documentary or transfer or other taxes or duties payable in respect of the sale or other realisation of any such Charged Assets) incurred or payable by the Sale Agent in respect of such sale or other realisation, as certified by the Sale Agent to the Issuer and the Trustee.

Any amounts payable under the Notes are based on the performance of the Charged Assets net of the fees described above. The fees will be applied in calculating the value of the Portfolio and therefore will result in a reduction in value of the Notes. For the avoidance of doubt to the extent that the Issuer receives payment of the Loan Arranger Fee under the Convertible Promissory Note, payment of the Arranger Fee by the Issuer shall not affect the Net Asset Value of the Portfolio or result in a reduction in value of the Notes

Estimated fees include a set-up fee of €20,000 (euro) and other administration fees estimated at €8,300 (euro) per year.

(XII) **Interest**

The Calculation Agent or the Issuer may, from time to time, on a Business Day determined by the Issuer but no later than fifteen (15) calendar days after a Convertible Promissory Note Payment, nominate any Business Day as an Interest Payment Date. The Interest Determination Date shall be any Business Day at the discretion of the Arranger, the Calculation Agent or the Issuer. On the Interest Determination Date, the Calculation Agent shall calculate the amount of Interest owing on the Notes and shall inform the Trustee, Paying Agent and Issuer of the amount payable and interest shall be paid in accordance with the Conditions and the Agency Agreement. The Interest Amount may be subject to deduction of the Arranger Fee as described in Special Condition (XI).

(XIII) **Extended Maturity Date**

The term of the Notes may be extended for further periods of up to ten (10) years, provided that, at the request of the Issuer, the Calculation Agent, on behalf of the Issuer, has given a notice (the “**Extension Notice**”) to the Trustee, the Principal Paying Agent and the Noteholders three (3) calendar months prior to the Scheduled Maturity Date or the anniversary thereof in each subsequent year, if applicable, stating that such extension shall take place in respect of the Notes. If no Extension Notice, or no further Extension Notices (if applicable) are delivered by the Calculation Agent, the Notes shall be redeemed on the Scheduled Maturity Date or on the date stated in the final Extension Notice (such date being the “**Extended Maturity Date**”).

(XIV) **Conversion of the Convertible Promissory Note**

Notwithstanding Condition 6(b) (*Authorisation*) of the Notes, the Issuer may do all such things and execute all such documents as are required by it in connection with the conversion of the Convertible Promissory Note into the Conversion Stock following the occurrence of a Capital Event without being directed to do so in writing by the Trustee or an Extraordinary Resolution of the Noteholders.

(XV) **Purchase of the Sale of the Borrower Conversion Stock**

The Borrower has covenanted in the Convertible Promissory Note that upon the closing of the Sale of the Borrower, the purchaser in such Sale of the Borrower shall purchase the Sale of the Borrower Conversion Stock at a price which is 20% greater than the price received by other shareholders of the Borrower. The Issuer shall do all such things and execute all such documents necessary to conclude such purchase of the Sale of the Borrower Conversion Stock without being directed to do so in writing by the Trustee or an Extraordinary Resolution of the Noteholders.

Use of proceeds

The entire net proceeds from the issue of the Notes and any Further Notes, will be invested by the Issuer in the Series Assets, being the Original Charged Assets (in the case of the Notes issued on the Issue Date and which shall, for the avoidance of doubt, include the Convertible Promissory Note) and the relevant Further Charged Assets (in the case of any Further Notes) in each case on or as soon as practical following the Issue Date or, as applicable, the relevant date of issue in respect of any Further Notes.

Information relating to the Charged Assets

General

The Issuer intends to use the proceeds of the issuance of the Notes to enter into a loan agreement between the Issuer and V-ME Media Inc. (the "**Borrower**") pursuant to which on the Issue Date, or as soon as practicable thereafter, the Issuer shall advance as a loan the entire proceeds of the issue of the Notes to the Borrower.

On the Issue Date, the Original Charged Assets will consist of the interests of the Series Assets, and the Related Rights.

The Series Assets

For a detailed description of the Series Assets see the **CONVERTIBLE PROMISSORY NOTE**, a copy (or copies) of which is appended to this Series Memorandum.

Further Investment

The Issuer may invest in new loans from time to time from the proceeds of the Notes.

Description of the security arrangements in respect of the Notes

Introduction

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

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

Security arrangements

The Notes will be secured by a charge over the Series Assets.

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

- (A) assign by way of fixed security assignment in favour of the Trustee for itself and as trustee for the Secured Parties all of the Issuer's rights, title, benefit and interest in, to and under the Series Assets;
- (B) charge by way of fixed charge and assign by way of fixed security assignment in favour of the Trustee for itself and as trustee for the Secured Parties all of the Issuer's rights, title, benefit and interest in and to all funds and any other assets now or thereafter standing to the credit of the account of the Principal Paying Agent in respect of the Notes, the Further Notes and the debts represented by such moneys;
- (C) assign by way of fixed security assignment in favour of the Trustee for itself and as trustee for the Secured Parties all of the Issuer's rights, title, benefit and interest in, to and under the Agency Agreement and the Placing Agreement and all sums and any other assets derived therefrom; and
- (D) charge by way of fixed charge and assign by way of fixed security assignment in favour of the Trustee for itself and as trustee for the Secured Parties all of the Issuer's rights with respect to (a) the Charged Assets and (b) any moneys and/or assets received in respect of such Charged Assets (including for the avoidance of doubt, any assets received by it upon conversion of all or any part of the Charged Assets),

in each case on terms that the Trustee shall hold the proceeds of such Security for itself and on trust for itself, and the Secured Parties (and the holders of any Further Notes in accordance with the terms of the Trust Deed).

Charging Instrument

Pursuant to the Charging Instrument the Issuer will grant a security interest over any Series Assets acquired by the Issuer from time-to-time, and will grant a New York law governed security interest over the Series Assets from time-to-time and the Related Rights obtained with the entire net proceeds of the issue of the Notes and all rights of the Issuer derived from or connected to the Charged Assets as security in favour of the Trustee for itself and as trustee for the Secured Parties.

Enforcement of the Mortgaged Property

The Mortgaged Property may become enforceable if the Notes or any of them have become due and repayable (for example, due to acceleration following the occurrence of a Tax Event, Mandatory

Redemption Event, Additional Mandatory Redemption Event or an Event of Default) and have not been repaid.

In such circumstances the Trustee may at its discretion, and upon being indemnified, secured and/or prefunded to its satisfaction and shall if so requested or directed by the relevant parties (as more fully described in Condition 7), realise the Charged Assets. In realising the Charged Assets the Trustee may, but shall not be obliged to, procure the sale of the Charged Assets or may request the redemption of the Charged Assets.

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

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

Limited recourse provisions

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

Information relating to the Arranger and Calculation Agent

FlexFunds Ltd. is the Arranger in respect of the Notes and has been appointed as Calculation Agent, and as such is responsible for certain management and administrative functions in relation to the Notes.

FlexFunds Ltd. is an exempted company incorporated in the Cayman Islands with limited liability. The company administers the Note program with all participants and prepares the notes for issuance and calculation of NAV.

FlexFunds Ltd. has a presence in the Cayman Islands.

As Calculation Agent, FlexFunds Ltd. is responsible for determining the Interest Payment Date and any Extended Maturity Date in addition to calculating interest payment on the Notes.

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

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

Fees

The fees payable to FlexFunds Ltd. as the Arranger are described in Special Condition (XI) of the Notes.

Information relating to the Sale Agent and Placing Agent

GWM Group, Inc. and GWM LTD have been appointed as Sales Agent and Placing Agent, and as such are responsible for certain management and administrative functions in relation to the Notes.

GWM Group, Inc. is a full service broker dealer based in Stamford, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. Its clients' accounts are introduced on a fully disclosed basis to Interactive Brokers, LLC.

GWM Group, Inc. offers execution services to clients ranging from retail clients to institutional investment firms, and services ranging from wealth management services to custody and clearing services. The company also offers investment solutions, such as fee-based programs, retirement products and programs, asset management accounts, margin borrowing, mutual fund solutions, and wealth management.

GWM Group, Inc. has a presence in Connecticut and Miami.

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

The Bermuda Monetary Authority granted approval to GWM LTD for a license under section 16 of the Investment Business Act 2003.

As Placing Agent, GWM Group, Inc. and GWM LTD have agreed to comply with all duties and responsibilities set out in the Conditions of the Notes, and to strictly adhere to the Selling Restrictions.

As Sales Agent, GWM Group, Inc. and GWM LTD are responsible to the Issuer for taking any steps in order to realise the Charged Assets as required for the purposes of the Notes.

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

Information relating to the Issuer

General

The Issuer was incorporated in Ireland as a public limited liability company on 29 August 2011, with registration number 502865 under the name IA Capital Structures (Ireland) plc, under the Companies Acts 1963 – 2013.

The registered office of the Issuer is at 76 Lower Baggot Street, Dublin 2, Ireland. The telephone number of the Issuer is +353 (0) 19062 200. The authorised share capital of the Issuer is EUR 100,000,000 divided into 100,000,000 Ordinary Shares of EUR 1 each (“**Shares**”). The Issuer has issued 38,100 Shares all of which are fully paid. The issued Shares are held by a Jersey-incorporated company, Sanne Trustee Services Limited (the “**Share Trustee**”), on trust for charitable purposes. The Share Trustee has, inter alia, undertaken not to exercise its voting rights to wind up the Issuer unless and until it has received written confirmation from the Directors of the Issuer that the Issuer does not intend to carry on further business.

The Issuer has been established as a special purpose vehicle. The principal activities of the Issuer are the issuance of financial instruments, the acquisition of financial assets and the entering into of other legally binding arrangements.

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

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

Directors and company secretary

The Directors of the Issuer are as follows:

- Conor Blake
- Louise McMorrow
- Adrian Bailie

The Company Secretary is Sanne Capital Markets Ireland Limited.

Sanne Capital Markets Ireland Limited is the administrator of the Issuer. Its duties include the provision of certain administrative, accounting and related services. The appointment of the administrator may be terminated forthwith if the administrator commits any material breach of the corporate service agreement between the Issuer and the administrator, or if the administrator is unable to pay its debts as they fall due or if the administrator becomes subject to insolvency or other related proceedings. The administrator may retire upon 90 days’ written notice subject to the appointment of an alternative administrator on similar terms to the existing administrator. The business address of the administrator is 76 Lower Baggot Street, Dublin 2, Ireland.

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

Financial statements

The Issuer has published financial statements for up to 30 June 2015.

Authorisation

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 9 February 2017.

Litigation

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

Selling restrictions

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

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

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

Where:

“U.S person” means a “US person”, as the term is defined in Regulation S under the Securities Act of 1933 (as amended from time to time) and more particularly are references to: (i) any natural person that resides in the U.S; (ii) any entity organised or incorporated under the laws of the U.S; (iii) any entity organised or incorporated outside the U.S that was formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act of 1933, unless it is organised or incorporated, and owned, by accredited investors (as defined in Section 501 of Regulation D promulgated under the Securities Act of 1933) who are not natural persons, estates or trusts; (iv) any estate of which any executor or administrator is a US person ; (v) any trust of which any trustee is a U.S person; (vi) any agency or branch of a foreign entity located in the U.S; or (vii) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person; and (viii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or resident in the U.S.. For the purposes hereof, the term **“U.S person”** shall not include any discretionary or non-discretionary account (other than an estate or trust) held for the benefit or account of a non-U.S person by a dealer or other professional fiduciary organised or incorporated in the US. The term **“U.S person”** includes entities that are subject to the U.S Employee Retirement Income Securities Act of 1974, as amended, or other tax-exempt investors or entities in which substantially all of the ownership is held by U.S persons.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **“Relevant Member State”**), an offer of Notes to the public has not and may not be made in that Relevant Member State.

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

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

General information

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

- (a) the Master Documents which are incorporated by reference by the Constituting Instrument so as to constitute the Trust Deed, Agency Agreement, Placing Agreement, and the Charged Assets Sale Agreement with respect to the Notes (to the extent not otherwise amended, modified and / or supplemented by the Constituting Instrument);
- (b) any deed or agreement supplemental to the Master Documents;
- (c) the Programme Memorandum;
- (d) the Certificate of Incorporation and the Memorandum and Articles of Association of the Issuer;
- (e) the Constituting Instrument;
- (f) Convertible Promissory Note;
- (g) VME Loan Memorandum; and
- (h) the Charging Instrument..

ANNEX 1 – Convertible Promissory Note

THIS NOTE HAS NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE, AND MAY BE OFFERED AND SOLD ONLY IF REGISTERED AND QUALIFIED PURSUANT TO THE RELEVANT PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS OR EXEMPT FROM SUCH REGISTRATION AND QUALIFICATION REQUIREMENTS. ANY UNITED STATES PERSON WHO HOLDS THIS NOTE MAY BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS INCLUDING THE LIMITATIONS PROVIDED IN SECTION 165(J) AND 1287(A) OF THE INTERNAL REVENUE CODE.

V-ME MEDIA, INC.

**SECURED CONVERTIBLE
PROMISSORY NOTE**

Up to \$10,000,000

February 9, 2017

1. Principal and Interest.

1.1 V-ME Media, Inc., a Delaware corporation (the “**Company**”), for value received, hereby promises to pay to the order of IA Capital Structures (Ireland) plc (the “**Holder**”) the amount advanced to it pursuant to Section 1.2 below, up to US\$10,000,000 (such amount the “**Maximum Principal Amount**”). Amounts advanced to the Company under this Secured Convertible Promissory Note (the “**Note**”) shall bear simple interest at the rate of six point seven five (6.75%) per annum from the date of such advance until repayment of such amounts or conversion of the Note as set forth in Section 5 hereof. Interest on this Note shall accrue daily, be computed on the basis of a 365 day year and actual days elapsed and shall be payable in arrears on the last Business Day of each month.

“**Business Day**” means a day other than a Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

1.2 The Holder shall, without any action required by Company, advance amounts available to it from the net proceeds of issue of IA Capital Notes (as defined below) for investment in this Note within five (5) Business Days of receipt thereof up to the Maximum Principal Amount.

1.3 The Company shall repay the principal amount in accordance with the monthly installments specified in the amortization table in Schedule 1 hereto. The final installment shall be due and payable on February 7, 2020_(the “**Maturity Date**”). Any partial prepayment made pursuant to Section 2 shall be applied to satisfy the obligations to pay installments of principal in inverse order of their maturity.

1.4 The Company agrees to pay all costs and expenses, including reasonable attorneys’ fees, incurred by the Holder in any action brought to enforce the terms of this Note.

1.5 Upon conversion or repayment of this Note in full as provided herein, this Note shall be terminated and surrendered to the Company for cancellation.

2. Voluntary Prepayment. The outstanding principal amount under this Note may, subject to the remainder of this Section 2, be prepaid in whole or in part by the Company without the consent of the Holder provided that the Company shall give the Holder at least five Business Days' notice in writing prior to any such prepayment. If the Note is prepaid in whole:

2.1 on or before 15 December 2017, Company shall pay 105% of the outstanding principal amount plus any accrued but unpaid interest;

2.2 after 15 December 2017 but on or before 15 December 2018, Company shall pay 104% of the outstanding principal amount plus any accrued but unpaid interest;

2.3 after 15 December 2018 but on or before 15 December 2019, Company shall pay 103% of the outstanding principal amount plus any accrued but unpaid interest; or

2.4 after 15 December 2019, Company shall pay 100% of the outstanding principal amount plus any accrued but unpaid interest.

3. Arranger Fee.

The Company shall pay to the Holder an arranger fee (the "**Arranger Fee**") in the amount of 0.45% per annum of the principal amount outstanding under the Note, which will accrue daily and be payable in arrears on the last Business Day of each month and on the Maturity Date.

The Arranger Fee shall be subject to a minimum payment of USD1,500 per month.

4. Automatic Conversion.

4.1 Sale of the Company. In the event that a Sale of the Company (as defined below) is consummated prior to repayment in full of the Note, (a) the Company shall notify the Holder promptly upon becoming aware of the occurrence of such Sale of the Company, and (b) prior to the closing of the Sale of the Company, the outstanding principal amount of, and all accrued but unpaid interest on, the Note shall automatically convert into shares of non-voting Common C Stock of the Company (the "**Sale of the Company Conversion Stock**") at a conversion price equal to the price per share paid to the Company at the closing of the Sale of the Company on the Conversion Date (as defined in 5.2 below). The Company will provide that upon the closing of the Sale of the Company, the purchaser in such Sale of the Company shall purchase the Sale of the Company Conversion Stock of the Holder (or any third party to which the Holder has transferred the Sale of the Company Conversion Stock) at a price which is 20% greater than the price received by other shareholders of the Company.

For the purposes of this Note, "**Sale of the Company**" shall mean a transaction or series of related transactions to which the Company is a party (whether by merger, consolidation, stock acquisition or otherwise) in which at least 75% of the total

outstanding capital stock of the Company is transferred to a party which is not an Affiliate of the Company on the date hereof, other than a Qualified Public Offering. “**Qualified Public Offering**” shall mean the sale of at least 75% of the total outstanding capital stock of the Company pursuant to an effective registration statement under the United States Securities Act of 1933. “**Capital Event**” shall mean a Sale of the Company or Qualified Public Offering. “**Affiliate**” shall, with respect to any entity, any other corporation, organization, association, partnership, sole proprietorship or other type of entity, whether incorporated or unincorporated, directly or indirectly controlling or controlled by or under direct or indirect common control with such entity.

4.2 Qualified Public Offering. In the event that a Qualified Public Offering is consummated prior to repayment in full of the Note, (a) the Company shall notify the Holder promptly upon becoming aware of the occurrence of such Qualified Public Offering, and (b) prior to the closing of the Qualified Public Offering, the outstanding principal amount of, and all accrued but unpaid interest on, the Note shall automatically convert into shares of Common C Stock of the Company (the “**Qualified Public Offering Conversion Stock**”, and, together with the Sale of the Company Conversion Stock, the “**Conversion Stock**”) at a conversion price equal to the number obtained by discounting by 20% the price per share paid to the Company at the closing of the Qualified Public Offering on the Conversion Date.

4.3 Conversion Procedures. The conversion shall be deemed to have taken place on and the shares to be issued pursuant thereto shall be issued as of a date chosen by the Company in its full discretion but falling no more than 20 Business Days prior to the date of the closing of the event constituting the Capital Event, as the case may be (the “**Conversion Date**”). On the Conversion Date, the outstanding principal amount of and all accrued but unpaid interest on this Note through the date of conversion shall be converted without any further action by the Holder and whether or not the Note is surrendered to the Company. The Company shall not be obligated to issue certificates evidencing the shares of Conversion Stock unless (a) this Note is delivered to the Company or the Holder notifies the Company that this Note has been lost, stolen or destroyed and executes an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with this Note and (b) in the event of a conversion pursuant to a Capital Event, the Holder has executed such documents and agreements as are required of other holders of capital stock in such transaction. The Company shall, as soon as practicable thereafter, issue and deliver certificates representing the number of shares of Conversion Stock in accordance with the provisions hereof.

4.4 No Fractional Shares. No fractional shares of Conversion Stock shall be issued upon conversion of this Note. In lieu of such fractional shares, the Company shall pay to the Holder in cash the amount that is not so converted.

5. Events of Default. If there shall be any Event of Default (as defined below), at the option and upon the declaration of the Holder and upon written notice to the Company (which election and notice shall not be required in the case of an Event of Default under clauses (b) or (c) below), this Note shall accelerate and the entire principal amount of and all accrued but unpaid interest on this Note shall become due and payable. The occurrence of any one or more of the following shall constitute an “**Event of Default**”: (a) the Company fails to pay on the date the same becomes due and payable any of the principal amount of or to pay within five (5) Business

Days of the due date any accrued interest or other amounts due under this Note; (b) the Company fails to perform promptly any of its obligations under this Note (other than the obligations referred to in Section 6(a) above) or the escrow agreement dated _____, 2017 between the Company, the Holder and Citibank N.A., unless in the Holder's opinion such failure to perform can be remedied and is remedied to the satisfaction of the Lender within fourteen (14) days of the Holder first becoming aware of the failure to so perform, (c) the Company files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any corporate action in furtherance of any of the foregoing; or (d) an involuntary petition is filed against the Company (unless such petition is dismissed or discharged within ninety (90) days) under any bankruptcy statute now or hereafter in effect, or a custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of the Company.

6. Default Interest Rate. Upon an Event of Default, the Holder, in the Holder's sole discretion and without notice or demand, may raise Interest Rate accruing on the overdue principal amount outstanding by two (2) percentage points above the rate of interest otherwise applicable, independent of whether the Holder elects to accelerate the unpaid principal balance as a result of such default (the "Default Rate"). Such Default Rate shall continue, in the Holder's sole discretion, until all defaults are cured. In no event shall this clause be construed as an agreement or privilege to extend the date of any payment due hereunder, nor as a waiver of any other right or remedy accruing to Payee hereunder.

7. Rights and Remedies Upon Default. Upon the occurrence of an Event of Default under this Note, the Holder, in its sole discretion, may, upon notice to the Company (i) declare the entire outstanding Principal Amount, together with all accrued interest, late fees, and all other sums due under this Note, to be immediately due and payable, and the same shall thereupon become immediately due and (ii) enforce any security granted by the Company to the Holder to secure performance under this Note; provided that upon the occurrence of an Event of Default specified in clause 6(c) or (d), the entire outstanding principal amount, together with all accrued interest, late fees, and all other sums due under this Note, shall be immediately due and payable without presentment, demand or notice which are hereby expressly waived. No failure or delay by the Holder hereof to insist upon the strict performance of any provision of this Note or to exercise any right, power or remedy consequent upon an Event of Default hereunder, shall constitute a waiver of any such provision or of any such Event of Default, or preclude the Holder hereof from exercising any such right, power or remedy at any later time or times.

8. Representations and Warranties. The Company represents and warrants to the Holder:

(a) Due Incorporation and Qualification. The Company (i) is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation and (ii) has the power and authority to own, lease and operate its properties and carry on its business as now conducted and as proposed to be conducted;

(b) Authority. The execution, delivery and performance of this Note by the Company and the consummation of the transactions contemplated hereby (i) are within the power of Company and (ii) have been duly authorized by all necessary actions on the part of the Company;

(c) Enforceability. This Note has been duly executed and delivered by the Company and constitutes, or will constitute, a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity;

(d) Non-Contravention. The execution and delivery by the Company of this Note and the performance and consummation of the transactions contemplated hereby do not and will not (i) violate the Certificate of Incorporation or Bylaws of the Company or any material judgment, order, writ, decree, statute, rule or regulation applicable to the Company; or (ii) violate any provision of, or result in the breach or the acceleration of, or entitle any other person to accelerate (whether after the giving of notice or lapse of time or both), any material mortgage, indenture, agreement, instrument or contract to which the Company is a party or by which it is bound;

(e) Approvals. No consent, approval, order or authorization of, or registration, declaration or filing with, any governmental authority or other Person (including, without limitation, the shareholders of any Person) is required in connection with the execution and delivery of this Note executed by the Company and the performance and consummation of the transactions contemplated hereby; and

(f) No Violation or Default. The Company is not in violation of or in default with respect to (i) its Certificate of Incorporation or Bylaws or equivalent charter document or any material judgment, order, writ, decree, statute, rule or regulation applicable to such person; (ii) any material mortgage, indenture, agreement, instrument or contract to which such person is a party or by which it is bound (nor is there any waiver in effect which, if not in effect, would result in such a violation or default); and

(g) Conversion. The authorized capital stock of the Company is sufficient to allow conversion of this Note into Conversion Stock pursuant to Section 4 and there are no pre-emption rights or other restrictions in the Company's Certificate of Incorporation or Bylaws which would prevent such conversion from being effected.

9. Covenants

The Company undertakes that it will:

(a) give the Holder notice in writing immediately upon becoming aware of the occurrence of (i) any Capital Event or (ii) any Event of Default or other event which, with the giving of notice and/or lapse of time and/or upon the Holder making the relevant determination, would constitute an Event of Default;

(b) keep the Holder fully and promptly informed to such extent and in such form and detail as the Holder may from time to time reasonably require, with particulars of any matters concerned with and arising out of the activities of the Holder;

(c) settle the debts incurred by it in the ordinary course of the business, including (without limitation) trade creditors, in a timely manner;

(d) conduct and carry on its business in a proper, efficient and professional manner

and not make any substantial alteration in the mode of conduct of that business and keep or cause to be kept proper books of accounts relating to such business; and

(e) supply to the Holder as soon as they become available, but in any event within 120 days after the end of each of its financial years, its audited financial statements for that financial year.

10. Collection Expenses. Following an Event of Default hereunder, Company shall pay to Holder an additional 3% of the overdue amount outstanding (the “**Collection Fee**”) plus the amount above the Collection Fee incurred by the Holder in connection with the enforcement or collection of this Note, including without limitation, all attorney's fees, court costs and collection expenses.

11. Assignment. Subject to the restrictions on transfer described herein, the rights and obligations of the Company and the Holder of this Note shall be binding upon and benefit the successors, assigns, heirs, administrators and transferees of the parties. Effective upon any such assignment, any party to whom such rights, interests and obligations were assigned by the Holder shall have all of the Holder's rights, interests and obligations hereunder as if such party were the original Holder of this Note. The Holder may only assign its rights and obligations under this Note to a party which has executed the “Holder's Certificate” attached to this Note as Exhibit A.

Amendments and Waivers. Any term of this Note may be amended and the observance of any term of this Note may be waived (either generally or in a particular instance and either retroactively or prospectively) only as agreed in writing by both parties.

12. Registration; Transfer of this Note or Conversion Stock. Subject to compliance with applicable federal and state securities laws, the Holder may transfer this Note and the Conversion Stock by delivering to the Company notice and a brief description of the proposed transfer along with any investment representation letter that may be reasonably requested by the Company. This Note and the Conversion Stock so transferred shall bear a legend as to the applicable restrictions on transferability in order to ensure compliance with federal and state securities laws, unless the Company determines that such legend is not required in order to ensure compliance with such federal and state securities laws. The Company may issue stop transfer instructions to its transfer agent in connection with such restrictions. The Holder may assign, charge or otherwise grant security over this Note to the trustee of the 6.75% Senior Secured Amortizing Convertible Note (Series 102) Notes due 2020 issued by IA Capital Structures (Ireland) plc under its Secured Note Programme as security for the performance of the Holder's obligations thereunder.

This Note is issuable as a registered note only, as to both principal and stated interest. The Company shall keep at its principal office a register in which the Company shall provide for the registration of the Note and of transfers of the Note. Upon surrender for registration of transfer of the Note at the principal office of Company, Company shall, promptly and at its expense, cause to be executed and delivered one or more new Notes of like tenor and of a like aggregate principal amount, which Notes shall be registered in the name of such transferee or transferees. At the option of Holder, its Note may be exchanged for Notes of like tenor and of any authorized denominations, of a like aggregate principal amount, upon surrender of the Note to be exchanged at the principal office of Company. Whenever any Note is so

surrendered for exchange, the Company shall, at its expense, cause to be executed and delivered by Company the Note or Notes which the Holder is entitled to receive. Every Note surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer duly executed, by the Holder. Any Note or Notes issued in exchange for any Note or upon transfer thereof shall carry the rights to unpaid interest and interest to accrue which were carried by the Note so exchanged or transferred, so that neither gain nor loss of interest shall result from any such transfer or exchange. These provisions are intended to comply with the procedures set forth in Treasury Regulation §5f.103-1 issued under the Internal Revenue Code. No transferee or assignee shall have any rights against the Company under the terms and provisions of this Note unless and until such transferee or assignee becomes the registered Holder.

Holder acknowledges that while this Note is intended to comply with the rules applicable to the provisions regarding the “Repeal of Tax on Interest Received from Certain Portfolio Indebtedness,” the United States Internal Revenue Service may determine that certain payments under this Note may be subject to tax imposed by the United States Internal Revenue Code and the Company is expressly authorized to withhold any and all required taxes from payments under this Note. In the event of such withholding, upon proof of payment of any such withheld amounts to the United States Internal Revenue Service, the Company shall be released by Holder, its heirs, successors and assigns from any further liability for the payment of such amounts under this Note.

13. Grant of Security Interest. As a condition for Holder to lend the Company the funds contemplated herein, and to secure the complete and timely payment, performance and discharge in full of its obligations under this Note, the Company grants to Holder a first priority security interest in the Primo TV subscriber fees paid to Company commencing on January 1, 2018 pursuant to the Affiliation and Distribution Agreement made as of June 13, 2016 by and between the Company and Comcast Cable Communications, LLC.

14. Notices. Notices under this Agreement will be in writing and sent to the person and address below. They may be given, and will be deemed received:

- (a) by airmail: seven Business Days after posting;
- (b) by hand: on delivery;
- (c) by facsimile: on receipt of a successful transmission report from the correct number;
- (d) by email: on receipt of a delivery return mail from the correct address.

Notices will be sent:

- (a) to the Company at: V-ME Media, Inc, 1001 Brickell Bay Drive, Suite 1208, Miami, FL 33131; with a copy (which shall not constitute notice) to: Lizbeth Flores, Esq., Private Advising Group, PA, 600 Brickell Ave., Suite 1725, Miami, FL 33131;
- (b) to the Holder at: IA Capital Structures (Ireland) plc, The Directors, 76 Lower

Baggot Street, Dublin 2, Ireland, Fax: +353 1 609 9180, E-mail:
operations@flexetp.com.

15. No Stockholder Rights. This Note shall not confer upon the Holder any rights as a stockholder of the Company, including, without limitation, the right to vote, consent or receive notice as a stockholder in respect of actions or meetings of stockholders, or the right to receive dividends, until this Note has been converted.

16. Governing Law; Jurisdiction; Waiver of Jury Trial. The performance and construction of this Agreement, the Note and the Transaction Documents shall be governed by the laws of the State of New York without giving effect to its conflict of law principles (other than Sections 5-1401 and 5-1402 of the New York General Obligations Law). THE PARTIES HERETO HEREBY AGREE AND CONSENT THAT ANY ACTION OR PROCEEDING ARISING OUT OF OR BROUGHT TO ENFORCE THE PROVISIONS OF THIS AGREEMENT SHALL BE BROUGHT IN ANY APPROPRIATE COURT IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, STATE OF NEW YORK, OR IN ANY APPEALS COURT THEREFROM HAVING JURISDICTION OVER THE SUBJECT MATTER, AND BY THE EXECUTION OF THIS AGREEMENT, EACH PARTY HERETO IRREVOCABLY CONSENTS TO THE JURISDICTION OF EACH SUCH COURT; PROVIDED THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT HOLDER'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE SUCH COLLATERAL OR OTHER PROPERTY IS LOCATED OR HAS A CONNECTION. EACH PARTY HERETO TO THE EXTENT PERMITTED UNDER APPLICABLE LAWS, WAIVES ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 18.

EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT NOW OR HEREAFTER PERMITTED BY APPLICABLE LAW, THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE TRANSACTION DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY HERETO REPRESENTS THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

17. Charges, Taxes and Expenses. The issuance of a certificate for shares of Conversion Stock upon the conversion of this Note shall be made without charge to the Holder for any issue or other incidental expense in respect of the issuance of such certificate, all of which expenses shall be paid by the Company.

18. Loss, Theft or Destruction of Note. Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft or destruction of this Note and of indemnity or security reasonably satisfactory to it, the Company shall issue and deliver, in lieu of this Note, a new Note which shall carry the same rights to interest carried by this Note, stating that such new

Note is issued in replacement of this Note, making reference to the original date of issuance of this Note (and any successors hereto) and dated as of such cancellation.

19. Usury. This Note is hereby expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid to the Holder hereunder exceed that permissible under applicable law. If at any time the performance of any provision of this Note involves a payment exceeding the limit that may be validly charged under applicable law, then the obligation to be performed shall be automatically reduced to such limit.

20. Issue Date. The provisions of this Note shall be construed and shall be given effect in all respects as if this Note had been issued and delivered by the Company on the earlier of the date hereof or the date of issuance of any Note for which this Note is issued in replacement.

21. Titles and Subtitles. The titles and subtitles used herein are used for convenience only and are not to be considered in construing or interpreting this Note.

22. Delays. No delay by the Holder in exercising any power or right hereunder shall operate as a waiver of any power or right.

23. Severability. If any provision of this Note is held to be illegal or unenforceable under applicable law, such provision shall be excluded from this Note and the balance of this Note shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

IN WITNESS WHEREOF, the Company has caused this Note to be issued as of the date first above written.

V-ME MEDIA, INC.

By _____

Agreed to and accepted:

IA CAPITAL STRUCTURES (IRELAND) PLC

Print Name of Holder

By _____

Signature

Print Name (if signing on behalf of an entity)

Title (if applicable)

Signature Page to Note

**SCHEDULE 1
AMORTIZATION TABLE**

**EXHIBIT A
PAYMENT FILE**



Note Payment Table

Note - \$	\$10,000,000
Interest Rate - %	6.75%
Interest Only - Months	12
Interest + Principal - Months	36

Year	Month	PMT. No.	PMT	Principal	Interest	Balance
2016	0					
2017	1				\$56,250	
	2				\$56,250	
	3				\$56,250	
	4				\$56,250	
	5				\$56,250	
	6				\$56,250	
	7				\$56,250	
	8				\$56,250	
	9				\$56,250	
	10				\$56,250	
	11				\$56,250	
	12				\$56,250	
2018	13	1	\$307,629	\$251,379	\$56,250	\$9,748,621
	14	2	\$307,629	\$252,793	\$54,836	\$9,495,828
	15	3	\$307,629	\$254,215	\$53,414	\$9,241,612
	16	4	\$307,629	\$255,645	\$51,984	\$8,985,967
	17	5	\$307,629	\$257,083	\$50,546	\$8,728,884
	18	6	\$307,629	\$258,529	\$49,100	\$8,470,355
	19	7	\$307,629	\$259,983	\$47,646	\$8,210,371
	20	8	\$307,629	\$261,446	\$46,183	\$7,948,926
	21	9	\$307,629	\$262,917	\$44,713	\$7,686,009
	22	10	\$307,629	\$264,395	\$43,234	\$7,421,614
	23	11	\$307,629	\$265,883	\$41,747	\$7,155,731
	24	12	\$307,629	\$267,378	\$40,251	\$6,888,353
2019	25	13	\$307,629	\$268,882	\$38,747	\$6,619,470
	26	14	\$307,629	\$270,395	\$37,235	\$6,349,076
	27	15	\$307,629	\$271,916	\$35,714	\$6,077,160
	28	16	\$307,629	\$273,445	\$34,184	\$5,803,715
	29	17	\$307,629	\$274,983	\$32,646	\$5,528,732
	30	18	\$307,629	\$276,530	\$31,099	\$5,252,202
	31	19	\$307,629	\$278,086	\$29,544	\$4,974,116
	32	20	\$307,629	\$279,650	\$27,979	\$4,694,466
	33	21	\$307,629	\$281,223	\$26,406	\$4,413,243
	34	22	\$307,629	\$282,805	\$24,824	\$4,130,439
	35	23	\$307,629	\$284,395	\$23,234	\$3,846,043
	36	24	\$307,629	\$285,995	\$21,634	\$3,560,048
2020	37	25	\$307,629	\$287,604	\$20,025	\$3,272,444
	38	26	\$307,629	\$289,222	\$18,407	\$2,983,222
	39	27	\$307,629	\$290,849	\$16,781	\$2,692,374
	40	28	\$307,629	\$292,485	\$15,145	\$2,399,889
	41	29	\$307,629	\$294,130	\$13,499	\$2,105,759
	42	30	\$307,629	\$295,784	\$11,845	\$1,809,975
	43	31	\$307,629	\$297,448	\$10,181	\$1,512,527
	44	32	\$307,629	\$299,121	\$8,508	\$1,213,405
	45	33	\$307,629	\$300,804	\$6,825	\$912,602
	46	34	\$307,629	\$302,496	\$5,133	\$610,106
	47	35	\$307,629	\$304,197	\$3,432	\$305,908
	48	36	\$307,629	\$305,908	\$1,721	\$0

**EXHIBIT A
HOLDER'S CERTIFICATE
[following page]**

CERTIFICATE OF HOLDER

This Certificate (this “Certificate”) is executed on the ___ day of _____, 2017, by IA Capital Structures (Ireland) plc (“Holder”), and makes reference to the Secured Convertible Promissory Note of V-ME Media, Inc. (the “Company”), dated of even date herewith (the “Note”). Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the Note.

The Holder hereby represents, warrants and covenants to Company as follows:

(1) Holder is not a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the regulations thereunder) and it is not acting for or on behalf of a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the regulations thereunder).

(2) If Holder is entitled to an exemption from or reduction of withholding tax with respect to payments made under the Note, Holder agrees to deliver to Company, at the time or times prescribed by applicable law or reasonably requested by Company, such properly completed and executed documentation prescribed by applicable law or reasonably requested by Company as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, Holder, if requested by the Company, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Company as will enable the Company to determine whether or not Holder is subject to backup withholding or information reporting requirements.

(2) Without limiting the generality of the foregoing, Holder shall, to the extent it is legally entitled to do so, deliver to the Company (in such number of copies as shall be requested by the Company), and from time to time thereafter at the time or times prescribed by applicable law or upon the reasonable request of Company, whichever of the following is applicable:

(i) in the case of a Holder claiming the benefits of an income tax treaty to which the United States is a party (A) with respect to payments of interest under the Note, executed originals of IRS Form W-8BEN or W-8BEN-E (or any successor form) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (B) with respect to any other applicable payments under the Note, IRS Form W-8BEN or W-8BEN-E (or any successor form) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(ii) executed originals of IRS Form W-8ECI (or any successor form);

(iii) in the case of Holder claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (A) a certificate to the effect that Holder is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of Company within the meaning of Section 881(c)(3)(B) of the Code, or a

“controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (B) executed originals of IRS Form W-8BEN or W-8BEN-E (or any successor form);

(iv) to the extent Holder is not the beneficial owner, executed originals of IRS Form W-8IMY (or any successor form), accompanied by IRS Form W-8ECI (or any successor form), IRS Form W-8BEN or W-8BEN-E (or any successor form), a U.S. Tax Compliance Certificate, IRS Form W-9 (or any successor form), and/or other certification documents from each beneficial owner, as applicable; provided that if the Holder is a partnership and one or more direct or indirect partners of Holder are claiming the portfolio interest exemption, Holder may provide a U.S. Tax Compliance Certificate on behalf of each such direct and indirect partner; or

(v) executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit Company to determine the withholding or deduction required to be made.

(3) Without limiting any of the foregoing, if a payment made to Holder under the Note would be subject to U.S. federal withholding tax imposed by FATCA if Holder were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), Holder shall deliver to Company at the time or times prescribed by law and at such time or times reasonably requested by Company such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Company as may be necessary for Company to comply with its obligations under FATCA and to determine that Holder has complied with Holder’s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this paragraph, “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

(4) Holder agrees that (i) it shall promptly notify Company of any change in circumstances which would modify or render invalid any claimed exemption or reduction to withholding and (ii) in the event any previous form delivered by Holder pursuant to this Section V(b) expires or becomes obsolete or inaccurate, update any such form or certification or promptly deliver any such other properly completed and executed form, certification or documentation as may be required in order to confirm or establish the entitlement of Holder to an exemption from or a reduction in withholding taxes with respect to payments under the Note if Holder continues to be so entitled.

Holder understands that Holder is issuing the Note based on the representations, warranties and covenants made in this certificate.

[Remainder of Page Intentionally Left Blank; Signature Page to Follow]

IN WITNESS WHEREOF, the undersigned Holder has hereunto executed this Certificate as of the day and year first above written.

IA CAPITAL STRUCTURES (IRELAND) PLC

By: _____

Name:

Title:

ANNEX 2 – VME Loan Memorandum

V-ME Media Inc.

a company incorporated in the State of Delaware, USA

Loan Memorandum for IA CAPITAL STRUCTURES (IRELAND) PLC

February 9, 2017

DELIVERY OF THIS LOAN MEMORANDUM SHALL NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITY OR INTEREST IN THE COMPANY. THIS DOCUMENT IS INTENDED TO PRESENT A GENERAL SUMMARY OF A FINANCING ARRANGEMENT FOR THE COMPANY. NO OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY ANY SECURITY OR INTEREST IN THE COMPANY MAY BE MADE TO A PROSPECTIVE INVESTOR UNTIL A COPY OF ALL OFFERING MATERIALS HAVE BEEN PROVIDED TO AND REVIEWED BY SUCH PROSPECTIVE INVESTOR, WHICH MUST BE COMPLETED AND RETURNED IN ACCORDANCE WITH THE TERMS THEREOF, AND IN NO EVENT SHALL BE MADE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL. ANY REPRESENTATIONS TO THE CONTRARY ARE UNLAWFUL.

AN INVESTMENT IN INDEBTEDNESS OF THE COMPANY INVOLVES A VERY HIGH DEGREE OF RISK AND YOU SHOULD CAREFULLY CONSIDER THE RISKS ASSOCIATED WITH SUCH INVESTMENT/FINANCING PRIOR TO INVESTING/FINANCING. PRIOR TO MAKING AN INVESTMENT OR FINANCING DECISION, PROSPECTIVE INVESTORS/LENDERS SHOULD CAREFULLY REVIEW AND CONSIDER ALL OFFERING MATERIALS AND SHOULD CONSULT THEIR OWN ATTORNEYS, INVESTMENT AND TAX ADVISORS AS TO LEGAL, INVESTMENT, FINANCING AND TAX RELATED MATTERS CONCERNING AN INVESTMENT IN OR FINANCING OF THE COMPANY.

LOAN MEMORANDUM

This Loan Memorandum (the “Loan Memorandum”) sets forth the proposed terms of agreement between the parties, subject to the conditions precedent described under number 10 below and final negotiation between the parties.

Introduction	<p>V-ME Media Inc. a company incorporated in the state of Florida, USA with registered office at 1010 Brickell Bay Drive, Suite 1208, Miami FL 33131 (“we”, “us”, the “Company” or the “Borrower”), is seeking up to USD 10,000,000 (the “Financing Amount”) for financing which is intended to be used as indicated below (the “Financing”). This Loan Memorandum is therefore addressed on an exclusivity basis to IA CAPITAL STRUCTURES (IRELAND) PLC (the “Prospective Lender”), as prospective lender in such a financing arrangement. The Financing Amount will be equal to the net proceeds of the 6.75% Senior Secured Amortizing Convertible Note (Series 102) Notes due 2020 issued by IA Capital Structures (Ireland) plc under its under its Secured Note Programme (the “IA Capital Notes”).</p> <p>The financing of the Company shall take place pursuant to a Secured Convertible Promissory Note (the “Note”) to be entered into by the Company and the Prospective Lender and to be formalized subsequent to the acceptance of this Loan Memorandum.</p>
Purpose of the Loan Memorandum	<p>The Loan Memorandum’s purpose is to set forth the basic terms and conditions upon which the Prospective Lender shall provide the Financing to the Company.</p>
The Company	<p>(a) V-ME Media Inc. (“Vme” or the “Company”) has been broadcasting nationally across the United States since March 2007 and is distributed through contracts with large multiple system operators (“MSO”).</p> <p>(b) Since its founding over 10 years ago, Vme has received over USD \$95MM in capitalization.</p> <p>(c) The Company currently comprises 3 networks focused on the U.S. Hispanic market. Vme has a mission to educate, entertain and inspire U.S. Hispanic families.</p> <p>(d) Vme TV targets an aspirational Hispanic audience that wishes to view educational, family-friendly programming in Spanish and English. Its signal is across the country through distribution via AT&T, DirecTV, Mediacom and Frontier (total 1.2MM subscribers), with unrestricted</p>

	<p>advertising. ☐</p> <p>(e) Vme Kids, focuses on delivering high quality educational Spanish programming to children ages 2-6 and their caretakers. The network is commercially distributed through Comcast, Verizon TV, AT&T, Cablevision and Frontier and currently accesses 1.4MM paying subscribers. ☐In addition, Vme Kids performs exceptionally well on the largest MSO’s video on demand platforms.</p> <p>(f) Primo TV, a network to be launched in January 2017, reaching over 7MMpaying subscribers of one of the largest MSOs in the US. It will target children & teens (ages 6-17) with English programming that represents true Latinos growing up in the U.S. ☐</p> <p>(g) Exponential growth is expected in the next 5 years as (a) Vme TV expands its commercial advertising platform, and (b) additional agreements are executed with U.S. and LatAm MSOs, significantly expanding the subscriber base of the Company and Vme Media’s ability to generate both Cable and Advertising revenue ☐</p> <p>The Company is managed by its key executives and a board of directors (the “Key Executives” and “Board of Directors”). The Key Executives and members of the Board of Directors of the Company are the individuals referred to in <u>Exhibit A</u>.</p> <p>For additional information regarding the business of the Company, please refer to <u>Exhibit A</u> hereto.</p>
Interest	The Financing shall bear fixed interest at a rate of 6.75% per year.
Maturity date	The final maturity of the Note will be February 7, 2020.
Loan Prepayment Penalties	The Company may prepay the loan subject to the following terms: 105% of principal plus accrued interest if on or before December 15, 2017; 104% of principal plus accrued interest if after December 15, 2017 and or before December 15, 2018; 103% of principal plus accrued interest if after December 15, 2018 and on or before December 15, 2019; and 100% of principal plus accrued interest if after December 15, 2019.
Security and Escrow Agreement	As indicated below, the Company undertakes to use all the Financing to invest in its business. The Financing will constitute senior secured debt of the Company. The Company’s obligations under the Note will be secured by a first priority security interest in the monthly payments received by the Company pursuant to a contract (the “ MSO Agreement ”) with one of its MSOs starting in January 2018 (the “ Receivables ”). The MSO



Agreement provides for the Company to receive Receivables in excess of USD 4.8MM per year commencing in January 2018, which will be paid directly to an escrow account managed by Citibank as Escrow Agent, subject to an Escrow Agreement, with instructions to first disburse any cash needed to service the interest or principal related to the Financing and thereafter provide any surplus funds to the Company. Payment of the Receivables is subject to the Company's performance of its obligations under the MSO Agreement, which include the Company's delivery of high-quality programming to the MSO on an ongoing basis.

The guaranties and Escrow Agreement shall be in full force and effect until the termination of the Note.

Loan Amortization and Escrow Cash Flow Table

See Exhibit B



Convertibility Option

Prior to the occurrence of a Capital Event, the Note will automatically convert into non-voting Common C Stock of the Company at a conversion price equal to (a) in the case of a Sale of the Company, the share price paid to the Company at the closing of the Sale of the Company and (b) in the case of a Qualified Public Offering, the value obtained by discounting by 20% the share price paid to the Company at the closing of the Qualified Public Offering. The Company will provide that upon the closing of a Sale of the Company, the purchaser in such Sale of the Company will purchase the Common C Stock held by the Prospective Lender at a price which is 20% greater than the price received by other shareholders of the Company.

"Sale of the Company" means a transaction or series of related transactions to which the Company is a party (whether by merger, consolidation, stock acquisition or otherwise) in which at least 75% of the total outstanding capital stock of the Company is transferred to a party which is not an Affiliate of the Company on the date hereof, other than a Qualified Public Offering. "Qualified Public Offering" means the sale of at least 75% of the total outstanding capital stock of the Company pursuant to an effective registration statement under the United States Securities Act of 1933. "Capital Event" means a Sale of the Company or Qualified Public Offering.



Purpose and use of the Financing

The Company is seeking to raise up to the Financing Amount in accordance with the terms of this Loan Memorandum; however, the Company shall have the discretion to proceed with the closing of the Note or return all funds received, if any, from the Prospective Lender if less than such an amount is raised.

The Prospective Lender understands that the Financing is to be used by the Company to (a) purchase content for its various channels, and operation of business related to its industry; (b) enter into an agreement with Nielsen in order to obtain the ratings data necessary to increase its advertising revenues; (c) pay marketing expenses; (d) pay certain advisory, structuring and maintenance expenses relating to this Loan Memorandum and the Note; and (e) pay for general corporate purposes.

	<p>The Company may change the amount and timing of the expenditure of uncommitted funds depending on numerous factors. The Company's management will have broad discretion as to the allocation of the net proceeds of the Note.</p> <p>Any investment in the Company is speculative in nature and involves a high degree of risk and is suitable only for persons of substantial means who have no need for liquidity in this transaction and who are able to bear the economic risks of it. In addition to the other information contained in this private Loan Memorandum, the Prospective Lender should carefully consider the risk factors disclosed in this Loan Memorandum, including those set forth under "Risk Factors," in evaluating the Financing. The Company reserves the right to withdraw or amend for any reason this Loan Memorandum at any time prior to the execution of the Note and reject its execution for any reason.</p>
<p>Financing documentation</p>	<p>Without limiting the foregoing, the documentation of the Financing will involve, at least, the negotiation and execution of the Note between the Prospective Lender and the Company containing usual and customary representations, warranties and indemnity provisions, as well as the relevant terms and conditions of the Financing (interest, maturity, events of default, etc.).</p>
<p>Authorized transfer of Company's position under the Note</p>	<p>The Prospective Lender may issue debt securities (the "Notes") linked to the Financing granted to the Company, to be subscribed by prospective investors who might be interested in an indirect financing/investment in the Company.</p>
<p>Representations and warranties of the Company</p>	<p>The Company will make standard representations and warranties in the Note.</p>
<p>Information regarding forward-looking statements</p>	<p>This Loan Memorandum and other information, if any, provided to the Prospective Lender by the Company, contain forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statement. Forward-looking statements relate to matters which include, but are not limited to:</p> <ul style="list-style-type: none"> ● the ability of the Company to implement its business strategies; ● the ability of the Company to operate and expand its businesses; ● the capabilities of the Company; and ● the impact of competitors, the current circumstances in the industry

in which the Company operates, in particular in the US media industry, and general economic factors.

All statements other than statements of historical fact are “forward-looking statements”, including any projections of earnings, revenues or other financial items, any statements of the plans and objectives of management for future operations, any statements regarding future economic conditions or performance and any statement of assumptions underlying any of the foregoing. Some forward-looking statements may be identified by the use of such terms as “expects”, “will”, “anticipates”, “estimates”, “believes”, “plans” and words of similar meaning. These forward-looking statements relate to business plans, programs, trends, results of future operations, satisfaction of future cash requirements, funding of future growth, acquisition plans and other matters. In light of the risks and uncertainties inherent in all such projected matters, the inclusion of forward-looking statements in this Loan Memorandum should not be regarded as a representation by the Company or any other person that the Company’s objectives or plans will be achieved or that the Company’s operating expectations will be realized. Actual results could differ from those projected in any forward-looking statements.

These forward-looking statements reflect the Company’s current views with respect to future events and are based on assumptions and subject to risks and uncertainties, not all of which may be specifically delineated or recognized. Although management believes that the expectations reflected in any forward-looking statements are reasonable, the Company does not guarantee future results, events, levels of activity, results of operations, or achievements. Given these uncertainties, you should not place undue reliance on these forward-looking statements.

For a discussion of these factors and others, please see “Risk Factors” below. All forward-looking statements attributable to the Company are expressly qualified in their entirety by such language, and the Company is not obligated, and does not intend, to update any forward-looking statements at any time unless an update is required by applicable securities laws. Also, these forward-looking statements represent the Company’s estimates and assumptions only as of the date of this Loan Memorandum and should not be relied upon in granting the Financing or in making an investment in the Company.

Risk factors

An investment in the Company is speculative and involves a high degree of risk and should only be considered by prospective investors who have no need for liquidity in their investment. The risk factors set forth in this Loan Memorandum are not intended to be an exhaustive list of the general or specific risks involved, but to identify certain risks that the Company currently foresees. The Prospective Lender should carefully consider all information contained herein and should give particular consideration to such risk factors before deciding to grant the Financing and execute the Note. Additional risks and uncertainties that are not yet identified or that the Company currently considers to be

immaterial may also materially adversely affect the Company's business and financial condition in the future. Any of the risks described herein could materially adversely affect the Company and could result in a complete loss of an investment in the Company or the Financing Amount. This Loan Memorandum is qualified in its entirety by these risk factors.

Risks Related to the Company's Business

We cannot predict our success

We believe that the rapidly changing market in which the Company operates makes it impossible to predict the extent of our overall success or the success of our business strategies. The Company may never be able to achieve favorable operating results or profitability or generate sufficient cash flow to support its business internally and to make distributions to its shareholders.

We have a history of operating losses and negative cash flow and may need to raise additional funds to finance operations.

We have a history of operating losses and negative cash flow. We have incurred recurring net losses, including net losses from operations before income taxes of US\$5.5 million, US\$4.0 million and US\$2.2 million in fiscal 2013, 2014 and 2015, respectively. We used US\$2.5 million and US\$1.0 million of cash for operating activities during fiscal 2014 and 2015, respectively. To support our strategies, we may need to raise additional funds. See "—The Company may not be able to raise capital as needed to maintain its operations."

Our programming costs are increasing. We may not have the ability to pass these increases on to our customers, which would adversely affect our cash flow and operating margins.

Programming has been, and is expected to continue to be, our largest operating expense item. In recent years, the cable television industry has experienced a rapid escalation in the cost of programming. This escalation may continue, and we may not be able to pass programming cost increases on to our customers. The inability to pass these programming cost increases on to our customers would have an adverse impact on our cash flow and operating margins.

We operate in a very competitive business environment, which can adversely affect our business and operations.

The industry in which we operate is highly competitive. In some instances, we compete against companies with fewer regulatory burdens, easier access to financing, greater personnel resources, greater brand name recognition and long-standing relationships with customers. Increasing consolidation in the cable programming industry may further enhance the competitiveness of certain of our competitors, either

through access to financing, resources or efficiencies of scale. The subscription television industry also faces competition from broadcast companies distributing television broadcast signals without assessing a subscription fee and from other communications and entertainment media, including conventional radio broadcasting services, newspapers, movie theaters, the Internet, live sports events and home video products. Additionally, technological developments, such as the ability to stream video over the Internet, could introduce additional competition into video programming services, a core part of our business, particularly from high speed Internet access providers, such as providers of DSL. We cannot predict the extent to which competition may affect our business and operations in the future.

Our financial condition and results of operations will significantly rely on the Board of Directors

The Prospective Lender hereunder will have no control over or influence in the management of the Company, which will be under the substantial control of the Board of Directors. The members of the Board of Directors are the individuals listed in Exhibit A; the majority of them are shareholders of the Company. Successful operations and investments of the Company's business will be dependent in major part upon the operating and management skills of the Board of Directors.

The Company may not be able to raise capital as needed to maintain its operations

The Company may need to raise additional funds to support all of its strategies. Additional financing may not be available to the Company on favorable terms, if at all. If the Company cannot raise needed funds on acceptable terms, it may not be able to develop its business, take advantage of future opportunities or respond to competitive pressures or unanticipated requirements, which could seriously harm its business, financial condition and results of operations and, as a result, adversely affect the financing of or an investment in the Company and imply the entire loss of the Financing Amount. We may also require additional capital to fund any costs or expenses related to the assets owned by the Company for general working capital purposes. To the extent the Prospective Lender or the Company's shareholders are unable to make required additional capital contributions, their interests in the Company may be affected.

In addition, the Company's actual funding requirements may be greater than anticipated if certain assumptions turn out to be incorrect. Therefore, you should consider the Company's estimates in light of the following facts:

- the estimated funding requirements may not reflect sufficient contingency amounts and may increase, perhaps substantially, if the Company is unable to generate revenues in the amount and within the time frame expected or if the Company has unexpected cost

increases; and

- the Company faces many challenges and risks, including those discussed elsewhere in this Loan Memorandum.

Any assumptions made in the Loan Summary are subject to numerous risks and uncertainties and are inherently speculative and subject to change

Any financial forecasts constitute “forward looking statements”, all of which are subject to risk and uncertainties. You must carefully consider any such statement and should understand that many factors could cause actual results to differ from our forward-looking statements. Factors that might cause such a difference include, without limitation, decline in the cable television audience in general, or in viewership for our networks, in particular, the effect of general economic conditions generally, factors affecting the cable television industry and other risks and uncertainties referred to in this document. These factors also could include inaccurate assumptions and a broad variety of other risk and uncertainties, including some that are known and some that are not. No forward looking statement can be guaranteed and actual future results may vary materially.

In addition, disruptions in the credit and financial markets, decline in consumer confidence, increases in unemployment, decline in economic growth and uncertainty about corporate earnings could have a significant negative impact on the U.S. and global financial and credit markets and the overall economy. Such events could have an adverse impact on financial institutions resulting in limited access to capital and credit for many companies. Furthermore, economic uncertainties make it very difficult to accurately forecast and plan future business activities. Changes in economic conditions, changes in financial markets, deterioration in the capital markets or other factors could have an adverse effect on the financial position, revenues, results of operations and cash flows of the Company.

We rely on qualified, key executive management personnel

The success of our business will also depend on our ability to retain qualified key executive management personnel. Competition for qualified personnel in US media industry is intense. If we are unable to retain qualified personnel, our business could suffer. In addition, our management may not be able to oversee operations effectively, or to effectively implement our operating strategy, and any failure to do so could have a material adverse effect on our business.

Risks Related to an alternative investment in the Note or the Company’s Common C Stock

Our Common C Stock is subject to restrictions on transfer and holders of our Common C Stock may have difficulty selling their Common C Stock, should they desire to do so.



Our Common C Stock is not registered under the United States Securities Act of 1933 or any the securities laws of any other country, and therefore is subject to significant restrictions on transfer. Holders of our Common C Stock may have difficulty selling the Common C Stock, should they desire to do so, and may be required to hold our Common C Stock for an indefinite amount of time. Lack of transferability of our Common C Stock may significantly adversely affect its value.

We may not be able to close a Capital Event, and the value of our Common C Stock may not increase or decline after a Capital Event.

We may not be able to close a Capital Event. If we are not able to close a Capital Event, the Prospective Lender will not be able to convert the Notes into our Common C Stock. If a Capital Event occurs and the Notes are converted, the value of our Common C Stock may not increase or may decline, materially adversely affecting the value of Common C Stock held by the Prospective Lender.

Our Common C Stock has no voting rights.

Holders of our Common C Stock have no right to vote to elect members of our Board of Directors or to otherwise direct the management of our Company. Our Board of Directors may take actions which are not in the interest of holders of our Common C Stock, materially adversely affecting the value of the Common C Stock held by the Prospective Lender.

Miscellaneous

The headings in this Loan Memorandum are for the purpose of reference only and shall not limit or otherwise affect the meaning hereof. All pronouns and any variation thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the person or persons may require.

Confidentiality

The Company and the Prospective Lender shall keep confidential all matters contained herein, except as otherwise required by the law or previously authorized by the other party.

Law and arbitration

The Note will be governed by and shall be construed in accordance with the laws of the State of New York.

The Parties will irrevocably submit to the non-exclusive jurisdiction of the courts sitting in the Borough of Manhattan, City of New York, to settle any disputes and claims which may arise out of, or in connection with, the Note.

The Company

By: _____

Name:

Title:

Date:

EXHIBIT A

Financing Summary of

Vme Media Inc.

Financing objective and strategy

V-ME Media Inc. (the “**Company**”) seeks the Financing to pursue two key elements of its strategy:

- Continue expanding a more profitable commercial distribution and advertising model that relies on i) reaching direct agreements with the leading multiple system operators in the US and Latin America and ii) increasing traditional advertising sales.
- Launch and grow Primo TV, a new channel for young, English-dominant Hispanics, on a major US multiple system operator.

Financing size

The amount of capital targeted to be raised is up to USD 10,000,000. The Company shall have the discretion to proceed with the closing of the Note or return all funds received, if any, from the Prospective Lender if less than such an amount is raised.

Legal and Organizational Structure

Shareholders of the Company

Latin Power Media, LLC

Syndicated Communications Venture Partners V, L.P.

The Baeza Group – V-Me Partners LLC

THIRTEEN

Prisa Television, S.A.

Board of Directors of the Company

Victor X. Cerda

Eligio Cedenó

Robert Feinberg

Eduardo Hauser

Terry L. Jones

Juan Jose Rendon

Key Executives

Aline Del Valle, VP Original Productions

Doris Vogelmann, VP Programming

Confidentiality and Forward Looking Statements

This Financing Summary is for the confidential use of the Prospective Lender to whom it was delivered by the Company and may not be copied, reproduced or distributed, in whole or in part, nor may its contents,

which are deemed confidential by the Company, be divulged, without the express prior written consent of the Company.

The Prospective Lender acknowledges that any estimates or forward looking statements included in this Financing Summary were prepared by the Company's management in good faith, but that the attainment of such estimates or forward looking statements cannot be guaranteed by the Company or such management and should not be relied upon. The projections in this document were prepared by the Company's management based upon current information and assumptions, and are subject to change as conditions develop. Projected financial information necessarily reflects numerous assumptions with respect to general business and economic conditions and other matters, many of which are inherently uncertain or beyond the control of the Company. It is not possible to predict whether the assumptions made in preparing the projected financial information will be valid, and actual results may prove to be materially higher or lower than those contained in the projections. The inclusion of this information should not be regarded as an indication that the Company, its management or anyone else who prepared this information considered it a reliable predictor of future events, and this information should not be relied on as such.

* * * *

DELIVERY OF THIS FINANCING SUMMARY SHALL NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITY OR INTEREST IN THE COMPANY. THIS DOCUMENT IS INTENDED TO PRESENT A GENERAL SUMMARY OF A FINANCING ARRANGEMENT FOR THE COMPANY. NO OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY ANY SECURITY OR INTEREST IN THE COMPANY MAY BE MADE TO A PROSPECTIVE INVESTOR UNTIL A COPY OF ALL OFFERING MATERIALS HAVE BEEN PROVIDED TO AND REVIEWED BY SUCH PROSPECTIVE INVESTOR, WHICH MUST BE COMPLETED AND RETURNED IN ACCORDANCE WITH THE TERMS THEREOF, AND IN NO EVENT SHALL BE MADE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS UNLAWFUL. ANY REPRESENTATIONS TO THE CONTRARY ARE UNLAWFUL.

AN INVESTMENT IN INDEBTEDNESS OF THE COMPANY INVOLVES A VERY HIGH DEGREE OF RISK AND YOU SHOULD CAREFULLY CONSIDER THE RISKS ASSOCIATED WITH SUCH INVESTMENT/FINANCING PRIOR TO INVESTING/FINANCING. PRIOR TO MAKING AN INVESTMENT OR FINANCING DECISION, PROSPECTIVE INVESTORS/LENDERS SHOULD CAREFULLY REVIEW AND CONSIDER ALL OFFERING MATERIALS AND SHOULD CONSULT THEIR OWN ATTORNEYS, INVESTMENT AND TAX ADVISORS AS TO LEGAL, INVESTMENT, FINANCING AND TAX RELATED MATTERS CONCERNING AN INVESTMENT IN OR FINANCING OF THE COMPANY.

REGISTERED OFFICE OF THE ISSUER

IA CAPITAL STRUCTURES (IRELAND) PLC

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Cayman Islands

TRUSTEE

Sanne Fiduciary Services Limited

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Jersey JE4 5UT

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PLACING AGENT AND SALE AGENT

GWM Group, Inc.

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