

Company name IA Capital Structures (Ireland) plc  
Headline Notice to Noteholders of Series 32

9 January 2019

**THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**THIS NOTICE CONTAINS IMPORTANT INFORMATION OF INTEREST TO THE OWNERS OF THE NOTES. IF APPLICABLE, ALL DEPOSITARIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO PASS THIS NOTICE TO SUCH OWNERS IN A TIMELY MANNER.**

**If you are in any doubt as to the action you should take, you are recommended to seek your own financial, legal or other advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriately authorised independent financial adviser.**

**If you have recently sold or otherwise transferred your entire holding(s) of the Notes referred to below, you should immediately forward this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.**

**This Notice may contain inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014**

#### **NOTICE FROM THE ISSUER TO NOTEHOLDERS**

**IA Capital Structures (Ireland) plc**  
(the “**Issuer**”)

LIQUIDITY RATE FUND (Series 32) Notes due 2035  
ISIN: XS1246650862 COMMON CODE: 124665086  
(the “**Notes**” or the “**Series**” and the holders thereof the “**Noteholders**”)

Reference is made to the Market Abuse Regulation and Mandatory Redemption Event Announcement dated 12 July 2018 issued to Noteholders via the clearing systems and the Vienna Stock Exchange (the “**July Notice**”). The Issuer also issued announcements relating to the Notes on 11 October 2018 and 9 November 2018.

Capitalised terms used but not otherwise defined in this notice shall have the meanings ascribed to them in the Series Memorandum in relation to the Notes dated 6 July 2015 and the July Notice.

## **BACKGROUND**

The July Notice advised Noteholders that a Mandatory Redemption Event had occurred with respect to the Notes by reason of a Charged Assets Default pursuant to Condition 2(b)(1).

In accordance with Special Condition (IV) in the event that 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.

In accordance with the Conditions, the Issuer instructed the Sale Agent on 3 August 2018 to realise the Charged Assets.

Pursuant to a letter dated 27 December 2018 (received on 3 January 2019) the Sales Agent informed the Issuer that:

*“For the purposes of the proposed sale of the Charged Assets pursuant to Special Condition (IV)(A)(i), the Sales Agent hereby confirms that it has not been able to find any purchasers of the Charged Assets and that their market value is therefore zero”.*

## **NOTICE IS HEREBY GIVEN THAT:**

- 1. the Sales Agent has determined that the value of the Charged Assets is zero;**
- 2. the Issuer therefore intends to redeem the Notes at zero (the "Redemption Amount") on 15 February 2019 (the "Redemption Date"); and**
- 3. the Issuer will request the cancellation of the listing of the Notes on the Third Market of the Vienna Stock Exchange with effect from the Redemption Date.**

## **PROPOSED ACTION**

The Conditions of the Notes do not confer any right on Noteholders to redeem Notes in exchange for Charged Assets.

However the Issuer proposes a process whereby the Noteholders may make a request to the Issuer by e-mail (contact details below) by 4 February 2019 to receive a pro-rata share of the Charged Assets in lieu of the Redemption Amount on the Redemption Date (**“Physical Delivery”**).

In cases where Physical Delivery is requested, Noteholders will be required to block their accounts in the clearing systems and provide satisfactory evidence of ownership of the Notes to the Issuer and the Trustee. Noteholders will then be required to enter into a note redemption deed with the Issuer and the Trustee (in a form and manner acceptable to the Issuer and the Trustee) (a **“Note Redemption Deed”**) on the Redemption Date whereby they will exchange their Notes for so much of the Charged Assets as are attributable, on a pro-rata basis and to the extent possible, to the Notes held by the Noteholder. In such Note Redemption Deed, such Noteholder will be required to (a)

instruct the Trustee to release the relevant Charged Assets (b) waive any further claims against the Issuer and the Trustee; (c) prefund and/or secure the Issuer and Trustee for any costs, fees and expenses relating to the transfer of the relevant Charged Assets; and (d) indemnify the Issuer and Trustee for any costs, claims and liabilities as a result of the delivery of the underlying Charged Assets.

There can be no assurance that the Issuer will be able to transfer the Charged Assets to Noteholders should Physical Delivery be requested or to deliver an exact pro-rata share of the Charged Assets. The Issuer will determine the pro-rata share of Charged Assets to be delivered in its sole discretion in a commercially reasonable manner.

As the Charged Assets are secured in favour of the Trustee for the benefit of the Noteholders, the Issuer will be required to request that the Trustee releases the Charged Assets from the security created under the Constituting Instrument so that such Physical Delivery can occur and/or the Notes can be redeemed, in accordance with the Conditions and the Master Trust Terms.

Noteholders who do not request Physical Delivery and/or do not enter into a Note Redemption Deed will have no further claims against the Issuer and/or the Trustee and their Notes will be redeemed at zero on the Redemption Date in accordance with the Conditions.

### **First Meeting of Creditors of the Underlying Note Issuers**

The Issuer was informed by email on 29 November 2018 that a first meeting of creditors of, inter alia, the issuers of the Charged Assets (the "**Charged Asset Issuers**") was scheduled to take place on Tuesday 4 December at 10am (Eastern Time, United States) (the "**First Meeting**"). In addition to the Charged Asset Issuers, there are a number of other companies the subject of the same liquidation proceedings.

The Issuer also received the first report prepared by the Liquidators (the "**Liquidators**") of the Charged Asset Issuers covering the period from 31 August 2016 to 15 November 2018 (the "**First Report**"). Such report is available upon request from the Issuer and the Sales Agent upon providing proof of holding.

### **Restrictive Covenants on the Issuer relating to the Charged Assets**

Pursuant to Condition 6(b) of the Master Conditions of the Notes, the Issuer will not exercise any rights in its capacity as a holder of, or person beneficially entitled to or participating in the Charged Assets unless directed in writing to do so by the Trustee or by an Extraordinary Resolution of the Noteholders and, if such direction is given, the Issuer will act only in accordance with such directions.

In order to protect the interests of the holders of the Notes, the Issuer with the written confirmation of the Trustee attended the First Meeting by proxy in order to register its interests in the liquidation proceedings.

### **Summary of the First Meeting**

A significant portion of the First Meeting was a recitation of the First Report. A few points mentioned by the Liquidators are as follows:

- a. The Charged Asset Issuers (and certain related parties) (the “**Biscayne Entities**”) commenced chapter 15 bankruptcy cases in the United States at the end of November. Apparently they intend to use that process to compel certain parties in the United States to turn over documents and answer questions.
- b. The Biscayne Entities’ financial situation is very severe. As set out in the First Report, the Biscayne Entities have very little cash available, and the Liquidator believes that litigation will be the only potential source of significant recoveries. The Liquidators are seeking litigation funding from a variety of sources (including existing creditors).
- c. There is currently no deadline for creditors to file proofs of debt. That deadline may not be established for a while. All creditors will be notified when the deadline is set by the Liquidators but the liquidation process could take a number of years to resolve (five years was mentioned at the meeting as a possibility).
- d. No liquidation committees were formed at the First Meeting but the Liquidators intend to do this shortly. The Issuer does not intend to join any liquidation committees.

### **Further Information**

For further information please contact the Issuer and/or the Arranger/Sales Agent:

Arranger/Sales Agent:  
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Attention: Compliance Department

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