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THE DOCUMENT IS NOT BEING DISTRIBUTED TO, AND MUST NOT BE PASSED ON TO, THE GENERAL PUBLIC IN THE UNITED KINGDOM. RATHER, THE COMMUNICATION OF THE DOCUMENT (A) IF EFFECTED BY A PERSON WHO IS NOT AN AUTHORISED PERSON UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (**FSMA**), IS BEING ADDRESSED TO, OR DIRECTED AT, ONLY THE FOLLOWING PERSONS: (I) PERSONS WHO ARE INVESTMENT PROFESSIONALS AS DEFINED IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE **FINANCIAL PROMOTION ORDER**), AND (II) PERSONS FALLING WITHIN ANY OF THE CATEGORIES OF PERSONS DESCRIBED IN ARTICLE 49(2) OF THE FINANCIAL PROMOTION ORDER; AND (B) IF EFFECTED BY A PERSON WHO IS AN AUTHORISED PERSON UNDER THE FSMA, IS BEING ADDRESSED TO, OR DIRECTED AT, ONLY THE FOLLOWING PERSONS: (I) PERSONS FALLING WITHIN ONE OF THE CATEGORIES OF INVESTMENT PROFESSIONAL AS DEFINED IN ARTICLE 14(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (PROMOTION OF COLLECTIVE INVESTMENT SCHEMES) (EXEMPTIONS) ORDER 2001 (THE **PROMOTION OF CISs ORDER**), (II) PERSONS FALLING WITHIN ANY OF THE CATEGORIES OF PERSON DESCRIBED IN ARTICLE 22(a)-(d) OF THE PROMOTION OF CISs ORDER AND (III) ANY OTHER PERSON TO WHOM IT MAY OTHERWISE LAWFULLY BE MADE IN ACCORDANCE WITH THE PROMOTION OF CISs ORDER. THIS COMMUNICATION IS BEING DIRECTED ONLY AT PERSONS HAVING PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS COMMUNICATION RELATES WILL BE ENGAGED IN ONLY WITH SUCH PERSONS. NO OTHER PERSON SHOULD RELY ON IT. THIS DOCUMENT IS NOT BEING ADDRESSED TO, OR DIRECTED AT, ANY INDIVIDUALS IN THE UNITED KINGDOM ACTING OTHERWISE THAN IN THE COURSE OF THEIR TRADE, BUSINESS OR PROFESSION.

Confirmation of your representation: The document is delivered to you at your request and on the basis that you have confirmed to Barwa Bank Q.S.C., CIMB Investment Bank Berhad, National Bank of Abu Dhabi PJSC, NCB Capital Company and Standard Chartered Bank (together, the **Joint Lead Managers**), Bank Islam Brunei

Darussalam Berhad and Union National Bank P.J.S.C. (the **Co-Lead Managers** and, together with the Joint Lead Managers, the **Managers**), International Finance Facility for Immunisation Company (**IFFIm**) and IFFIm Sukuk Company Limited (the **Issuer**) that (i) you are not a U.S person and are located outside the United States; (ii) you consent to delivery by electronic transmission; (iii) you will not transmit the document (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the prior written consent of the Managers; and (iv) you acknowledge that you will make your own assessment regarding any credit, investment, legal, taxation or other economic considerations with respect to your decision to subscribe or purchase any of the Certificates.

The document has been made available to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of IFFIm, the Issuer, the Managers nor any person who controls or is a director, officer, employee or agent of IFFIm, the Issuer, the Managers nor any of their respective affiliates accepts any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version. By accessing the document, you consent to receiving it in electronic form. A hard copy of the document will be made available to you only upon request to the Managers.

You are reminded that the document has been delivered to you on the basis that you are a person into whose possession the document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver the document, electronically or otherwise, to any other person. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

Neither the Managers nor any of their respective affiliates accepts any responsibility whatsoever for the contents of the document or for any statement made or purported to be made by any of them, or on any of their behalf, in connection with IFFIm, the Issuer or the offer of Certificates (as defined in the Document). The Managers and their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of the document or any such statement. No representation or warranty, express or implied, is made by any of the Managers or their respective affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in the document.

The Managers are acting exclusively for IFFIm and the Issuer and no one else in connection with the offer of Certificates. They will not regard any other person (whether or not a recipient of this document) as their client in relation to the offer of Certificates and will not be responsible to anyone other than IFFIm and the Issuer for providing the protections afforded to its clients nor for giving advice in relation to the offer of Certificates or any transaction or arrangement referred to herein.

The materials relating to the offer of Certificates do not constitute, and may not be used in connection with, an offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that the offer of Certificates be made by a licensed broker or dealer and the Managers or any affiliate of the Managers is a licensed broker or dealer in that jurisdiction, the offer of Certificates shall be deemed to be made by such Managers or such affiliate on behalf of IFFIm and the Issuer in such jurisdiction.

Under no circumstances shall the document constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. Recipients of the document who intend to subscribe for or purchase any securities to be issued are reminded that any subscription or purchase may only be made on the basis of the information contained in the final version of the document.

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IFFIm Sukuk Company Limited

(incorporated as an exempted company in the Cayman Islands with limited liability)

U.S.\$500,000,000 Trust Certificates due 2017

The U.S.\$500,000,000 Trust Certificates due 2017 (the **Certificates**) issued by IFFIm Sukuk Company Limited (in its capacity as issuer, the **Issuer** and, in its capacity as trustee for and on behalf of the holders of the Certificates (the **Certificateholders**), the **Trustee**) will be constituted by a declaration of trust (the **Declaration of Trust**) dated on or about 4 December 2014 (the **Issue Date**) entered into between the Issuer, the Trustee, International Finance Facility for Immunisation Company (**IFFIm**) and Citicorp Trustee Company Limited (the **Delegate**). Pursuant to the Declaration of Trust, the Trustee will declare that it will hold the Trust Assets (as defined in the Conditions) upon trust (the **Trust**) absolutely for the Certificateholders *pro rata* according to the principal amount of Certificates held by each Certificateholder in accordance with the Declaration of Trust and the terms and conditions of the Certificates (the **Conditions**).

Periodic Distribution Amounts (as defined herein) shall be payable subject to and in accordance with the Conditions on the outstanding principal amount of the Certificates from (and including) the Issue Date to (but excluding) 4 December 2017 (the **Scheduled Dissolution Date**). Payments on the Certificates will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Cayman Islands or the United Kingdom or any political subdivision therein or any authority therein or thereof having power to tax, subject as described under Condition 11.

The Certificates shall be redeemed on the Scheduled Dissolution Date or prior to the Scheduled Dissolution Date following the occurrence of a Dissolution Event or following the occurrence of a Tax Event (each as defined in the Conditions), in each case, at an amount equal to the Dissolution Amount (as defined in the Conditions).

The Issuer will use (i) the Murabaha Profit (as defined in the Conditions) received from IFFIm under the Master Murabaha Agreement (as defined in the Conditions) to pay the corresponding Periodic Distribution Amount due under the Certificates, and (ii) the Deferred Price (as defined in the Conditions), comprising the Cost Price and the Murabaha Profit in respect of the Commodities (each as defined in the Conditions), received from IFFIm under the Master Murabaha Agreement to pay the Dissolution Amount due under the Certificates.

The Certificates will be limited recourse obligations of the Issuer. An investment in the Certificates involves certain risks. For a discussion of these risks, see "*Risk Factors*".

The Certificates may only be offered, sold or transferred in registered form in minimum principal amounts of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.

The Certificates have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined by the Joint Lead Managers (on behalf of the Managers), of all Certificates, or delivered within the United States (as defined in Regulation S under the Securities Act (**Regulation S**)) or to, or for the account or benefit of, U.S. persons (as therein defined) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Certificates are being offered or sold solely to persons outside the United States to non-U.S. persons in reliance on Regulation S. Each purchaser of the Certificates is hereby notified that the offer and sale of Certificates to it is being made in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation S.

The Certificates are expected to be assigned a rating of "Aa1" by Moody's (as defined in the "*Glossary of Defined Terms*"). A rating is not a recommendation to buy, sell or hold the Certificates (or beneficial interests therein) and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

The Certificates will be represented by interests in a global certificate in registered form (the **Global Certificate**) deposited on or about the Issue Date with, and registered in the name of a nominee for, a common depository (the **Common Depository**) for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, *société anonyme* (**Clearstream, Luxembourg**). Interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg. Definitive Certificates evidencing holdings of interests in the Certificates will be issued in exchange for interests in the Global Certificate only in certain limited circumstances described herein.

The Certificates are not, and will not be, listed or admitted to trading on any stock exchange. From a *Shari'a* compliance perspective, as described in the pronouncements given by each of the *Shari'a* boards referred to below, the Certificates may only be transferred at an amount equal to the relevant proportion of the Deferred Price (as defined in the Conditions) corresponding to such Certificates to be transferred.

The transaction structure relating to the Certificates (as described in this private placement memorandum (the **Private Placement Memorandum**)) has been approved by Bait Al-Mashura Finance Consultations Company, CIMB Islamic Bank Berhad and the *Shari'a* Supervisory Committee of Standard Chartered Bank, as described in the pronouncements given by each of these *Shari'a* boards. Prospective Certificateholders should not rely on such approval in deciding whether to make an investment in the Certificates and should consult their own *Shari'a* advisers as to whether the proposed transaction described in such approvals is in compliance with their individual standards of compliance with *Shari'a* principles.

Global Coordinator
Standard Chartered Bank

Joint Lead Managers and Joint Bookrunners

Barwa Bank Q.S.C.

CIMB

National Bank of
Abu Dhabi PJSC

NCB Capital Company

Standard Chartered
Bank

Co-Lead Managers

Bank Islam Brunei Darussalam Berhad

Union National Bank P.J.S.C.

The date of this Private Placement Memorandum is 1 December 2014.

Each of the Issuer and IFFIm accepts responsibility for the information contained in this Private Placement Memorandum. To the best of the knowledge of each of the Issuer and IFFIm (each having taken all reasonable care to ensure that such is the case) the information contained in this Private Placement Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Private Placement Memorandum in connection with the offering of the Certificates and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, IFFIm, the Managers (as defined under "*Subscription and Sale*"), the Trustee, the Delegate, the Agents (as defined herein) or any other person.

Neither the delivery of this document nor any sale of any Certificates shall, under any circumstances, constitute a representation or create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Certificates is correct as of any time subsequent to the date hereof. The Managers expressly do not undertake to review the financial condition or affairs of the Issuer or IFFIm during the life of the Certificates or to advise any investor in the Certificates of any information coming to their attention or that there has been no change in the affairs of any party mentioned herein since that date.

None of the Managers, the Delegate or the Agents has independently verified the information contained herein. To the fullest extent permitted by law, the Managers accept no responsibility whatsoever for the contents of this Private Placement Memorandum, or for any other statement made or purported to be made by a Manager or on its behalf in connection with the Issuer, IFFIm or the issue and offering of the Certificates. Each Manager accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Private Placement Memorandum or any such statement. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of them as to the accuracy, adequacy, reasonableness or completeness of the information contained in this Private Placement Memorandum or any other information provided by the Issuer or IFFIm in connection with the issuance of the Certificates, their distribution or their future performance.

Neither this Private Placement Memorandum nor any other information supplied in connection with the Certificates: (a) is intended to provide the basis of any credit or other evaluation; or (b) should be considered as a recommendation by the Issuer, the Trustee, IFFIm, the Managers, the Delegate or the Agents that any recipient of this Private Placement Memorandum should purchase any of the Certificates. Each investor contemplating purchasing any Certificates should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and IFFIm. None of the Managers, the Delegate or the Agents accepts any liability in relation to the information contained in this Private Placement Memorandum or any other information provided by the Issuer and IFFIm in connection with the Certificates.

No comment is made or advice given by the Issuer, the Trustee, IFFIm, the Managers, the Delegate or the Agents in respect of taxation matters relating to the Certificates or the legality of the purchase of the Certificates by an investor under any applicable law.

EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN TAX ADVISER, LEGAL ADVISER AND BUSINESS ADVISER AS TO TAX, LEGAL, BUSINESS AND RELATED MATTERS CONCERNING THE PURCHASE OF THE CERTIFICATES.

This Private Placement Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Certificates in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

The distribution of this Private Placement Memorandum and the offer or sale of the Certificates may be restricted by law in certain jurisdictions. None of the Issuer, IFFIm, the Trustee, the Managers, the Delegate or the Agents represents that this Private Placement Memorandum may be lawfully distributed, or that any Certificates may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, IFFIm, the Trustee, the Managers, the Delegate or the Agents which is intended to permit a public offering of any Certificates or distribution of this Private Placement Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Certificates may be offered or sold, directly or indirectly, and neither this Private Placement Memorandum nor any advertisement or other offering material may be distributed or published, in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Private Placement Memorandum or any Certificates may come must inform themselves about, and observe, any such restrictions on the distribution of this Private Placement Memorandum and the offering and

sale of the Certificates. In particular, there are restrictions on the distribution of this Private Placement Memorandum and the offer or sale of Certificates in the United States, the United Kingdom, the Cayman Islands, the Kingdom of Saudi Arabia, the State of Qatar, the Kingdom of Bahrain, the United Arab Emirates (excluding the Dubai International Financial Centre), the Dubai International Financial Centre, Malaysia, Singapore and Hong Kong. See "*Subscription and Sale*".

The Certificates may not be a suitable investment for all investors. Each potential investor in any Certificate must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (a) has sufficient knowledge and experience to make a meaningful evaluation of the Certificates, the merits and risks of investing in the Certificates and the information contained in this Private Placement Memorandum;
- (b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Certificates and the impact the Certificates will have on its overall investment portfolio;
- (c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Certificates, including where the currency for payments of principal or profit is different from the potential investor's currency;
- (d) understands thoroughly the terms of the Certificates and is familiar with the behaviour of any relevant indices and financial markets; and
- (e) is able to evaluate possible scenarios for economic, profit rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

CERTAIN PUBLICLY AVAILABLE INFORMATION

The information contained herein relating to the GAVI Alliance has been extracted from published information. So far as the Issuer and IFFIm are aware and are able to ascertain from such published information, no facts have been omitted which could render such information misleading. Neither the GAVI Alliance nor any Grantor (as defined in the Conditions) makes any representation, express or implied, or accepts any responsibility with respect to the accuracy or completeness of any of the information contained in this Private Placement Memorandum, or in any information incorporated herein by reference.

DOCUMENTS INCORPORATED BY REFERENCE

This Private Placement Memorandum should be read and construed in conjunction with the audited annual financial statements of IFFIm for the years ended 31 December 2012 (including the comparative information for the year ended 31 December 2011) and 31 December 2013, and the reports of the trustees of IFFIm for the years ended 31 December 2012 and 31 December 2013 which shall be deemed to be incorporated in, and to form part of, this Private Placement Memorandum¹.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Private Placement Memorandum, unless otherwise specified or the context otherwise requires, references to "*AUD*" are to Australian dollars, to "*BRL*" are to Brazilian Real, to "*Euro*", "*EUR*" or "*€*" are to the single currency introduced in the Member States of the European Community which adopted the single currency in accordance with the treaty of Rome of 25 March 1957, as subsequently amended and supplemented, to "*GBP*" or "*£*" are to pounds sterling, to "*NZD*" are to New Zealand dollars, to "*SEK*" are to Swedish Krona, to "*\$*", "*U.S.\$*", "*USD*", "*U.S. dollars*", "*United States dollars*" and "*dollars*" are to the lawful currency for the time being of the United States of America, to "*ZAR*" are to South African Rand, and references to "*TRY*" are to the Turkish Lira.

¹ See section entitled "*General Information*" on pages 82-83 for details of where the audited annual financial statements of IFFIm and reports of the trustees of IFFIm for the years ended 31 December 2012 and 31 December 2013 may be obtained.

The Issuer is not required under Cayman Islands law, and does not intend, to publish audited financial statements or appoint any auditor.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

The Certificates represent interests in a collective investment scheme (as defined in the FSMA) which has not been authorised, recognised or otherwise approved by the United Kingdom Financial Conduct Authority. Accordingly, this Private Placement Memorandum is not being distributed to and must not be passed on to the general public in the United Kingdom.

The distribution in the United Kingdom of this Private Placement Memorandum and any other marketing materials relating to the Certificates: (a) if effected by a person who is not an authorised person under the FSMA, is being addressed to, or directed at, only the following persons: (i) persons who are Investment Professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Financial Promotion Order**); and (ii) persons falling within any of the categories of persons described in Article 49(2) (High net worth companies, unincorporated associations, etc.) of the Financial Promotion Order; and (b) if effected by a person who is an authorised person under the FSMA, is being addressed to, or directed at, only the following persons: (i) persons falling within one of the categories of Investment Professional as defined in Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the **Promotion of CISs Order**); (ii) persons falling within any of the categories of person described in Article 22(2)(a)-(d) (High net worth companies, unincorporated associations, etc.) of the Promotion of CISs Order; and (iii) any other person to whom it may otherwise lawfully be made in accordance with the Promotion of CISs Order except individuals acting otherwise than in the course of their trade, business or profession. Persons of any other description in the United Kingdom may not receive and should not act or rely on this Private Placement Memorandum or any other marketing materials in relation to the Certificates. This Private Placement Memorandum is not being addressed to, or directed at, any individuals in the United Kingdom acting otherwise than in the course of their trade, business or profession.

Potential investors in the United Kingdom in the Certificates are advised that all, or most, of the protections afforded by the United Kingdom regulatory system will not apply to an investment in the Certificates and that compensation will not be available under the United Kingdom Financial Services Compensation Scheme.

NOTICE TO RESIDENTS OF THE CAYMAN ISLANDS

No invitation may be made to any member of the public of the Cayman Islands to subscribe for the Certificates.

NOTICE TO RESIDENTS OF THE STATE OF QATAR

This Private Placement Memorandum does not and is not intended to constitute an offer, sale or delivery of the Certificates under the laws of the State of Qatar and has not been and will not be reviewed or approved by the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or the Qatar Central Bank in accordance with their regulations or any other regulations in the State of Qatar. The Certificates are not and will not be traded on the Qatar Exchange.

NOTICE TO RESIDENTS OF MALAYSIA

The Certificates may not be offered for subscription or purchase and no invitation to subscribe for or purchase the Certificates in Malaysia may be made, directly or indirectly, and this Private Placement Memorandum or any document or other materials in connection therewith may not be distributed in Malaysia other than to persons falling within the categories set out in Schedule 6 or Section 229(1)(b), Schedule 7 or Section 230(1)(b) and Schedule 8 or Section 257(3), read together with Schedule 9 or Section 257(3) of the Capital Market and Services Act 2007 of Malaysia (**CMSA**).

The Securities Commission Malaysia (the **SC**) shall not be liable for any non-disclosure on the part of the Issuer, the Trustee or IFFIm and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Private Placement Memorandum.

NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN

The Certificates are not being, and may not be, marketed, offered or sold, to persons in the Kingdom of Bahrain.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

This Private Placement Memorandum may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the *Capital Market Authority*). The Capital Market Authority does not make any representations as to the accuracy or completeness of this Private Placement

Memorandum, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Private Placement Memorandum. Prospective purchasers of Certificates should conduct their own due diligence on the accuracy of the information relating to the Certificates. If a prospective purchaser does not understand the contents of this Private Placement Memorandum they should consult an authorised financial adviser.

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RISK FACTORS

Prospective investors should consider carefully the risks set forth below and the other information contained in this Private Placement Memorandum prior to making any investment decision with respect to the Certificates. Each of the risks described below in relation to IFFIm could have a material adverse effect on the operations, financial condition or prospects of IFFIm, which, in turn, could have a material adverse effect on the amounts investors will receive in respect of the Certificates from the Issuer. In addition, each of the risks described below could adversely affect the trading price of the Certificates or the rights of investors under the Certificates and, as a result, investors could lose some or all of their investment.

Prospective investors should note that the risks described below are not the only risks which the Issuer and IFFIm face. Each of the Issuer and IFFIm has described only those risks relating to its operations that it considers to be material. There may be additional risks that it currently considers not to be material or of which it is not currently aware, and any of these risks could have the effects stated above.

In addition, factors which are material for the purpose of assessing the market risks associated with the Certificates are also described below.

Words and expressions defined in "Terms and Conditions of the Certificates" shall have the same meanings in this section. References in this "Risk Factors" section to the "Issuer" and the "Trustee" shall mean IFFIm Sukuk Company Limited acting in either capacity, as the context requires.

Risk factors relating to the Issuer

The Issuer is an exempted company with limited liability incorporated in the Cayman Islands on 3 November 2014 and, accordingly, only has a limited operating history. The Issuer has not as at the date of this Private Placement Memorandum, and will not, engage in any business activity other than the issuance of the Certificates, the acquisition of the Trust Assets as described herein, acting in the capacity as Trustee, and other activities incidental or related to the foregoing as required under the Transaction Documents.

The Issuer's only material assets, which will be held on trust for Certificateholders, will be the Trust Assets, including the right to receive amounts paid by IFFIm under the Master Murabaha Agreement.

The ability of the Issuer to pay amounts due on the Certificates will be dependent upon receipt from IFFIm of amounts due to be paid to the Issuer under the Master Murabaha Agreement. Therefore, the Issuer is subject to all the risks to which IFFIm is subject to the extent that such risks could limit IFFIm's ability to satisfy in full and on a timely basis its obligations under the Master Murabaha Agreement. See "*Risk factors relating to IFFIm*" below for a further description of these risks.

Risk factors relating to IFFIm and its financial structure

IFFIm's obligations under the Transaction Documents are the obligations of IFFIm only

IFFIm's obligations under the Transaction Documents will be direct, unconditional, unsubordinated and (subject to the provisions of Condition 4.4), unsecured obligations of IFFIm only and will not be guaranteed by, or be the responsibility of, any other person, including (without limitation) the Grantors. The GAVI Alliance has no obligation, contingent or otherwise, to pay any amounts under the Transaction Documents.

Furthermore, no person other than IFFIm will accept any liability whatsoever to any person in respect of any failure by IFFIm to pay any amount due under the Transaction Documents.

IFFIm's ability to make payments

The ability of IFFIm to make payments under the Transaction Documents will depend primarily on receipt by IFFIm of the Grant Payments under the Grant Agreements. IFFIm will not have any other significant sources of funds available to meet its obligations under the Transaction Documents.

It should be noted that all Grant Payments are made subject to the Grant Payment Condition. Therefore, if any one or more Specified Countries forming part of the Reference Portfolio is in Protracted Arrears, then each Grant Payment due for payment will be reduced by an amount equal to the Reduction Amount for each such Specified Country.

If, as a result of such reductions, Grant Payments due from Grantors do not provide IFFIm with sufficient funds to enable it to make required payments under the Transaction Documents, the Certificateholders may not receive payment of amounts due to them under the Certificates.

Recourse against IFFIm for amounts due under the Transaction Documents is limited

The liability of IFFIm to pay any amount due under the Transaction Documents shall be limited to the net proceeds of the realisation of all the assets of IFFIm and to the extent of the Trustee's entitlements pursuant to the Transaction Documents. If such proceeds are insufficient to pay all IFFIm's obligations under the Transaction Documents and any other Indebtedness for Borrowed Money ranking *pari passu* with IFFIm's obligations under the Transaction Documents in full for any reason, IFFIm shall have no obligation to make up the insufficiency. Any insufficiency in respect of IFFIm's obligations under the Transaction Documents shall be borne by Certificateholders *pro rata* and *pari passu*.

IFFIm may issue Notes and Other Debt Instruments and may incur other liabilities which rank *pari passu* with IFFIm's payment obligations under the Transaction Documents.

IFFIm's obligations under the Transaction Documents are only corporate obligations of IFFIm

No recourse under any obligation, covenant or agreement of IFFIm under the Transaction Documents shall be made against any director or member of IFFIm as such, it being understood that the obligations of IFFIm under the Transaction Documents are corporate obligations of IFFIm, and no personal liability shall attach to, or be incurred by, the directors or members of IFFIm as such, under or by reason of any such obligations, covenants and agreements of IFFIm.

IFFIm has limited assets

IFFIm's principal assets consist of (i) its rights under the Grant Agreements (including the right to receive Grant Payments thereunder pursuant to the Deeds of Assignment), (ii) its rights under the other IFFIm Transaction Documents to which it is a party, (iii) the funds standing to the credit from time to time of the IFFIm Account and any investments made on its behalf by the Treasury Manager, and (iv) its rights under Derivatives Transactions.

Upon enforcement of IFFIm's obligations under the Transaction Documents, sufficient proceeds may not be realised from such assets to permit payment of all of IFFIm's obligations under the Transaction Documents outstanding at such time to be made.

However, the terms of the Finance Framework Agreement place limitations upon the aggregate value of Approved Programmes, and prevent approvals of further programmes where IFFIm's credit rating has been downgraded below AA or equivalent (or such other credit rating as may be proposed to the Grantors by IFFIm in consultation with the Treasury Manager and which credit rating has been consented to by each of the Grantors in writing) by at least two Applicable Rating Agencies, or where to do so would, in the determination of the Treasury Manager, cause IFFIm to be in breach of the IFFIm Gearing Ratio Limit. For further information regarding recent developments relating to IFFIm's credit rating, see "*Description of IFFIm – Rating*".

Neither IFFIm nor the Issuer bears any responsibility for performance by the Grantors

IFFIm and the Issuer do not give and have not given (and have not received from The GAVI Fund Affiliate or the GAVI Alliance) any representation or warranty in respect of, and shall not at any time have any responsibility, liability or obligation in respect of, the performance and observance by any Grantor of its obligations under the relevant Grant Agreement entered into by such Grantor, the recoverability of any sum due or to become due from any Grantor under any Grant Agreement, or any other act, default or omission of any Grantor under or in respect of any Grant Agreement, the Finance Framework Agreement, or any other IFFIm Transaction Document. Neither IFFIm nor the Issuer shall at any time have any responsibility for, or obligation or liability in respect of, the financial condition, creditworthiness, affairs, status or nature of any Grantor.

Financial servicing of IFFIm's obligations under the Transaction Documents and, in turn, the Issuer's obligations under the Transaction Documents is dependent upon performance by the Grantors

The financial servicing and performance of IFFIm's obligations under the Transaction Documents depend primarily upon performance by each Grantor of its obligations under the Grant Agreement to which it is a party, and its covenant to make payments thereunder.

In connection with this risk, prospective investors should note that each Grantor has represented and warranted to IFFIm and the other parties to the Finance Framework Agreement that the Grant Agreement to which it is a party constitutes valid and binding obligations of such Grantor.

IFFIm has experienced occasional payment delays by some Grantors which have not been material and have not adversely affected IFFIm's credit ratings nor IFFIm's financial condition. Delays in the future, if material, could adversely affect IFFIm's credit ratings and the value of the Certificates.

Prospective investors should also note that no proprietary or other legal interest in IFFIm's rights under or in respect of any Grant Agreement which has been assigned to it exists for the benefit of the Certificateholders, the Trustee or the Delegate. The Certificateholders, the Issuer, the Trustee and the Delegate will not have any entitlement to enforce any Grant Agreement or any direct recourse to a Grantor.

Certain payments to be made by a Grantor under a Grant Agreement may require additional or annual parliamentary or ministerial approval before they can be made

The obligations of each Grantor to make Grant Payments under its Grant Agreement constitute its valid, binding and enforceable obligations. Each Grantor has obtained the necessary approvals, including parliamentary and ministerial approvals, for the payment of its Grant Payments and its other payment obligations under its Grant Agreement, subject to the following exceptions:

- (a) A Grantor may require additional parliamentary or ministerial approval prior to satisfying a payment obligation arising under the gross-up provision, the tax indemnity provision or the general indemnity provision of its Grant Agreement. An approval of this nature may not be obtainable until the amount and nature of the payment is known. Other than in respect of the Republic of Italy (as to which see further below), a failure to obtain such approval will not affect the valid, binding and enforceable nature of such payment obligations.

With respect to the Republic of Italy, the Italian Parliament authorised participation in the International Finance Facility for Immunisation project, and allocated EUR 504 million for the Ministry of Economy and Finance to make the total aggregate amount of its Grant Payments under its initial Grant Agreement, under Law No. 266 of 23 December 2005 (the "2006 Budget Law") and allocated EUR 534 million for the support of co-operation to development policies, including IFFIm, under Law No. 220 of 13 December 2010 (the "2011 Budget Law"). Any payment obligation assumed by the Italian Ministry of Economy and Finance under its Grant Agreements which (when aggregated with the total scheduled Grant Payments) exceeds the amount set out in the 2006 Budget Law and the 2011 Budget Law will require the prior adoption of a further parliamentary law or ministerial provision in respect of such excess amount in order to constitute a legal, valid, binding and enforceable obligation of the Ministry of Economy and Finance on behalf of the Republic of Italy.

- (b) In the Kingdom of Spain, the Spanish Council of Ministers must approve its Grant Payments on an annual basis.
- (c) In the United Kingdom, the Department for International Development (as Grantor under the United Kingdom's Grant Agreement) relies on the Appropriation Act, passed annually, for its annual budgetary allocation (from which, amongst other things, it will make the Grant Payments due from it in the relevant year).
- (d) In the Republic of Italy, an ad hoc order of payment will need to be adopted before each Grant Payment is effected.
- (e) In the Commonwealth of Australia, an appropriation must be made by the Commonwealth Parliament in respect of each Grant Payment.

None of the approval mechanisms referred to in (a) to (e) above affects the valid, binding or enforceable nature of the undertakings of the relevant Grantors to make their scheduled Grant Payments.

Intervention by the UK Charity Commission

IFFIm is regulated by the UK Charity Commission. The UK Charity Commission has power under the Charities Act 2006 (as amended from time to time) to institute inquiries and investigations into charities and, pending the outcome of any such inquiry and investigation, it may, among other things:

- remove or suspend a charity trustee, officer, agent or employee of the charity from his office or employment and, where applicable, from his membership of the charity;
- establish a scheme for the administration of the charity;
- vest the charity's property in the official custodian;
- appoint additional charity trustees;

- order any debtor of the charity not to make any payment to the charity without the approval of the UK Charity Commission;
- order any person holding the charity's property not to part with it without the permission of the UK Charity Commission;
- restrict the transactions that may be entered into or payments made by a charity without the approval of the UK Charity Commission;
- appoint an interim manager, who shall act as receiver and manager in respect of the property and affairs of the charity;
- order the charity trustees, any officer or employee of the charity or the charity itself to take any action which the UK Charity Commission considers to be expedient in the interests of the charity; and/or
- enter premises to take and seize documents or information if such search and seizure is authorised by the Justice of the Peace.

The UK Charity Commission may also (without inquiry or investigation under way), if it is satisfied that a person or persons in possession or control of any property held by or on trust for a charity is or are unwilling to apply it properly for the purposes of the charity and that it is necessary or desirable to make an order for the purpose of securing a proper application of that property for the purposes of the charity, order the person or persons concerned to apply the property in such manner as is specified in the order, subject to certain conditions.

Any such action by the UK Charity Commission may adversely affect the ability of IFFIm to make payments in respect of its obligations under the Transaction Documents.

The size of the Treasury Manager's hedging exposure to IFFIm may affect IFFIm's funding strategy and the effectiveness of IFFIm's hedging strategy is dependent on the performance and availability of hedging counterparties

IFFIm has selected a single operating currency, being USD. IFFIm, on the advice of the Treasury Manager, has entered into and will continue to enter into appropriate hedging transactions to limit, inter alia, the future impact of changes in currency and interest rates on the value of each Grant Agreement and currency and interest rate risks in respect of Notes issued under the Programme.

IFFIm's ability to effectively hedge currency, interest rate, and other risks, and thus to meet its obligations under the Notes, the Transaction Documents and any other Indebtedness for Borrowed Money, depends on the performance and creditworthiness of its hedging counterparties from time to time.

Under the hedging agreement between IFFIm and IBRD, neither party is required to post collateral with the other as long as such party is rated AAA or equivalent by specified credit rating agencies. IBRD is currently rated AAA, and thus is not currently obliged to post collateral to IFFIm in support of its obligations under the hedging transactions between it and IFFIm. S&P downgraded the credit rating of IFFIm by one notch from AAA to AA+ with a negative outlook on 17 January 2012, following S&P's rating actions announced on 13 January 2012 for certain of the eurozone Grantors. On 5 March 2013, Moody's downgraded the credit rating of IFFIm by one notch from Aaa to Aa1, maintaining a negative outlook, following Moody's downgrade of the credit rating of the UK from Aaa to Aa1 on 22 February 2013. On 22 April 2013, Fitch downgraded the credit rating of IFFIm from AAA to AA+ in connection with its decision to downgrade the UK's credit rating from AAA to AA+. On 8 November 2013, S&P downgraded IFFIm's credit rating by one notch from AA+ to AA, with a stable outlook, following its downgrade of France's credit rating from AA+ to AA on the same day. On 6 August 2014, Moody's changed the outlook on the credit rating of IFFIm to stable (previously negative) based on improvement in major European sovereign Grantors' creditworthiness and Moody's revised assessment of a lower default correlation between euro area member states in the event of a very severe crisis. On 16 October 2014, Fitch placed the rating of IFFIm on negative rating watch when it also took the same action in respect of France's ratings. On 14 November 2014, S&P changed the outlook on the credit rating of IFFIm to negative (previously stable).

As a result of these downgrades IBRD has the right to require IFFIm to post collateral under the hedging agreement between IFFIm and IBRD. Although IBRD has not exercised that right, agreement has been reached between IBRD and IFFIm to apply a percentage that will be deducted from the IFFIm Gearing Ratio Limit from time to time to manage the exposure of IBRD under the derivative transactions entered into between IFFIm and IBRD (the **Risk Management Buffer**). This Risk Management Buffer may be adjusted by the Treasury Manager in its sole discretion.

Accordingly, IFFIm may incur exposure to IBRD, depending on currency and interest rate movements in respect of outstanding transactions.

Furthermore, under the Treasury Management Agreement, IFFIm acknowledges that the Treasury Manager intends to hedge its exposure resulting from its transactions with IFFIm by entering into offsetting transactions with market counterparties. In the event that the Treasury Manager is unable to enter into such offsetting transactions with counterparties that meet its credit standards or is otherwise unable effectively to hedge its financial risks, the Treasury Manager is not obliged to enter into hedging transactions with IFFIm.

IFFIm is dependent on the Treasury Manager for its financial operations

IFFIm has no employees and has undertaken that it will not have any employees in the future. IFFIm's financial operations will be handled by the Treasury Manager. IFFIm and the IBRD have entered into the Treasury Management Agreement, under which IBRD will serve as the Treasury Manager for IFFIm and will provide the services described therein. The Treasury Management Agreement had an initial term of five years expiring on 29 September 2011. On 28 September 2011, IFFIm and IBRD agreed to extend the Treasury Management Agreement on its existing terms for an interim period until 5 October 2011. IFFIm and IBRD renewed the Treasury Management Agreement on 5 October 2011 on substantially the same terms as the original agreement, following a formal approval by the Board of Directors of IFFIm at its board meeting on 4 October 2011. IBRD's term as Treasury Manager is renewed for a further five years up to 5 October 2016, subject to renewal upon mutual agreement thereafter. IFFIm has undertaken to use all reasonable endeavours to maintain a treasury manager at all times, which is expected to be a Multilateral Development Bank, but there can be no assurance that, if required, IFFIm would be able to engage a Multilateral Development Bank to provide the services currently provided by the IBRD. IFFIm has the right to terminate its agreement with the Treasury Manager upon 90 days' notice. On 8 February 2013 and 11 June 2013, IFFIm and IBRD agreed to make certain consequential amendments to the Treasury Management Agreement as a result of their entry into the Second Deed of Novation and the introduction of the Risk Management Buffer, respectively. The term of the Treasury Manager's appointment under the Treasury Management Agreement is unaffected by these consequential amendments and no substantive amendments have been made to the terms of IBRD's appointment.

Prospective investors should also note that the Treasury Manager has the right to resign from its appointment upon notice to IFFIm, provided that no such resignation shall take effect until the earlier of the appointment of a new Treasury Manager by IFFIm or a period of 12 months having elapsed from the date of such notice of resignation. If IBRD resigns as Treasury Manager, and IFFIm is unable to engage a Multilateral Development Bank or other suitable replacement to provide the Treasury Management Services, there can be no certainty as to how IFFIm's financial operations will be managed, and IFFIm may not be able to meet its obligations under the Transaction Documents.

Risk factors relating to the Certificates

The Certificates are unsecured obligations and the claims of the Trustee or the Delegate (on behalf of the Certificateholders) will rank behind the claims of IFFIm's secured creditors

Investors should be aware that if IFFIm becomes insolvent, any of IFFIm's assets which are the subject of a valid security arrangement will not be available to satisfy the claims of any of IFFIm's unsecured creditors, including the Trustee or the Delegate (on behalf of holders of the Certificates, or such Certificateholders following a failure by the Delegate to proceed as provided in the Conditions), and the claims of IFFIm's secured creditors will rank ahead of the claims of such unsecured creditors accordingly.

The Certificates are limited recourse obligations

The Certificates are not debt obligations of the Trustee. Instead, the Certificates represent an undivided ownership interest solely in the Trust Assets. Recourse to the Issuer or the Trustee in respect of the Certificates is limited to the Trust Assets and the proceeds of such Trust Assets are the sole source of payments on the Certificates. Upon notice to the Trustee of a Dissolution Request in accordance with the terms of Condition 13.1, the sole rights of each of the Trustee and/or the Delegate (acting on behalf of the Certificateholders), will be (subject to Condition 13.2) against IFFIm to enforce the performance of its obligations under the Transaction Documents to which it is a party. No Certificateholder shall be entitled to proceed directly against the Trustee or IFFIm unless the Delegate, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing. Under no circumstances shall the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets (other than as expressly contemplated in the Transaction Documents) and the sole right of the Delegate and the Certificateholders against the Trustee and IFFIm shall be to enforce their respective obligations under the Transaction Documents to which they are a party.

Following the realisation and ultimate distribution of the net proceeds of the Trust Assets in accordance with the Conditions and the Declaration of Trust, the Trustee shall not be liable for any further sums and, accordingly, Certificateholders may not take any action against the Issuer, the Trustee, the Delegate or any other person to recover any such sum in respect of the Certificates or the Trust Assets.

After realising the Trust Assets and distributing the net proceeds of such Trust Assets in accordance with Condition 5, the obligations of the Issuer and/or the Trustee in respect of the Certificates shall be satisfied and no Certificateholder may take any further steps against the Issuer, the Trustee or any steps against the Delegate to recover any further sums in respect of the Certificates and the right to receive any such sums unpaid shall be extinguished. In particular, no Certificateholder shall be entitled in respect thereof to petition or to take any other steps for the winding-up of the Issuer and/or Trustee. As to the limited recourse obligations of IFFIm under the Transaction Documents, see "*Risk Factors – Recourse against IFFIm for amounts due under the Transaction Documents is limited*" and "*Risk Factors – IFFIm's obligations under the Transaction Documents are only corporate obligations of IFFIm*"

Legal investment considerations may restrict certain investments

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

The secondary market generally

The Certificates may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Certificates easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. The market value of the Certificates may fluctuate and illiquidity may have a severely adverse effect on the market value of Certificates. Accordingly, the purchase of the Certificates is suitable only for investors who can bear the risks associated with a lack of liquidity in the Certificates and the financial and other risks associated with an investment in the Certificates. An investor in the Certificates must be prepared to hold the Certificates until their maturity. The Certificates are not, and will not be, listed or admitted to trading on any stock exchange. From a *Shari'a* compliance perspective, as described in the pronouncements given by each of Bait Al-Mashura Finance Consultations Company, CIMB Islamic Bank Berhad and the Shari'a Supervisory Committee of Standard Chartered Bank, the Certificates may only be transferred at an amount equal to the relevant proportion of the Deferred Price (as defined in the Conditions) corresponding to such Certificates to be transferred.

Certificates which have a denomination that is not an integral multiple of U.S.\$200,000 may be illiquid and difficult to trade

The denomination of the Certificates is U.S.\$200,000 and integral multiple amounts of U.S.\$1,000 in excess thereof. It is therefore possible that the Certificates may be traded in amounts that are not integral multiples of U.S.\$200,000. In such a case a Certificateholder who, as a result of trading such amounts, holds a principal amount which is less than U.S.\$200,000 in his account with the relevant clearing system at the relevant time may not be able to trade such Certificates and may not receive a definitive Certificate in respect of such holding (should definitive Certificates be printed), and would need to purchase a principal amount of Certificates such that its holding amounts to U.S.\$200,000 to do so.

If definitive Certificates are issued, holders should be aware that definitive Certificates which have a denomination that is not an integral multiple of U.S.\$200,000 may be illiquid and difficult to trade.

The credit ratings of the Grantors may affect IFFIm's credit ratings

IFFIm's credit ratings are closely tied to the credit ratings of Grantors. Changes in the outlook for, or a downgrade of, the credit rating of one of the major Grantors has in the past caused, and may in the future cause, one or more of the credit rating agencies to review its outlook or credit rating for IFFIm and to amend such outlooks or credit ratings accordingly. A change in the credit rating of IFFIm may affect the market value of the Certificates. For further information regarding recent developments relating to IFFIm's credit ratings, see "*Description of IFFIm – Rating*" on pages 65.

Modification, authorisation and waivers

The Conditions of the Certificates and the Declaration of Trust contain provisions for calling meetings of Certificateholders to consider matters affecting their interests. These provisions permit defined majorities to bind all Certificateholders including Certificateholders who did not attend and vote at the relevant meeting and Certificateholders who voted in a manner contrary to the majority.

The Conditions of the Certificates provide that the Delegate may agree, without the consent of the Certificateholders, to (i) any modification of any of the provisions of the Declaration of Trust or the Conditions, that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error or an error which, in the opinion of the Delegate, is proven, and (ii) any other modification to the Declaration of Trust or the Conditions, or any waiver, authorisation or determination in respect of any such provision that is in the opinion of the Delegate not materially prejudicial to the interests of the Certificateholders (except as mentioned in the Declaration of Trust), subject, *inter alia*, to the Delegate being satisfied that the interests of the Certificates will not be materially prejudiced thereby.

Risk factors relating to taxation

Taxation risks on payments

Payments made by IFFIm to the Trustee under the Transaction Documents or by the Issuer in respect of the Certificates could become subject to taxation. The Master Murabaha Agreement requires IFFIm (in its capacity as Purchaser under the Master Murabaha Agreement) to pay additional amounts to the Issuer in the event that any withholding or deduction is required to be made in respect of payments made by it to the Issuer. Condition 11 provides that the Issuer is required to pay additional amounts in respect of any such withholding or deduction imposed by or on behalf of any Relevant Jurisdiction in certain circumstances. In the event that the Issuer fails to pay any such additional amounts in respect of any such withholding or deduction on payments due in respect of the Certificates to Certificateholders, IFFIm has pursuant to the Declaration of Trust unconditionally and irrevocably undertaken (irrespective of the payment of any fee), as a continuing obligation, to pay to the Issuer (for the benefit of the Certificateholders) an amount equal to the liabilities of the Issuer in respect of any and all additional amounts required to be paid in respect of the Certificates pursuant to Condition 11 in respect of any withholding or deduction in respect of any tax as set out in that Condition.

The circumstances described above may entitle the Trustee (acting on the instructions of IFFIm) to redeem the Certificates pursuant to Condition 9.

EU Savings Directive

Under Council Directive 2003/48/EC on the taxation of savings income (the **EU Savings Directive**), Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income, which may include Periodic Distribution Amounts, paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State.

On 24 March 2014, the Council of the European Union adopted a Council Directive amending and broadening the scope of the requirements described above. Member States are required to apply these new requirements from 1 January 2017. The changes will expand the range of payments covered by the EU Savings Directive, in particular to include additional types of income payable on securities. The Directive will also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported. This approach will apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

For a transitional period, Luxembourg and Austria are required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments. The changes referred to above will broaden the types of payments subject to withholding in those Member States which still operate a withholding system when they are implemented. In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the EU Savings Directive.

The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent

as defined in the Conditions nor any other person would be obliged to pay additional amounts with respect to any Certificate as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to such measures.

The EU Savings Directive does not preclude Member States from levying other types of withholding tax.

Risk factors relating to enforcement

Enforcement of foreign judgments

The Issuer is incorporated in the Cayman Islands. The Transaction Documents are governed by English law. Under the Transaction Documents, the parties thereto have submitted to the exclusive jurisdiction of the English courts. Although there is no statutory enforcement in the Cayman Islands of judgments obtained in the courts of England and Wales, a judgment obtained in such jurisdiction will be recognised and enforced in the courts of the Cayman Islands at common law, without any re-examination of the merits of the underlying dispute, by an action commenced on the foreign judgment debt in the Grand Court of the Cayman Islands, provided such judgment: (a) is given by a foreign court of competent jurisdiction; (b) imposes on the judgment debtor a liability to pay a liquidated sum for which the judgment has been given; (c) is final; (d) is not in respect of taxes, a fine or a penalty; and (e) was not obtained in a manner and is not of a kind the enforcement of which is contrary to natural justice or the public policy of the Cayman Islands.

Change of law

The Conditions of the Certificates and the provisions of the Transaction Documents are based on English law in effect as at the date of this Private Placement Memorandum. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practices after the date of this Private Placement Memorandum.

Additional risk factors

Exchange rate risks and exchange controls

The Trustee will make all payments on the Certificates in U.S. dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than U.S. dollars. These include the risk that exchange rates may significantly change (including changes due to devaluation of the U.S. dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the U.S. dollar would decrease (1) the Investor's Currency equivalent yield on the Certificates, (2) the Investor's Currency-equivalent value of the principal payable on the Certificates and (3) the Investor's Currency-equivalent market value of the Certificates. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less amounts under the Certificates than expected, or no such amounts.

Murabaha Transactions Risk

Taxation Risk

The Trustee will, pursuant to the terms of the Murabaha Transactions (as defined in the Conditions), acquire from time to time Commodities from the Supplier for Purchase (each as defined in the Conditions) for subsequent on-sale to the Purchaser. Upon purchasing Commodities from the Supplier for Purchase and prior to on-selling such Commodities to the Purchaser, the Trustee (in its capacity as Seller) will for a limited period assume the legal and beneficial title to the Commodities. Notwithstanding that the Trustee is incorporated in a jurisdiction which does not currently impose capital gains tax, stamp duty or capital transfer tax (see "*Taxation – Cayman Islands*"), it is possible that the acquisition of the Commodities, or the disposal thereof, may be, or may by virtue of a change in law become, subject to taxation. To the extent that taxation costs arise in respect of the Trustee's acquisition, ownership or disposal of the Commodities, and to the extent that the Purchaser does not comply with its obligation under the Master Murabaha Agreement to indemnify the Trustee for any such taxation costs, there may be a material adverse effect on the Trustee's ability to perform its obligations in respect of the Certificates.

Price Fluctuation Risk

The price at which a commodity changes hands is determined as a function of its market as a whole, and both under- and over-supply of a commodity can have significant implications for the price at which it is traded. If, after the Trustee has purchased any Commodities and prior to the Trustee on-selling such Commodities to the Purchaser, the market for the Commodities becomes over-supplied, the price at which the Commodities can be on-sold to the Purchaser or traded subsequently may be adversely affected. Similarly, if, after the Trustee has

purchased the Commodities and prior to the Trustee on-selling such Commodities to the Purchaser, additional governmental or import or export licences become applicable to the market for the Commodities, the price at which the Commodities can be on-sold to the Purchaser or traded subsequently may also be adversely affected. The effect of such price fluctuations may have a material adverse impact on the Trustee's ability to secure satisfactory on-sale prices for the Commodities and, in turn, have a material adverse effect on the Trustee's ability to perform its obligations in respect of the Certificates.

Commodity Risk

Upon purchasing Commodities from the Supplier for Purchase and prior to on-selling the Commodities to the Purchaser, the Trustee will for a limited period assume the operational risks associated with taking ownership of the Commodities. These risks include, without limitation:

- (a) that the Commodities may suffer damage of a nature that reduces their value whilst in storage or during transit;
- (b) that the Trustee's storage and/or transfer of the Commodities may cause environmental damage, such as pollution, leakage or contamination, which may breach environmental laws or regulations making the Trustee susceptible to legal or financial recourse;
- (c) that the Commodities may be liable to theft and or vandalism; and
- (d) that the Commodities may be damaged by terrorist attacks, natural disasters, fire or other catastrophic events that are beyond the control of the Trustee.

To the extent that these risks are not mitigated, or fully covered, by any insurance taken out in respect of the Commodities, the occurrence of any of these events may have a material adverse effect on the value of the Commodities and/or the Trustee's ability to on-sell the Commodities to the Purchaser which may, in turn, affect the Trustee's ability to perform its obligations in respect of the Certificates.

Supplier Risk

In accordance with the Master Murabaha Agreement, the Trustee or the Commodity Agent (on its behalf) will from time to time acquire *Shari'a* compliant Commodities from the Supplier for Purchase and on-sell specific quantities and types of such Commodities to the Purchaser in order to meet its obligations in respect of the Certificates. In the event that the Trustee or the Commodity Agent (on its behalf) fails to secure the requisite quantity or type of the Commodities from the Supplier for Purchase, or if the Commodities are not of the quality specified to the Supplier for Purchase by the Trustee or the Commodity Agent (on its behalf), the Trustee or the Commodity Agent (on its behalf) may not be able to sell the required quantity, quality or type of Commodities to the Purchaser, which may have a material adverse impact on the Purchaser's ability to secure a satisfactory price for the on-sale of the Commodities, which may, in turn, affect the Trustee's ability to perform its obligations in respect of the Certificates.

Shari'a rules

Bait Al-Mashura Finance Consultations Company, CIMB Islamic Bank Berhad and the Shari'a Supervisory Committee of Standard Chartered Bank have confirmed that the Transaction Documents are, in their view, *Shari'a* compliant, as described in the pronouncements given by each of these Shari'a boards. However, there can be no assurance that the Transaction Documents or the issue and trading of the Certificates will be deemed to be *Shari'a* compliant by any other *Shari'a* board or *Shari'a* scholars. None of the Trustee, the Delegate, IFFIm or the Managers makes any representation as to the *Shari'a* compliance of the Certificates and/or any trading thereof and potential investors are reminded that, as with any *Shari'a* views, differences in opinion are possible. The Certificates are not, and will not be, listed or admitted to trading on any stock exchange. From a *Shari'a* compliance perspective, as described in the pronouncements given by each of the Shari'a boards referred to above, the Certificates may only be transferred at an amount equal to the relevant proportion of the Deferred Price (as defined in the Conditions) corresponding to such Certificates to be transferred. Any reservations as to the *Shari'a* compliance of the Transaction Documents or the issue and the transferability of the Certificates may limit the liquidity and adversely affect the market value of the Certificates. Potential investors should obtain their own independent *Shari'a* advice as to whether the Transaction Documents and the issue and tradability of the Certificates comply with their own individual standards of compliance with *Shari'a* principles.

In addition, prospective investors are reminded that the enforcement of any obligations of any of the parties under the Transaction Documents would be, if in dispute, the subject of court proceedings under the laws of England. In such circumstances, the judge will likely first apply the relevant law of the Transaction Document rather than *Shari'a* principles in determining the obligations of the parties.

Shari'a requirements in relation to interest awarded by a court

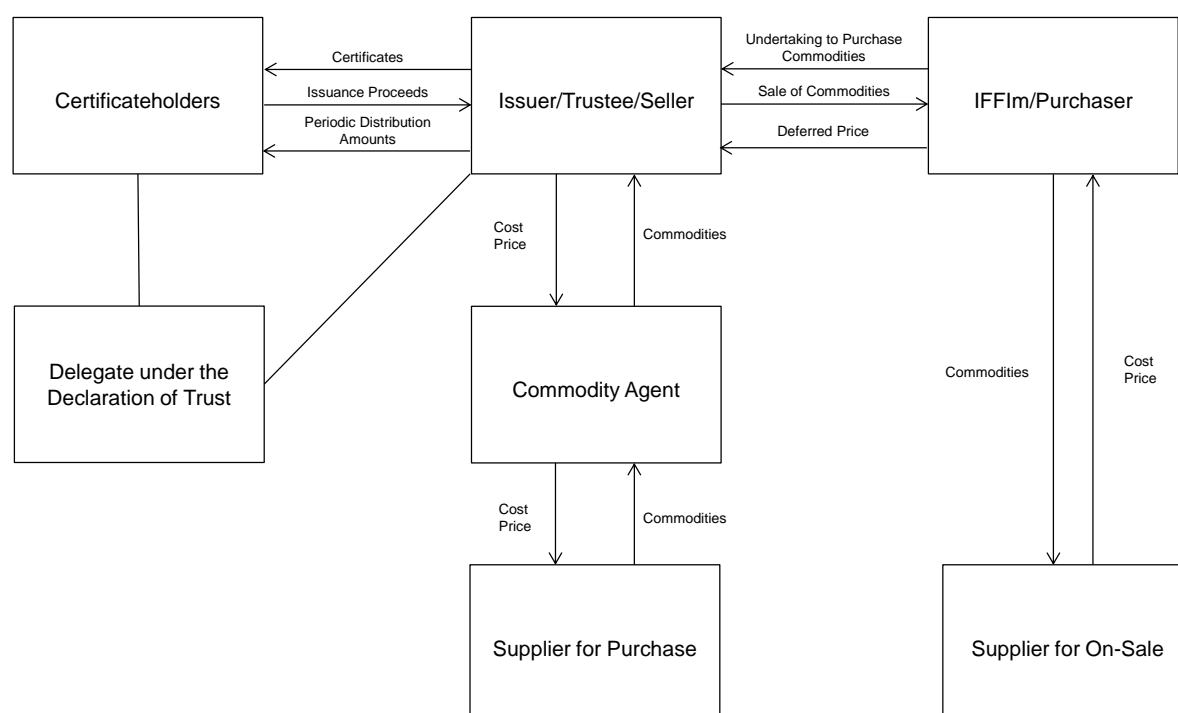
In accordance with applicable *Shari'a* principles, each of the Trustee and the Delegate will waive all and any entitlement it may have to interest awarded in its favour by a court in connection with any dispute under any of the Transaction Documents. Should there be any delay in the enforcement of a judgment given against the Issuer or IFFIm, judgment interest may accrue in respect of that delay and, as a result of the waiver referred to above, Certificateholders will not be entitled to receive any part of such interest.

STRUCTURE DIAGRAM AND CASH FLOWS

Set out below is a simplified structure diagram and description of the principal cash flows relating to the Certificates. This does not purport to be complete and is qualified in its entirety by reference to, and must be read in conjunction with, the more detailed information appearing elsewhere in this Private Placement Memorandum. Potential investors are referred to the Conditions and the detailed descriptions of the relevant Transaction Documents set out elsewhere in this Private Placement Memorandum for a fuller description of certain cash flows and for an explanation of the meaning of certain capitalised terms used below. Potential investors should read this entire Private Placement Memorandum carefully, especially the risks of investing in the Certificates discussed under "Risk Factors".

Words and expressions defined in the "Terms and Conditions of the Certificates" and "Summary of the Principal Transaction Documents" shall have the same meanings in this section and the following overview section.

Structure Diagram



On the Issue Date the proceeds of the Issuance of the Certificates will be applied in accordance with the Master Murabaha Agreement as follows:

1. The Trustee will purchase Commodities through a Commodity Agent (appointed by the Trustee under the Master Purchase Agency Agreement) from the Supplier for Purchase for an amount equal to the Cost Price.
2. Pursuant to the Master Murabaha Agreement, the Trustee (as Seller under the Master Murabaha Agreement) will make an offer to IFFIm (as Purchaser under the Master Murabaha Agreement) to sell the Commodities to IFFIm on the terms set out in an Offer Letter (specifying, among other things, the description of the Commodities, the Cost Price of the Commodities, the Murabaha Profit and the price to be paid for the Commodities, being the Deferred Price). IFFIm shall accept the terms of the offer by delivering a Notice of Acceptance to the Trustee and accordingly, ownership of the Commodities will pass from the Commodity Agent of the Trustee to IFFIm.
3. Pursuant to the On-Sale Agreement, IFFIm shall on-sell the Commodities purchased by it from the Trustee at an amount equal to the Cost Price to the Supplier for On-Sale and accordingly, ownership of the Commodities will pass from IFFIm to the Supplier for On-Sale.

On the Issue Date, in accordance with the Master Murabaha Agreement, IFFIm will give a unilateral undertaking for the benefit of the Trustee, whereby IFFIm will undertake to purchase, on each Periodic Distribution Date on

which the Trustee delivers an Offer Letter to IFFIm, the relevant Commodities purchased by the Trustee from the Supplier for Purchase.

On each Periodic Distribution Date (other than a Dissolution Date) on which the Trustee delivers an Offer Letter to IFFIm:

4. IFFIm will have the obligation to pay the Deferred Price to the Trustee in respect of the relevant Commodities purchased on the first day of the Periodic Distribution Period ending on such Periodic Distribution Date.
5. The Trustee will use the Deferred Price to (i) enter into a new Murabaha Contract for the purchase of Commodities in an amount equal to the Cost Price (and the process set out in paragraphs (1) to (3) above shall apply to such Murabaha Contract); and (ii) pay the Periodic Distribution Amount due under the Certificates (from the Murabaha Profit component of the Deferred Price).
6. Pursuant to a Payment Agreement entered into between the Trustee, IFFIm, the Commodity Agent, the Supplier for Purchase and the Supplier for On-Sale, the parties have agreed that netting will be applied in respect of the payment obligations described above (as further described in the Payment Agreement) to the intent and effect that, on each Periodic Distribution Date, each such payment obligation will be satisfied and discharged in full save that IFFIm will only be required to pay to the Trustee the Murabaha Profit component of the Deferred Price on each Periodic Distribution Date.

On any Dissolution Date:

7. IFFIm will pay the Deferred Price to the Trustee to complete the existing Murabaha Contract and no new Murabaha Contract will be entered into. The Trustee will use the Deferred Price received from IFFIm on the relevant Dissolution Date to pay the Dissolution Amount due under the Certificates.

OVERVIEW OF THE OFFERING

The following overview should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Private Placement Memorandum. This overview does not contain all of the information that prospective investors should consider before deciding to invest in the Certificates. Accordingly, any decision by a prospective investor to invest in the Certificates should be based on a consideration of this Private Placement Memorandum as a whole.

Words and expressions defined in "Terms and Conditions of the Certificates" and "Summary of the Principal Transaction Documents" shall have the same meanings in this overview. Each reference to a "Condition" is to a numbered condition of the Conditions.

Parties

Issuer and Trustee	<p>IFFIm Sukuk Company Limited, an exempted company with limited liability incorporated in accordance with the laws of, and formed and registered in, the Cayman Islands with company registration number 293422. IFFIm Sukuk Company Limited has been incorporated solely for the purpose of participating in the transactions contemplated by the Transaction Documents to which it is a party.</p> <p>In accordance with the Declaration of Trust, the Trustee shall act as trustee in respect of the Trust Assets for the benefit of the Certificateholders.</p>
Ownership of the Issuer and Trustee	<p>The authorised share capital of the Trustee is U.S.\$50,000 consisting of 50,000 shares of U.S.\$1.00 nominal or par value each, of which 250 shares are fully paid up and issued. The Trustee's entire issued share capital is held by MaplesFS Limited, with its registered office at P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands on trust for charitable purposes.</p>
Administration of the Issuer and Trustee	<p>The affairs of the Trustee are managed by MaplesFS Limited (the Corporate Administrator), who will provide, amongst other things, certain administrative services for and on behalf of the Trustee pursuant to the Corporate Services Agreement dated 27 November 2014 between, <i>inter alios</i>, the Trustee and the Corporate Administrator (the Corporate Services Agreement).</p>
Global Coordinator	Standard Chartered Bank
Joint Lead Managers and Joint Bookrunners	Barwa Bank Q.S.C. CIMB Investment Bank Berhad National Bank of Abu Dhabi PJSC NCB Capital Company Standard Chartered Bank
Co-Lead Managers	Bank Islam Brunei Darussalam Berhad Union National Bank P.J.S.C.
Delegate	<p>Citicorp Trustee Company Limited. In accordance with the Declaration of Trust, the Trustee will unconditionally and irrevocably delegate to the Delegate certain present and future powers, authorities and discretions vested in the Trustee by certain provisions of the Declaration of Trust. The appointment of such Delegate by the Trustee is intended to be in the interests of the Certificateholders and does not affect the Trustee's continuing role and obligations as trustee.</p>
Principal Paying Agent and Transfer Agent	Citibank, N.A., London Branch
Registrar	Citigroup Global Markets Deutschland AG
Commodity Agent	Citi Islamic Investment Bank E.C.
Risk Factors	Certain factors may affect the Issuer's ability to fulfil its

obligations under the Certificates and IFFIm's ability to fulfil its obligations under the Transaction Documents. In addition, certain factors are material for the purpose of assessing the market risks associated with the Certificates. See "*Risk Factors*".

Summary of the Transaction Structure and Principal Transaction Documents

An overview of the structure of the transaction and the principal cash flows is set out under "*Structure Diagram and Cash Flows*" and a description of the principal Transaction Documents is set out under "*Summary of the Principal Transaction Documents*".

Summary of the Certificates

Certificates

U.S.\$500,000,000 Trust Certificates due 2017.

Trust Assets

The **Trust Assets** comprise:

- (a) all of the Trustee's rights, title, interest and benefit (present and future) in, to and under the Transaction Documents (excluding any representations given to the Issuer or the Seller by IFFIm pursuant to any of the Transaction Documents);
- (b) all moneys standing to the credit of the Transaction Account; and
- (c) all proceeds of the foregoing,

upon trust absolutely for the Certificateholders *pro rata* according to the principal amount of Certificates held by each holder in accordance with the Declaration of Trust and the Conditions.

Issue Date

4 December 2014.

Issue Price

100 per cent. of the aggregate principal amount of the Certificates.

Scheduled Dissolution Date

Unless the Certificates are previously redeemed, or purchased and cancelled, the Certificates shall be redeemed by the Trustee at the Dissolution Amount on the Scheduled Dissolution Date (being 4 December 2017) and on such date the Trust will be dissolved by the Trustee.

Dissolution Date

The Dissolution Date shall be, as the case may be: (i) the Scheduled Dissolution Date; (ii) following the occurrence of a Dissolution Event, the date on which the Certificates are redeemed in accordance with the provisions of Conditions 9.3 and 13; or (iii) following the occurrence of an early redemption for tax reasons, the date on which the Certificates are redeemed in accordance with the provisions of Condition 9.2.

Periodic Distribution Dates

4 March, 4 June, 4 September and 4 December in each year, the first of which shall be 4 March 2015 and the last of which shall be the Dissolution Date (in each case subject to adjustment in accordance with the Modified Following Business Day Convention).

Periodic Distribution Amounts

Periodic Distribution Amounts shall be payable in arrear on each Periodic Distribution Date, in respect of the Periodic Distribution Period ending on such date, calculated in accordance with Condition 7.

Periodic Distribution Period

The period from and including the Issue Date to but excluding the first Periodic Distribution Date, and each successive period from and including a Periodic Distribution Date to but excluding the next succeeding Periodic Distribution Date.

Optional Redemption by the Trustee for Taxation Reasons

Certificates may be redeemed at the option of the Trustee prior to the Scheduled Dissolution Date for taxation reasons in accordance with Condition 9.2.

Status of the Certificates

Each Certificate will represent an undivided ownership interest in

the Trust Assets, will be a limited recourse obligation of the Trustee and will rank *pari passu* without any preference or priority with all other Certificates. See Condition 4.1.

The payment obligations of IFFIm under the Transaction Documents to which it is a party shall, save for such exceptions as may be provided by applicable legislation and subject to the negative pledge provisions described in Condition 4.4, at all times rank at least equally with IFFIm's payment obligations in respect of all other unsecured and unsubordinated Indebtedness for Borrowed Money.

Negative Pledge

The Conditions contain a negative pledge, as further described in Condition 4.4.

Default (including Cross-Default)

The Conditions contain a cross-default provision in respect of bonds, notes or similar obligations, including all loan facilities, issued, assumed or guaranteed by IFFIm.

If IFFIm defaults in the payment of the Murabaha Profit on any Periodic Distribution Date and/or of the Deferred Price on a Dissolution Date, and such default continues for 90 calendar days, or in the event of a cross-default, or if the IFFIm Gearing Ratio exceeds 100 per cent. and remains above 100 per cent. for 150 consecutive days, payments on the Certificates shall become due and payable 30 days after notice, in accordance with Condition 13, of such default is delivered to IFFIm and such default is continuing.

Dissolution Events

Subject to Condition 13, upon the occurrence of a Dissolution Event and upon the receipt of a Dissolution Request or being directed by the holders of at least 20 per cent. of the aggregate principal amount of the Certificates then outstanding or if so directed by an Extraordinary Resolution of the Certificateholders in accordance with Condition 13.1, the Trustee and/or the Delegate shall, subject to Condition 13.2, take the actions referred to in Condition 13.2.

Withholding Tax

Subject to Condition 8.2 and Condition 11, all payments in respect of the Certificates shall be made without withholding or deduction for, or on account of, any Taxes (as defined in Condition 11), unless the withholding or deduction of Taxes is required by law. In such event, the Trustee will pay the additional amounts referred to in Condition 11 so that the full amount which otherwise would have been due and payable under the Certificates is received by the parties entitled thereto. Under certain provisions of the U.S. Internal Revenue Code, commonly known as "FATCA", or non-U.S. laws implementing FATCA, certain financial institutions may be required from 31 December 2016 to withhold U.S. tax from certain payments made to certain holders of notes issued by such financial institutions after a prescribed grandfathering date. It is not expected that that these provisions will apply to payments made on the Certificates. However, were any FATCA withholding to be required, no additional amounts would be payable by the Issuer in respect of such withholding.

The Master Murabaha Agreement provides that all payments under the Murabaha Documents (as defined in the Conditions) shall be made without withholding or deduction of taxes except where required by law and, in such case, provide for the payment by IFFIm (as Purchaser under the Master Murabaha Agreement) of additional amounts so that the full amount which would otherwise have been due and payable is received by the Trustee.

Role of Delegate

Pursuant to the Declaration of Trust, the Trustee will

	<p>unconditionally and irrevocably delegate to the Delegate certain present and future powers, authorities and discretions vested in the Trustee by certain provisions of the Declaration of Trust. In particular, the Delegate shall be entitled to (and, in certain circumstances, shall, subject to being indemnified and/or secured to its satisfaction, be obliged to), following a Dissolution Event, take the actions referred to in Condition 13.</p>
Form and Delivery of the Certificates	<p>The Certificates will be issued in registered global form only.</p> <p>The Certificates will be represented on issue by beneficial interests in the Global Certificate which will be deposited with, and registered in the name of a nominee of, a common depository for Euroclear and Clearstream, Luxembourg. Definitive Certificates evidencing holdings of Certificates will be issued in exchange for interests in the Global Certificate only in the limited circumstances described under "<i>Global Certificate</i>".</p>
Clearance and Settlement	<p>Holders of the Certificates must hold their interest in the Global Certificate in book-entry form through Euroclear or Clearstream, Luxembourg, as the case may be. Transfers within and between Euroclear and Clearstream, Luxembourg will be in accordance with the usual rules and operating procedures of the relevant clearance systems.</p>
Denomination	<p>The Certificates will be issued in minimum principal amounts of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.</p>
Transaction Account	<p>The Principal Paying Agent will maintain and operate a U.S. dollar account opened in the name of the Issuer (the Transaction Account). All payments due to the Trustee from IFFIm under the Master Murabaha Agreement will be credited to the Transaction Account. Periodic Distribution Amounts and the Dissolution Amount (as applicable) will be paid to holders of the Certificates from funds standing to the credit of the Transaction Account in accordance with the order of priority described under Condition 5.2.</p>
Recourse against IFFIm	<p>As set out in the Declaration of Trust, the liability of IFFIm to pay any amount due under the Transaction Documents shall be limited to the net proceeds of the realisation of all the assets of IFFIm and to the extent of the Trustee's entitlements pursuant to the Transaction Documents. If such proceeds are insufficient to pay all IFFIm's obligations under the Transaction Documents and any other Indebtedness for Borrowed Money ranking <i>pari passu</i> with IFFIm's obligations under the Transaction Documents in full for any reason, IFFIm shall have no obligation to make up the insufficiency. Any insufficiency in respect of IFFIm's obligations under the Transaction Documents shall be borne by Certificateholders <i>pro rata</i> and <i>pari passu</i>. See "<i>Risk Factors – Recourse against IFFIm for amounts due under the Transaction Documents is limited</i>" and "<i>Risk Factors – IFFIm's obligations under the Transaction Documents are only corporate obligations of IFFIm</i>".</p>
Ratings	<p>The Certificates are expected to be assigned a rating of "Aa1" by Moody's. A rating is not a recommendation to buy, sell or hold the Certificates (or beneficial interests therein) and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.</p>
Tax Considerations	<p>See "<i>Taxation</i>" for a description of certain tax considerations applicable to the Certificates.</p>

Governing Law

The Declaration of Trust, the Agency Agreement, the Subscription Agreement (as defined in "*Subscription and Sale*"), the Master Murabaha Agreement, the Master Purchase Agency Agreement, the On-Sale Agreement, the Payment Agreement and the Certificates will be governed by English law.

The Corporate Services Agreement will be governed by Cayman Islands law.

Selling Restrictions

There are restrictions on the distribution of this Private Placement Memorandum and the offer or sale of Certificates in the United States, the United Kingdom, the Cayman Islands, the Kingdom of Saudi Arabia, the State of Qatar, the Kingdom of Bahrain, the United Arab Emirates (excluding the Dubai International Financial Centre), the Dubai International Financial Centre, Malaysia, Singapore, Hong Kong and such other restrictions as may be required in connection with the offering and sale of the Certificates. See "*Subscription and Sale*".

TERMS AND CONDITIONS OF THE CERTIFICATES

The following is the text of the Terms and Conditions of the Certificates which (subject to modification and except for the text in italics) will be endorsed on each Certificate in definitive form (if issued) and will, save as provided in "Global Certificate", apply to the Global Certificate.

Each of the U.S.\$500,000,000 Trust Certificates due 2017 (the **Certificates**) is issued by IFFIm Sukuk Company Limited (in its capacity as issuer, the **Issuer**) and represents an undivided ownership interest in the Trust Assets (as defined in Condition 5) held on trust for the holders of such Certificates pursuant to a declaration of trust (the **Declaration of Trust**) dated 4 December 2014 (the **Issue Date**) made between IFFIm Sukuk Company Limited (in its capacity as Issuer and in its capacity as trustee for and on behalf of the Certificateholders (as defined in Condition 1), the **Trustee**), International Finance Facility for Immunisation Company (**IFFIm**) and Citicorp Trustee Company Limited as the delegate of the Trustee (the **Delegate**).

Payments relating to the Certificates will be made pursuant to an agency agreement dated on or about the Issue Date (the **Agency Agreement**) made between the Issuer, IFFIm, the Delegate, Citibank, N.A., London Branch as principal paying agent (in such capacity, the **Principal Paying Agent**, and together with any further or other paying agents appointed from time to time in respect of the Certificates, the **Paying Agents**) and Citigroup Global Markets Deutschland AG as registrar (in such capacity, the **Registrar**) and as transfer agent (in such capacity, the **Transfer Agent** and, together with the Registrar and any further or other transfer agents appointed from time to time in respect of the Certificates, the **Transfer Agents**). The Paying Agents and the Transfer Agents are together referred to in these Conditions as the **Agents**. References to the Agents or any of them shall include their successors.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Declaration of Trust, the Agency Agreement and the Master Murabaha Agreement. Physical copies of the Transaction Documents are available for inspection and collection during normal business hours at the specified offices of the Paying Agents. The Certificateholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Transaction Documents applicable to them.

Each initial Certificateholder, by its acquisition and holding of its interest in a Certificate, shall be deemed to authorise and direct the Issuer (acting as Trustee on behalf of the Certificateholders) to: (a) apply the sums paid by it in respect of the Certificates in acquiring Commodities pursuant to the Murabaha Documents; and (b) enter into each Transaction Document to which it is a party, subject to the provisions of the Declaration of Trust and these Conditions.

1. DEFINITIONS AND INTERPRETATION

In these Conditions, words and expressions defined and rules of construction and interpretation set out in the Declaration of Trust shall, unless defined herein or the context otherwise requires, have the same meanings and application herein and, in the event of any inconsistency between the Declaration of Trust and these Conditions, these Conditions will prevail. In addition, in these Conditions the following expressions have the following meanings:

Accession Date has the meaning given to it in Schedule 1 to the Finance Framework Agreement;

Additional Grantor means any person who has become vested with all the authority, rights, powers, duties and obligations arising after the Accession Date as if originally named as an Initial Grantor under the Finance Framework Agreement pursuant to Clause 17 of the Finance Framework Agreement;

Appointee means any attorney, manager, agent, delegate, nominee, custodian or other person appointed by the Trustee under the Declaration of Trust;

Authorised Denomination has the meaning given to it in Condition 2.1;

Authorised Signatory means any person who has been notified by IFFIm in writing to the Trustee and the Delegate as being duly authorised to sign documents and to do other acts and things on behalf of IFFIm for the purposes of these Conditions and the Declaration of Trust;

Benchmark Rate has the meaning given to it in Condition 7.2;

Business Day means a day, other than a Saturday or a Sunday, on which registered banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and New York;

Certificateholder means a person in whose name a Certificate is registered in the Register (or in the case of joint Certificateholders, the first named thereof) and the expressions **holder** and **holder of Certificates** and related expressions shall (where appropriate) be construed accordingly;

Commodities has the meaning given to it in the Master Murabaha Agreement;

Commodity Agent means Citi Islamic Investment Bank E.C. as commodity agent to the Trustee under the Master Purchase Agency Agreement;

Corporate Administrator means MaplesFS Limited as corporate administrator of the Trustee;

Corporate Services Agreement means the corporate services agreement entered into between the Trustee and the Corporate Administrator on or about 27 November 2014;

Cost Price means, with respect to a Transaction, the aggregate amount payable in U.S. dollars by or on behalf of the Issuer (in its capacity as Seller under the Master Murabaha Agreement) to the Supplier for Purchase for the purchase of Commodities from the Supplier for Purchase as set forth in the relevant Offer Letter which, for the avoidance of doubt, shall be an amount equal to the aggregate outstanding principal amount of the Certificates on the relevant Settlement Date of the Transaction;

Deed of Assignment means a deed between The GAVI Fund Affiliate (or, if entered into after 8 February 2013, the GAVI Alliance) and IFFIm pursuant to which The GAVI Fund Affiliate (or the GAVI Alliance, as applicable) assigned or transferred (or shall assign or transfer, as applicable) to IFFIm its rights, title, benefit, interest and obligations under one or more Grant Agreements including with respect to Grant Payments thereunder;

Deed of Novation means the Deed of Novation Amendment and Restatement entered into on 17 December 2009 between, *inter alios*, the GAVI Alliance, The GAVI Fund Affiliate, IFFIm and IBRD;

Deferred Price means, with respect to a Murabaha Contract, the amount set forth in the relevant Offer Letter, comprising the Cost Price of the Commodities and the Murabaha Profit;

Derivatives Transactions means any derivatives transactions entered into by IFFIm (having regard to advice given by the Treasury Manager) for the purpose of hedging any currency, interest rate, basis risk or other exposure in relation to its present and future assets and/or liabilities as described in the IFFIm Risk Management Strategy;

Dissolution Amount means, on any date, the sum of:

- (a) the aggregate principal amount of the Certificates then outstanding; and
- (b) all accrued but unpaid Periodic Distribution Amounts as of such date;

Dissolution Date means, as the case may be,

- (a) the Scheduled Dissolution Date;
- (b) any Early Tax Dissolution Date; or
- (c) any Dissolution Event Redemption Date;

Dissolution Event means an IFFIm Event and/or a Trustee Event;

Dissolution Event Redemption Date has the meaning given to it in Condition 13.2;

Dissolution Notice has the meaning given to it in Condition 13.1;

Dissolution Request has the meaning given to it in Condition 13.1;

Early Tax Dissolution Date has the meaning given to it in Condition 9.2;

Extraordinary Resolution has the meaning given to it in the Declaration of Trust;

FATCA has the meaning given to it in Condition 8.2;

Finance Framework Agreement means the Finance Framework Agreement relating to the International Finance Facility for Immunisation dated 28 September 2006 as amended and restated pursuant to the Deed of Novation and the Second Deed of Novation (and as further supplemented, varied, amended and/or substituted from time to time) and entered into between, *inter alios*, the Grantors, IFFIm, the GAVI Alliance and the Treasury Manager and to which Additional Grantors may accede from time to time;

GAVI Alliance means a charitable entity organised as a foundation under the laws of Switzerland (Federal Number CH-660-1699006-1) with registered address at Chemin des Mines 2, Ch-1202, Geneva, Switzerland;

Grant Agreement means, in relation to each Grantor, any grant agreement entered into by such Grantor with The GAVI Fund Affiliate (or, in respect of any grant agreement entered into after 8 February 2013, with the GAVI Alliance);

Grantors means the Initial Grantors together with any Additional Grantors, and **Grantor** means any one of them;

Grant Payments means, in relation to a Grantor, the payments which that Grantor undertakes to make to the Beneficiary (as defined in its Grant Agreement), in the amounts set out in Schedule 1 to its Grant Agreement;

IBRD means the International Bank for Reconstruction and Development;

An **IFFIm Event** shall mean the occurrence of one or more of the following events:

- (a) **Non-Payment:** IFFIm (acting in any capacity) defaults in the payment of the Murabaha Profit on any Periodic Distribution Date and/or of the Deferred Price on a Dissolution Date, and such default continues for a period of 90 calendar days;
- (b) **Cross-Default:** If (i) any Indebtedness for Borrowed Money becomes due and repayable prematurely by reason of a dissolution event (however described); (ii) IFFIm fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment as extended by any originally applicable grace period; or (iii) default is made by IFFIm in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person, on the due date for payment as extended by any originally applicable grace period contained in the instrument pursuant to which such guarantee or indemnity is given; or
- (c) **IFFIm Gearing Ratio Default:** If on any day the IFFIm Gearing Ratio exceeds 100 per cent. and remains above 100 per cent. on each of the 150 calendar days following such day. A certificate of any director of IFFIm or an Authorised Signatory as to the IFFIm Gearing Ratio at any point in time shall be conclusive and binding on all parties.

The liability of IFFIm to pay any amount due under the Transaction Documents shall be limited to the net proceeds of the realisation of all the assets of IFFIm and to the extent of the Certificateholders' entitlements pursuant to the Declaration of Trust. If such proceeds are insufficient to pay all IFFIm's obligations under the Transaction Documents and any other Indebtedness for Borrowed Money ranking *pari passu* with IFFIm's obligations under the Transaction Documents in full for any reason, IFFIm shall have no obligation to make up the insufficiency. Any insufficiency in respect of IFFIm's obligations under the Transaction Documents shall be borne by Certificateholders *pro rata* and *pari passu*.

IFFIm will undertake in the Declaration of Trust that, within 14 days of its annual audited financial statements being made available to its members and also within 14 days after any request by the Delegate, it will send to the Delegate a certificate of IFFIm signed by any Authorised Signatory, to the effect that, to the best of the knowledge, information and belief of IFFIm (having made all reasonable enquiries), as at a date not more than five days prior to the date of the certificate no Dissolution Event or event or circumstance that could with the giving of notice, lapse of time and/or issue of a certificate become a Dissolution Event has occurred or, if such an event has occurred, giving details of it;

IFFIm Gearing Ratio means, from time to time, the amount of net financial obligations of IFFIm (including in respect of, Notes, Loans and Derivatives Transactions executed to hedge the Notes and Loans) less cash and liquid assets, expressed as a percentage of the net present value of IFFIm's financial assets, and taking into consideration the net present value of scheduled Grant Payments due from Grantors which have been assigned to IFFIm and the net present value of the Derivatives Transactions executed to hedge Grant Payments, all as determined from time to time by the Treasury Manager;

IFFIm Risk Management Strategy means at any time the then current risk management strategy of IFFIm as agreed between IFFIm and the Treasury Manager in accordance with Part 6 of the Treasury Management Agreement;

IFFIm Transaction Documents has the meaning given to it in the "*Glossary of Defined Terms*";

Indebtedness for Borrowed Money means any indebtedness of IFFIm (whether being principal, premium, interest, or other amounts) for or in respect of any (i) notes, bonds, debentures, debenture stock, loan stock or other securities; (ii) borrowed money; or (iii) any liability under or in respect of any acceptance or acceptance credit;

Initial Grantors means the Grantors whose names appear on page 1 of the Finance Framework Agreement dated 28 September 2006;

Late Payment Amount in respect of an Unpaid Amount will be calculated on the basis of the number of days to elapse in a 360 day year in accordance with the following formula:

$$\frac{a \times (B + M) \times D}{360}$$

where:

a = the Unpaid Amount;

B = the Benchmark Rate;

M = the Margin; and

D = the number of days from and including, the due date for payment of the Unpaid Amount to but excluding, the date upon which that Unpaid Amount is paid in full,

for the purposes of this definition, the term Benchmark Rate shall have the meaning given to it in the Master Murabaha Agreement;

Loan Agreement means a loan facility agreement between the relevant lenders and IFFIm as contemplated by the Finance Framework Agreement;

Loan Facility means a loan facility made available under a Loan Agreement;

Loans means loans made under a Loan Facility;

Margin means 0.15 per cent. per annum;

Master Murabaha Agreement means the master murabaha agreement between the Issuer and IFFIm, entered into on or about 1 December 2014;

Master Purchase Agency Agreement means the agreement so entitled between the Issuer and the Commodity Agent, entered into on or about 1 December 2014;

Modified Following Business Day Convention means that if a date would otherwise fall on a day that is not a Business Day, that date shall be adjusted such that it will be the first following day that is a Business Day, unless that day falls in the next calendar month, in which case the relevant date will be the first preceding day that is a Business Day;

Multilateral Development Bank means an international financial institution established by international treaty whose members are sovereign governments;

Murabaha Contract means, a contract for the purchase of Commodities, created between the Trustee and IFFIm pursuant to the Master Murabaha Agreement;

Murabaha Documents means each of the Master Murabaha Agreement, each Offer Letter and each related Notice of Acceptance, the Undertaking, the Master Purchase Agency Agreement, the On-Sale Agreement, the Payment Agreement and such other documents at any time designated as Murabaha Documents by the Trustee and IFFIm;

Murabaha Profit means, in respect of a Murabaha Contract, an amount calculated as follows:

$$\frac{C \times (S + M) \times D}{360}$$

where

C = the Cost Price;

D = the actual number of days in the relevant Periodic Distribution Period;

S = the Benchmark Rate for the relevant Periodic Distribution Period; and

M = the Margin;

Notes means any debt securities issued under the global debt issuance programme established by IFFIm;

Notice of Acceptance has the meaning given to it in the Master Murabaha Agreement;

Offer Letter has the meaning given to it in the Master Murabaha Agreement;

On-Sale Agreement means the agreement so entitled between IFFIm and the Supplier for On-Sale to whom IFFIm proposes to sell the Commodities, entered into on or about 1 December 2014;

Payment Agreement means the agreement so entitled between the Issuer, IFFIm, the Commodity Agent, the Supplier for Purchase and the Supplier for On-Sale, entered into on or about 1 December 2014;

Payment Business Day has the meaning given to it in Condition 8.3;

Periodic Distribution Amount means, in relation to a Certificate and a Periodic Distribution Period, the amount of profit payable in respect of that Certificate for that Periodic Distribution Period as determined in accordance with these Conditions;

Periodic Distribution Date means 4 March, 4 June, 4 September and 4 December in each year, the first of which shall be 4 March 2015 and the last of which shall be the Dissolution Date (in each case subject to adjustment in accordance with the Modified Following Business Day Convention);

Periodic Distribution Period means the period from and including the Issue Date to but excluding the first Periodic Distribution Date, and each successive period from and including a Periodic Distribution Date to but excluding the next succeeding Periodic Distribution Date;

record date has the meaning given to it Condition 8.1;

Reference Banks means four major banks in the U.S. dollar swap market, selected by the Principal Paying Agent;

Register has the meaning given to it in Condition 2.1;

registered account has the meaning given to it in Condition 8.1;

Relevant Jurisdiction has the meaning given to it in Condition 11;

Relevant Payment Date has the meaning given to it in Condition 11;

Scheduled Dissolution Date means 4 December 2017;

Second Deed of Novation means the Deed of Novation, Amendment and Restatement entered into on 8 February 2013 between, *inter alios*, the Grantors, the GAVI Alliance, The GAVI Fund Affiliate, IFFIm and IBRD;

Settlement Date means each date for the payment of the Cost Price for the Commodities by the Trustee (in its capacity as Seller under the Master Murabaha Agreement) to the Supplier for Purchase under the Master Murabaha Agreement, being the Issue Date and thereafter 4 March, 4 June, 4 September and 4 December in each year, the first of which shall be 4 March 2015 and the last of which shall be the Dissolution Date (in each case subject to adjustment in accordance with the Modified Following Business Date Convention);

Supplier for On-Sale means, in respect of the on-sale of Commodities by IFFIm under the On-Sale Agreement, the purchaser of such Commodities;

Supplier for Purchase means the vendor(s) to the Issuer (in its capacity as Seller under the Master Murabaha Agreement) of the Commodities which are the subject to the relevant Offer Letter;

Taxes has the meaning given to it in Condition 11;

A **Tax Event** shall occur if:

- (a) the Trustee has or will become obliged to pay additional amounts as provided for or referred to in Condition 11 as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction or any political subdivision therein or any authority therein or thereof having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or

amendment becomes effective on or after 1 December 2014, and such obligation cannot be avoided by the Trustee taking reasonable measures available to it; or

- (b) IFFIm has or will become obliged to pay additional amounts as provided for or referred to in Clause 6.1 of the Master Murabaha Agreement as a result of any change in, or amendment to, the laws or regulations of any applicable jurisdiction, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 1 December 2014, and such obligation cannot be avoided by IFFIm taking reasonable measures available to it;

The GAVI Fund Affiliate means the company which was incorporated under the laws of England and Wales with registered number 5830438 and charity number 1115297 whose registered address was at The Broadgate Tower, Third Floor, 20 Primrose Street, London EC2A 2RS, United Kingdom;

Transaction has the meaning given to it in the Master Murabaha Agreement;

Transaction Account has the meaning given to it in Condition 5;

Transaction Documents means each of the Murabaha Documents, the Declaration of Trust, the Agency Agreement, the Certificates and any other documents designated as such by the Issuer, the Trustee, the Delegate and IFFIm;

Treasury Management Agreement means the agreement dated 29 September 2006 (as supplemented, varied, amended and/or substituted from time to time) for the provision of treasury management services entered into between the Treasury Manager and IFFIm;

Treasury Management Services has the meaning given to it in the Treasury Management Agreement;

Treasury Manager means the IBRD in its capacity as such, pursuant to the provisions of the Treasury Management Agreement, or any successor or replacement Multilateral Development Bank with a similar rating as the IBRD which has the ability to perform the Treasury Management Services under the Treasury Management Agreement as such successor or replacement may from time to time be appointed in accordance with the provisions of the Treasury Management Agreement;

Trust has the meaning given to it in Condition 5.1;

Trust Assets has the meaning given to it in Condition 5.1;

A **Trustee Event** shall mean the occurrence of one or more of the following events:

- (a) **Non-Payment:** default is made in the payment of the Dissolution Amount on the date fixed for payment thereof or default is made in the payment of any Periodic Distribution Amount on the due date for payment thereof and such default continues for a period of 90 days;
- (b) **Breach of Other Obligations:** the Trustee does not perform or comply with any one or more of its other duties, obligations or undertakings in the Certificates or the Transaction Documents to which it is a party, which failure is, in the opinion of the Delegate, incapable of remedy or, if in the opinion of the Delegate is capable of remedy, is not, in the opinion of the Delegate, remedied within the period of 30 days after written notice of such failure shall have been given by the Delegate to the Trustee requiring the same to be remedied;
- (c) **Insolvency:** the Trustee is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, or stops, suspends or threatens to stop or suspend payment of all or (in the opinion of the Delegate) a material part of its debts, makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of the debts of the Trustee;
- (d) **Winding-up:** an administrator is appointed, an order is made (other than an order that is being appealed in good faith, or has been permanently stayed, within 30 days) or an effective resolution is passed for the winding-up or dissolution or administration of the Trustee, or the Trustee applies or petitions for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Delegate or by an Extraordinary Resolution of the Certificateholders;

- (e) **Authorisation and Consents:** an action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order: (x) to enable the Trustee lawfully to enter into, exercise its rights and perform and comply with its duties, obligations and undertakings under the Certificates and the Declaration of Trust; (y) to ensure that those duties, obligations and undertakings are legally binding and enforceable; or (z) to make the Certificates and the Transaction Documents to which it is a party admissible in evidence in the courts of the Cayman Islands is not taken, fulfilled or done;
- (f) **Illegality:** it is or will become unlawful for the Trustee to perform or comply with any one or more of its duties, obligations and undertakings under any of the Certificates or the Transaction Documents or any duties, obligations and undertakings of the Trustee under the Certificates or the Transaction Documents are not or cease to be legal, valid, binding and enforceable;
- (g) **Repudiation:** the Trustee repudiates any Certificate or any Transaction Document or does or causes to be done any act or thing evidencing an intention to repudiate any Certificate or any Transaction Document; or
- (h) **Analogous Events:** any event occurs with respect to the Trustee that under the laws of the Cayman Islands has an analogous effect to any of the events referred to in paragraphs (b) or (d) above.

For the purpose of paragraph (a) above, all amounts payable in respect of the Certificates shall be considered due and payable (including any amounts expressed to be payable under Condition 7) notwithstanding that the Trustee has at the relevant time insufficient funds or relevant Trust Assets to pay such amounts (whether as a result of the application of Condition 5.2 or otherwise);

Undertaking has the meaning given to it in the Master Murabaha Agreement; and

Unpaid Amount means an amount (including, without limitation, any Late Payment Amount) which is due and payable by IFFIm under or in connection with the Master Murabaha Agreement and which is not paid by IFFIm in full on the due date in accordance with the Master Murabaha Agreement.

2. FORM, DENOMINATION AND TITLE

2.1 Form and Denomination

The Certificates are issued in registered form in principal amounts of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof, up to and including U.S.\$399,000 (each an **Authorised Denomination**). A single definitive Certificate will be issued to each Certificateholder in respect of its registered holding of Certificates. Each definitive Certificate will be numbered serially with an identifying number which will be recorded on the relevant definitive Certificate and in the register of Certificateholders (the **Register**).

The Certificates will be issued in the form of the Global Certificate. The Conditions are modified by certain provisions contained in the Global Certificate. Except in certain limited circumstances, owners of interests in the Global Certificate will not be entitled to receive definitive Certificates representing their holdings of Certificates. See "Global Certificate".

2.2 Title

The Issuer will cause the Registrar to maintain the Register in respect of the Certificates outside the United Kingdom in accordance with the provisions of the Agency Agreement. Title to the Certificates passes only by registration in the Register. The registered holder of any definitive Certificate will (except as otherwise required by law) be treated as the absolute owner of the Certificates represented by the definitive Certificate for all purposes (whether or not any payment thereon is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the definitive Certificate) and no person will be liable for so treating the holder of any definitive Certificate. The registered holder of a definitive Certificate will be recognised by the Issuer as entitled to its definitive Certificate free from any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate holder of such definitive Certificate.

3. TRANSFERS OF CERTIFICATES

3.1 Transfers

Subject to Conditions 3.4 and 3.5 and the provisions of the Agency Agreement, a Certificate may be transferred in an Authorised Denomination only by depositing the definitive Certificate by which it is represented, with the form of transfer on the back duly completed and signed, at the specified office of any of the Transfer Agents.

Transfers of interests in the Global Certificate will be effected in accordance with the rules of the relevant clearing system through which the interest is held.

3.2 Delivery of New Definitive Certificates

Each new definitive Certificate to be issued upon any transfer of Certificates will, within five business days of receipt by the relevant Transfer Agent of the duly completed form of transfer endorsed on the relevant definitive Certificate (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), be delivered at the specified office of the relevant Transfer Agent or mailed by uninsured mail at the risk of the holder entitled to the definitive Certificate to the address specified in the form of transfer. For the purposes of this Condition 3, **business day** shall mean a day on which banks are open for business in the city in which the specified office of the Transfer Agent with whom a definitive Certificate is deposited in connection with a transfer is located.

Where some but not all of the Certificates in respect of which a definitive Certificate is issued are to be transferred, a new definitive Certificate in respect of the Certificates not so transferred will, within five business days of receipt by the relevant Transfer Agent of the original definitive Certificate, be mailed by uninsured mail at the risk of the holder of the Certificates not so transferred to the address of such holder appearing on the Register or as specified in the form of transfer.

3.3 Formalities Free of Charge

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

3.4 Closed Periods

No Certificateholder may require the transfer of a Certificate to be registered (i) during the period of fifteen days ending on (and including) any Dissolution Date or any Periodic Distribution Date, or (ii) during the period of seven days ending on and including any Record Date.

3.5 Regulations

All transfers of Certificates and entries on the Register will be made subject to the detailed regulations concerning transfer of Certificates scheduled to the Declaration of Trust. The regulations may be changed by the Issuer from time to time with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Certificateholder who requests in writing a copy of such regulations.

The holder of Certificates shall be entitled to receive, in accordance with Condition 3.2, only one definitive Certificate in respect of its entire holding of Certificates. In the case of a transfer of a portion of the principal amount of a definitive Certificate, a new definitive Certificate in respect of the balance of the Certificates not transferred will be issued to the transferor in accordance with Condition 3.2.

4. STATUS AND LIMITED RECOURSE

4.1 Status

The Certificates represent an undivided ownership interest in the Trust Assets and are limited recourse obligations of the Issuer. Each Certificate will constitute an unsecured obligation of the Issuer and shall at all times rank *pari passu* and without any preference or priority with all other Certificates. The payment obligations of IFFIm (in any capacity) under the Transaction Documents shall, save for such exceptions as may be provided by applicable legislation and subject to the negative pledge provisions described in Condition 4.4, at all times rank at least equally with IFFIm's payment obligations in respect of all other unsecured and unsubordinated Indebtedness for Borrowed Money present and future. IFFIm shall not be liable to make any payments in respect of the Certificates other than as expressly provided herein and in the Transaction Documents.

4.2 Limited Recourse

Save as provided in the next sentence, the Certificates do not represent an interest in or obligation of any of the Trustee, the Delegate, IFFIm, any of the Agents or any of their respective affiliates. Accordingly, Certificateholders, by subscribing for or acquiring the Certificates, acknowledge that they will have no recourse to any assets of the Trustee (other than the Trust Assets), the Delegate, IFFIm or any Agent (to the extent that each of them fulfils all of its obligations under the Transaction Documents to which it is a party) in respect of any shortfall in the expected amounts from the Trust Assets to the extent the Trust Assets have been exhausted, following which all obligations of the Trustee shall be extinguished.

The proceeds of the Trust Assets are the sole source of payments on the Certificates. The net proceeds of the realisation of the Trust Assets may not be sufficient to make all payments due in respect of the Certificates.

4.3 Agreement of Certificateholders

Subject to Condition 13, the Certificateholders, by subscribing for or acquiring the Certificates, acknowledge that notwithstanding anything to the contrary contained in these Conditions or any Transaction Document:

- (i) no payment of any amount whatsoever shall be made by the Trustee or the Delegate or any directors, officers, employees or agents on their behalf except to the extent funds are available therefor from the Trust Assets and further acknowledge and agree that no recourse shall be had for the payment of any amount due and owing hereunder or under any Transaction Document, whether for the payment of any fee, indemnity or other amount hereunder or any other obligation or claim arising out of or based upon the Transaction Documents, against the Trustee to the extent the Trust Assets have been exhausted, following which all obligations of the Trustee shall be extinguished;
- (ii) if the proceeds of the Trust Assets are insufficient to make all payments due in respect of the Certificates, Certificateholders will have no recourse to any assets of the Trustee (and/or its directors, officers, shareholders or corporate services provider in their capacity as such) (other than the Trust Assets) or of the Delegate or the Agents or any of their respective directors, officers, employees, agents, shareholders or affiliates, in each case in respect of any shortfall or otherwise;
- (iii) no Certificateholders will be able to petition for, institute, or join with any other person in instituting proceedings for, the reorganisation, arrangement, liquidation, bankruptcy, winding-up or receivership or other proceedings under any bankruptcy or similar law against the Trustee (and/or its directors), the Delegate, the Agents or any of their respective directors, officers, employees, agents, shareholders or affiliates as a consequence of such shortfall or otherwise;
- (iv) no recourse (whether by institution or enforcement of any legal proceedings or assessment or otherwise) in respect of any breaches of any duty, obligation or undertaking of the Trustee or Delegate arising under or in connection with the Declaration of Trust by virtue of any customary law, statute or otherwise shall be had against any shareholder, officer, director or corporate services provider in their capacity as such. The obligations of the Trustee and the Delegate under the Certificates and the Transaction Documents are corporate or limited liability obligations of the Trustee and/or the Delegate, as the case may be, and no personal liability shall attach to or be incurred by the shareholders, members, officers, agents, directors or corporate services provider of the Trustee and/or the Delegate (in their capacity as such), save in the case of their gross negligence, wilful default or actual fraud. Reference in these Conditions to gross negligence, wilful default or actual fraud means a finding to such effect by a court of competent jurisdiction in relation to the conduct of the relevant party; and
- (v) it shall not be entitled to claim or exercise any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Certificate. No collateral is or will be given for the payment obligations under the Certificates (without prejudice to the negative pledge provisions described in Condition 4.4).

Pursuant to the terms of the Transaction Documents, IFFIm is obliged to make payments under the relevant Transaction Documents to which it is a party directly to or to the order of the Trustee. Such payment obligations form part of the Trust Assets and the Trustee and the Delegate will thereby have direct recourse against IFFIm to recover payments due to the Trustee from IFFIm pursuant to such Transaction Documents notwithstanding any other provision of this Condition 4.3. Such right of the

Trustee and the Delegate shall (subject to the negative pledge provisions described in Condition 4.4) constitute an unsecured claim against IFFIm. None of the Certificateholders, the Trustee and the Delegate shall be entitled to claim any priority right in respect of any specific assets of IFFIm in connection with the enforcement of any such claim.

Limited Recourse and Non-petition in respect of IFFIm

In the Declaration of Trust, the Trustee and the Delegate have agreed that:

- (a) *no recourse under any obligation, covenant or agreement of IFFIm under the Transaction Documents shall be made against any director or member of IFFIm; it being understood that the obligations of IFFIm under the Transaction Documents are corporate obligations of IFFIm, and no personal liability shall attach to, or be incurred by, the directors or members of IFFIm, under or by reason of any such obligations, covenants and agreements of IFFIm;*
- (b) *the obligations of IFFIm to make any payment whatsoever in connection with the provisions of the Transaction Documents shall constitute only an obligation to account for sums actually received by IFFIm (or for its account) pursuant to either the Grant Agreements or the Deeds of Assignment, or from the net proceeds of Notes, Loans or Derivatives Transactions to the extent that such amounts are comprised in the IFFIm Aggregate Available Funds, as the case may be; and*
- (c) *they shall not take any corporate action or other steps or legal proceedings for the winding-up, liquidation, dissolution, examinership or reorganisation or for the appointment of a receiver, administrator, administrative receiver, examiner, trustee, liquidator, sequestrator or similar office of IFFIm or of any or all of IFFIm's revenues and assets.*

Notwithstanding the provisions of Clause 27 (Contracts (Rights of Third Parties) Act 1999) of the Declaration of Trust, the provisions of Clause 25 (Limited Recourse and Non-Petition – IFFIm) of the Declaration of Trust shall be directly enforceable by the directors and/or members of IFFIm in accordance with the Contracts (Rights of Third Parties) Act 1999.

Pursuant to the Declaration of Trust, the Trustee and the Delegate have agreed that IFFIm may authorise the Treasury Manager to perform on its behalf any of its obligations under the Transaction Documents. The Trustee and the Delegate shall, until notified by IFFIm to the contrary, assume (with no liability attaching to them as a result of such assumption) without further enquiry that any such action taken by the Treasury Manager on behalf of IFFIm is in accordance with the terms of such authorisation as notified to the Trustee and the Delegate from time to time by IFFIm.

4.4 Negative Pledge

So long as any Certificate remains outstanding, IFFIm will not create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Indebtedness for Borrowed Money which it is permitted to incur under the IFFIm Transaction Documents, or any guarantee or indemnity in respect of any Indebtedness for Borrowed Money which it is permitted to incur under the IFFIm Transaction Documents, unless at the same time or prior thereto (i) the Certificates are secured equally and rateably therewith to the satisfaction of the Delegate or (ii) other arrangements are made which are approved by an Extraordinary Resolution of the Certificateholders.

5. THE TRUST AND THE MURABAHA ARRANGEMENTS

5.1 Summary of the Trust

The Trustee will act as trustee for and on behalf of the Certificateholders pursuant to the Declaration of Trust. Pursuant to the Declaration of Trust, the Trustee will declare a trust (the **Trust**) for the benefit of the Certificateholders over all of its rights, title, interest and benefit, present and future, in, to and under the Trust Assets.

Under the Declaration of Trust, the Trustee shall declare that, *inter alia*, it shall hold the Trust Assets on trust absolutely for the holders of the Certificates as beneficiaries *pro rata* according to the principal amount of the Certificates then outstanding held by each Certificateholder, and that it shall comply with and perform its obligations, or cause such obligations to be complied with and performed on its behalf, in accordance with the terms of the Certificates, the Conditions and the Transaction Documents and observe all the provisions of the Transaction Documents which are expressed to be binding on it.

The term **Trust Assets** means:

- (i) all of the Trustee's rights, title, interest and benefit (present and future) in, to and under the Transaction Documents (excluding any representations given to the Issuer or the Seller by IFFIm pursuant to any of the Transaction Documents);
- (ii) all moneys standing to the credit of the Transaction Account from time to time; and
- (iii) all proceeds of the foregoing,

which are held upon trust absolutely for the Certificateholders *pro rata* according to the principal amount of the Certificates then outstanding held by each Certificateholder in accordance with the Declaration of Trust and these Conditions;

The Trustee has established a transaction account (the **Transaction Account**) in its name with the Principal Paying Agent, into which IFFIm will deposit all amounts due from it to the Trustee under the Master Murabaha Agreement.

5.2 Application of Proceeds from the Trust Assets and other amounts standing to the credit of the Transaction Account

On each Periodic Distribution Date, the Trustee shall apply the moneys standing to the credit of the Transaction Account in the following order of priority:

- (a) first, (to the extent not previously paid) to pay the Delegate and/or any Appointee in respect of all amounts owing to it under the Transaction Documents in its capacity as Delegate;
- (b) second, only if payment is due on a Periodic Distribution Date, to the Principal Paying Agent for application in or towards payment *pari passu* and *pro rata* of all Periodic Distribution Amounts due but unpaid;
- (c) third, only if such payment is due on a Dissolution Date, to the Principal Paying Agent for application in or towards payment *pari passu* and *pro rata* of the Dissolution Amount; and
- (d) fourth, in payment of any surplus to IFFIm.

6. TRUSTEE COVENANTS

The Trustee covenants to the Certificateholders and the Delegate that, for so long as any Certificate is outstanding, it will not (without the prior written consent of the Delegate):

- (a) incur any indebtedness in respect of borrowed money whatsoever (whether structured in accordance with the principles of the *Shari'a* or otherwise), or give any guarantee or indemnity in respect of any obligation of any person or issue any shares (or rights, warrants or options in respect of shares or securities convertible into or exchangeable for shares) or any other certificates except, in all cases, as contemplated in the Transaction Documents;
- (b) grant or permit to be outstanding any lien, pledge, charge or other security interest upon any of its present or future assets, properties or revenues (other than those arising by operation of law and not as a result of any act of the Trustee);
- (c) sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise) (or permit such to occur or suffer such to exist) any part of its interest in any of the Trust Assets except pursuant to the Transaction Documents (other than those arising by operation of law and not as a result of any act of the Trustee);
- (d) use the proceeds of the issue of the Certificates for any purpose other than as stated in the Transaction Documents;
- (e) except as provided in Condition 16, amend or agree to any amendment to any Transaction Document to which it is a party (other than in accordance with the terms thereof) or amend its memorandum and articles of association;
- (f) act as trustee in respect of any trust other than the Trust or in respect of any parties other than the Certificateholders and/or act as agent for any trust arrangement (other than the Trust constituted by the Declaration of Trust);
- (g) cause to be made an application for the Certificates to be listed on any stock exchange or any regulated or unregulated market or admitted to trading on any stock exchange;

- (h) have any subsidiaries or employees;
- (i) change its residency for tax purposes or permanent place of establishment from the Cayman Islands to any other jurisdiction without the prior written consent of the Delegate;
- (j) redeem or purchase any of its shares or pay any dividend or make any other distribution to its shareholders;
- (k) prior to the date on which all amounts owing by the Issuer under the Transaction Documents to which it is a party have been paid in full, put to its directors or shareholders any resolution for, or appoint any liquidator for, its winding-up or any resolution for the commencement of any other bankruptcy or insolvency proceedings with respect to it;
- (l) enter into any contract, transaction, amendment, obligation or liability other than the Transaction Documents to which it is a party or any permitted amendment or supplement thereto or as expressly permitted or required thereunder or engage in any business or activity other than:
 - (i) as expressly provided for or permitted in the Transaction Documents;
 - (ii) the ownership, management and disposal of the Trust Assets as provided for in the Transaction Documents;
 - (iii) the Corporate Services Agreement; and
 - (iv) such other matters which are incidental to (i), (ii) or (iii); or
- (m) delegate any risk management or portfolio management to the Delegate.

7. PERIODIC DISTRIBUTIONS

7.1 Periodic Distribution Amounts

Subject to Condition 5.2 and Condition 8, the Trustee shall instruct the Principal Paying Agent to distribute to the Certificateholders a distribution in relation to the Certificates on each Periodic Distribution Date *pro rata* according to the principal amount of then outstanding Certificates held by each Certificateholder. If any Periodic Distribution Date is not a Business Day, it shall be postponed in accordance with the Modified Following Business Day Convention.

In these Conditions:

Periodic Distribution Amount means, for each Periodic Distribution Period, an amount calculated as follows:

$$\frac{P \times (S + M) \times D}{360}$$

where

- P = the aggregate principal amount of such Certificates as are outstanding on the record date immediately preceding the last day of such Periodic Distribution Period;
- D = the actual number of days in such Periodic Distribution Period;
- S = the Benchmark Rate for such Periodic Distribution Period; and
- M = the Margin.

7.2 Benchmark Rate

The **Benchmark Rate** for each Periodic Distribution Period shall be determined by or on behalf of the Principal Paying Agent on the following basis:

- (i) the Principal Paying Agent will determine the rate for deposits in U.S. dollars, for a period of three months which appears on the Reuters Screen LIBOR01 Page (or such other page as may replace that page on that service, or such other service as may be nominated by the Principal Paying Agent as the information vendor for the purpose of displaying comparable rates) (the **Reference Rate**) as of 11.00 a.m. (London time) on the second Business Day (in London only) before the first day of the relevant Periodic Distribution Period (the **Periodic Distribution Determination Date**); or

- (ii) if such rate does not appear on that page, the Principal Paying Agent will:
 - (A) request that the principal office in London of each of the Reference Banks or any substitute reference bank in the London interbank market appointed by the Principal Paying Agent, provide a quotation of the rate at which deposits in U.S. dollars are offered by it in the London interbank market at approximately 11.00 a.m. (London time) on the Periodic Distribution Determination Date to prime banks in the London interbank market for a period equal to the relevant Periodic Distribution Period and in an amount that is representative for a single transaction in that market at that time; and
 - (B) determine the arithmetic mean (rounded, if necessary, to the nearest ten thousandth of a percentage point, 0.00005 being rounded upwards) of such quotations where two or more quotations are available,

and the Benchmark Rate shall be the rate or (as the case may be) the arithmetic mean so determined; *provided however*, that if fewer than two rates are provided by the Reference Banks, as requested, and the Principal Paying Agent is unable to determine the Benchmark Rate in accordance with the above provisions in relation to any Periodic Distribution Period, the Benchmark Rate applicable to the Certificates during such Periodic Distribution Period will be the Benchmark Rate or (as the case may be) arithmetic mean last determined in relation to the Certificates in respect of the most recent preceding Periodic Distribution Period.

7.3 Publication

The Principal Paying Agent shall cause the Reference Rate and the Periodic Distribution Amount determined by it, together with the relevant Periodic Distribution Date, to be notified to the Trustee and the Delegate as soon as practicable after such determination but in any event not later than the first day of the relevant Periodic Distribution Period. Notice thereof shall also promptly be provided to the Registrar and the Agents. The Principal Paying Agent shall be entitled to recalculate any Periodic Distribution Amount and Periodic Distribution Date (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Periodic Distribution Period.

7.4 Cessation of accrual

No further amounts shall be payable on any Certificates from and including their due date for redemption unless, upon due presentation, payment in respect of the Certificates is improperly withheld or refused or unless default is otherwise made in respect of payment, in which event such amounts payable on the Certificates shall continue to be due and payable and the Trustee shall have an obligation to pay the Late Payment Amount on such delayed payments, after deducting an amount to compensate it for any actual costs (not to include any opportunity costs or finding costs), to a *Shari'a* compliant charitable foundation as chosen by the Delegate.

7.5 Notifications

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Trustee shall (in the absence of negligence, wilful misconduct, fraud or manifest error) be binding on the Trustee, the Delegate and the Certificateholders and (subject as aforesaid) no liability to IFFIm, the Trustee or the Certificateholders will attach to the Delegate or the Principal Paying Agent in connection with the exercise or non-exercise by them of their powers, duties and discretions under this Condition.

8. PAYMENTS

8.1 Payments in respect of the Certificates

Subject to Condition 8.2, payment of the Dissolution Amount and any Periodic Distribution Amount will be made by the Principal Paying Agent in U.S. dollars by wire transfer in same-day funds to the registered account of the Certificateholder or, if it does not have a registered account, by U.S. dollar cheque drawn on a bank that processes payments in U.S. dollars mailed to the registered address of the Certificateholder. Payments of the Dissolution Amount will only be made against presentation and surrender of the relevant Certificate at the specified office of any of the Paying Agents. The Dissolution Amount and each Periodic Distribution Amount will be paid to the holder shown on the Register at the close of business on the date (the **record date**) being the fifteenth day before the relevant Periodic Distribution Date.

For the purposes of this Condition 8, a Certificateholder's **registered account** means the U.S. dollar account maintained by or on behalf of it with a bank that processes payments in U.S. dollars, details of which appear on the Register at the close of business on the relevant record date, and a Certificateholder's **registered address** means its address appearing on the Register at that time.

Distributions of amounts in respect of book-entry interests in the Certificates held through Euroclear or Clearstream, Luxembourg will be credited to the cash accounts of participants in the relevant clearing system in accordance with the relevant clearing system's rules and procedures.

8.2 Payments subject to Applicable Laws

Payments in respect of Certificates are subject in all cases to: (a) any applicable fiscal or other laws, regulations and directives in the place of payment and no commission or expenses shall be charged to Certificateholders in respect of such payments, but without prejudice to the provisions of Condition 11; and (b) any deduction or withholding imposed pursuant to or in connection with Sections 1471-1474 of the U.S. Internal Revenue Code of 1986 (the **Code**) (or U.S. Treasury regulations or guidance issued thereunder), including any deduction or withholding pursuant to any agreement with the U.S. Internal Revenue Service, any inter-governmental agreement or any legislation adopted by any non-U.S. jurisdiction in connection with those provisions (**FATCA**) and any amounts so deducted or withheld will be treated as paid under the Certificates for all purposes, and no additional amounts will be paid on the Certificates with respect to such deduction or withholding.

8.3 Payment only on a Payment Business Day

Where payment is to be made by transfer to a registered account, payment instructions (for value the due date or, if that is not a Payment Business Day, for value the first following day which is a Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed, in each case by the Principal Paying Agent, on the due date for payment or, in the case of a payment of the Dissolution Amount, if later, on the Payment Business Day on which the relevant Certificate is surrendered at the specified office of a Paying Agent for value as soon as practicable thereafter.

Certificateholders will not be entitled to any additional payment for any delay after the due date in receiving the amount due if the due date is not a Payment Business Day, if the relevant Certificateholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition 8 arrives after the due date for payment.

If the amount of the Dissolution Amount or any Periodic Distribution Amount is not paid in full when due, the Registrar will annotate the Register with a record of the amount in fact paid.

Payment Business Day means a day, other than a Saturday or a Sunday, on which commercial banks and foreign exchange markets in London and New York City are open for general business and, in the case of presentation of a Certificate, in the place in which the Certificate is presented.

8.4 Agents

The names of the initial Agents and their initial specified offices are set out at the end of these Conditions. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents provided that: (a) it will at all times maintain a Principal Paying Agent and a Registrar (which may be the same entity); and (b) there will at all times be a Paying Agent (which may be the Principal Paying Agent) located in an EU Member State that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, any such Directive. Notice of any termination or appointment and of any changes in specified offices will be given to Certificateholders promptly by the Issuer in accordance with Condition 15.

9. REDEMPTION AND DISSOLUTION OF THE TRUST

9.1 Dissolution on the Scheduled Dissolution Date

Unless previously redeemed, or purchased and cancelled, in full, as provided below, each Certificate shall be finally redeemed on the Scheduled Dissolution Date at its Dissolution Amount, and the Trust shall be dissolved by the Trustee on the Scheduled Dissolution Date following the payment of all such amounts in full. Upon such dissolution as aforesaid and the termination of the Trust, the Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

9.2 Early Dissolution for Taxation Reasons

If a Tax Event occurs and the Trustee has received a notice from IFFIm under Clause 7.1 of the Master Murabaha Agreement (the **Tax Event Notice**) exercising IFFIm's right to prepay the Deferred Price under the applicable Murabaha Contract in accordance with that Clause 7.1, the Trustee shall redeem the Certificates in whole but not in part on the Periodic Distribution Date specified in the Tax Event Notice (the **Early Tax Dissolution Date**) on giving not less than 30 nor more than 60 days' notice to the Certificateholders in accordance with Condition 15 (the **Early Tax Dissolution Date Notice**), which Early Tax Dissolution Date Notice shall be irrevocable and shall oblige the Trustee to redeem the Certificates on the relevant Early Tax Dissolution Date at the Dissolution Amount; **provided, however, that** no such Early Tax Dissolution Date Notice shall be given earlier than 90 days prior to the Periodic Distribution Date occurring immediately before the earliest date on which the Trustee or IFFIm (as the case may be) would be obliged to pay such additional amounts if a payment in respect of the Certificates or the Master Murabaha Agreement respectively were then due.

Prior to the publication of any Early Tax Dissolution Date Notice pursuant to this Condition 9.2, the Trustee shall deliver to the Principal Payment Agent and the Delegate (A) a certificate signed by two directors of the Trustee or a certificate signed by two directors of IFFIm (as provided to the Trustee by IFFIm) (as the case may be) in each case stating that the obligations of the Trustee or IFFIm (as the case may be) resulting from a Tax Event cannot be avoided by the Trustee or IFFIm (as the case may be) taking reasonable measures available to it, and (B) an opinion of independent legal advisers of recognised standing to the effect that the Trustee or IFFIm has or will become obliged to pay such additional amounts as a result of such change or amendment.

On the Periodic Distribution Date immediately following the date of the Early Tax Dissolution Date Notice, the Trustee shall be bound to redeem the Certificates in accordance with this Condition 9.2. Upon payment in full of the Dissolution Amount to the Certificateholders, the Trust shall be dissolved, and the Certificates shall cease to represent Trust Assets and no further amounts shall be payable in respect thereof.

9.3 Dissolution following a Dissolution Event

Upon the occurrence and continuation of a Dissolution Event, the Certificates may be redeemed at the Dissolution Amount and the Trustee shall dissolve the Trust, in each case as more particularly specified in Condition 13.

9.4 No other Dissolution

The Trustee shall not be entitled to redeem the Certificates or dissolve the Trust other than as provided in this Condition 9 and in Condition 13.

10. PURCHASE AND CANCELLATION OF CERTIFICATES

IFFIm may at any time purchase Certificates in the secondary market. Following any purchase of Certificates by IFFIm pursuant to this Condition 10, IFFIm may at its option hold or resell such Certificates (subject to such Certificates being deemed not to remain outstanding for certain purposes under the Declaration of Trust if held).

Following any purchase of Certificates by IFFIm pursuant to this Condition 10 and which IFFIm elects to deliver for cancellation, such Certificates shall be delivered by IFFIm to the Registrar for cancellation and shall be cancelled on the immediately following Periodic Distribution Date and accordingly may not be held, reissued or resold. In addition, any Certificates redeemed in accordance with Condition 9.2 shall be cancelled.

11. TAXATION

All payments in respect of the Certificates shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, imposed, levied, collected, withheld or assessed by or on behalf of the Relevant Jurisdiction (**Taxes**), unless such withholding or deduction is required by law. In that event, the Trustee shall pay additional amounts as shall result in receipt by the Certificateholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Certificate:

- (a) to, or to a third party on behalf of, a holder who is liable to such Taxes in respect of such Certificate by reason of his having some connection with the Relevant Jurisdiction other than

the mere holding of the Certificate or who would be able to avoid such withholding or deduction by making a declaration of non-residence or other similar claim for exemption but fails to do so; or

- (b) presented for payment more than 30 days after the Relevant Payment Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the 30th day, assuming that day to have been a Business Day; or
- (c) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or any agreement between the European Community and any other jurisdiction providing for equivalent measures; or
- (d) presented for payment in the Relevant Jurisdiction; or
- (e) presented for payment by or on behalf of a Certificateholder who would have been able to avoid such withholding or deduction by presenting the relevant Certificate to another Paying Agent and Transfer Agent in a Member State of the European Union.

For the avoidance of doubt, no additional amounts will be paid on the Certificates with respect to any amounts deducted or withheld from payment on the Certificates to or in connection with FATCA.

In these Conditions, references to the **Dissolution Amount** or any **Periodic Distribution Amount** payable in respect of a Certificate shall be deemed to include any additional amounts payable under this Condition 11. In addition, in these Conditions **Relevant Payment Date** in respect of any Certificate means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given to the Certificateholders that, upon further presentation of the Certificate being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

Relevant Jurisdiction means the Cayman Islands and the United Kingdom or any subdivision therein or thereof or any authority therein or thereof having power to tax.

The Master Murabaha Agreement provides that all payments under the Murabaha Documents shall be made without withholding or deduction for, or on account of, any taxes, except where required by law and, in such case, provide for the payment by IFFIm of additional amounts so that the full amount which would otherwise have been due and payable is received by the Trustee.

Further, IFFIm has undertaken in the Declaration of Trust to pay an amount equal to the liability of the Trustee in respect of any and all additional amounts required to be paid by the Trustee in respect of the Certificates pursuant to this Condition 11.

12. PRESCRIPTION

The right to receive distributions in respect of the Certificates will be forfeited unless claimed within periods of ten years (in the case of the Dissolution Amount) and five years (in the case of Periodic Distribution Amounts) from the Relevant Payment Date in respect thereof, subject to the provisions of Condition 8.

13. DISSOLUTION EVENTS

13.1 Dissolution Event

Upon the occurrence of a Dissolution Event:

- (i) the Delegate, upon receiving notice thereof under the Declaration of Trust or otherwise upon becoming aware of a Dissolution Event, shall (subject to it being indemnified, secured and/or prefunded to its satisfaction) promptly give notice of the occurrence of the Dissolution Event to the Certificateholders in accordance with Condition 15 with a request (a **Dissolution Request**) to the Certificateholders to indicate to the Trustee and the Delegate if they wish the Certificates to be redeemed and the Trust to be dissolved; and
- (ii) provided the Delegate gives written notice to the Trustee and IFFIm of such Dissolution Event and, subject to the last sentence of this paragraph (ii), that a Dissolution Request has been made, then, upon or at any time after the 30th calendar day following the date of such notice,

and provided that such event is then continuing, the Delegate shall if so requested in writing by the holders of at least 20 per cent. of the aggregate principal amount of the Certificates then outstanding or if so directed by an Extraordinary Resolution, subject in each case to being indemnified, secured and/or prefunded to its satisfaction, give notice (a **Dissolution Notice**) to the Trustee, IFFIm and the Certificateholders in accordance with Condition 15 that the Certificates are immediately due and payable at the Dissolution Amount. A Dissolution Notice may be given pursuant to this paragraph (ii) whether or not notice has been given to Certificateholders as provided in paragraph (i) above.

Upon payment in full of such amounts and dissolution of the trust constituted by the Declaration of Trust as aforesaid, the Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

13.2 Enforcement

- (a) Upon the occurrence of a Dissolution Event which is continuing, to the extent that any amount payable in respect of the Certificates has not been paid in full (notwithstanding the provisions of Condition 13.1), the Trustee or the Delegate, subject to it being indemnified and/or secured and/or prefunded to its satisfaction, shall (acting for the benefit of the Certificateholders) enforce the provisions of the Master Murabaha Agreement against IFFIm as so directed by an Extraordinary Resolution or by the holders of at least 20 per cent. of the aggregate principal amount of the Certificates then outstanding.

Upon receipt of such Dissolution Notice, the Trustee (failing which the Delegate) shall use the proceeds of such steps to redeem the Certificates at the Dissolution Amount on the date specified in the relevant Dissolution Notice (the relevant **Dissolution Event Redemption Date**) and the trust constituted by the Declaration of Trust shall be dissolved on the day after the last outstanding Certificate has been so redeemed in full.

- (b) The Delegate shall not take any proceedings or to take any other action in relation to the Declaration of Trust or the Certificates unless (i) it shall have been so directed by an Extraordinary Resolution or by the holders of at least 20 per cent. of the aggregate principal amount of the Certificates then outstanding; and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction, and none of the Certificateholders is entitled to proceed directly against the Trustee or IFFIm unless the Delegate, having become bound to proceed in accordance with the terms of the Declaration of Trust, fails to do so within a reasonable period and such failure is continuing.
- (c) The foregoing paragraphs in this Condition 13 are subject to this paragraph (c). After enforcing or realising the Trust Assets and distributing the net proceeds of the Trust Assets in accordance with Condition 5.2, the obligations of the Trustee in respect of the Certificates shall be satisfied and no Certificateholder may take any further steps against the Trustee (or any steps against the Delegate) to recover any further sums in respect of the Certificates and the right to receive any such sums unpaid shall be extinguished. In particular, no Certificateholder shall be entitled in respect thereof to petition or to take any other steps for the winding-up of the Trustee.

14. REPLACEMENT OF CERTIFICATES

Should any Certificate be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Registrar upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer or IFFIm may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15. NOTICES

Notices to Certificateholders shall be mailed by first class post to them at their respective addresses in the Register and are deemed to have been given on the fourth weekday (being a day other than a Saturday or Sunday) after the date of mailing or such notices shall be published in a daily English language newspaper having general circulation in Europe, approved by the Delegate. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

16. MEETINGS OF CERTIFICATEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

16.1 Meetings of Certificateholders

The Declaration of Trust contains provisions for convening meetings of Certificateholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Declaration of Trust. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in nominal amount of the Certificates for the time being outstanding, or at any adjourned meeting one or more persons being or representing Certificateholders whatever the nominal amount of the Certificates held or represented, except that any meeting the business of which includes the modification of certain provisions of the Certificates (including (i) amending the Scheduled Dissolution Date or any date on which Certificates are to be redeemed or any date for payment of Periodic Distribution Amounts in respect of the Certificates, (ii) reducing or cancelling any amount payable in respect of the Certificates, (iii) varying the currency or currencies of payment or denomination of the Certificates, (iv) modifying the provisions concerning the quorum required at any meeting of Certificateholders or the majority required to pass the Extraordinary Resolution, (v) modifying the provisions of the Declaration of Trust concerning this exception, (vi) amending certain covenants given by the Issuer, the Trustee and IFFIm in the Transaction Documents, (vii) sanctioning exchange or substitution of the Certificates into, shares, bonds or other obligations or securities of IFFIm or any other entity and (viii) modifying Condition 4.4), in which case, subject to the Conditions and without prejudice to any powers conferred on any other persons by the Declaration of Trust, the necessary quorum shall be one or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount of the Certificates for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Certificateholders (whether or not they were present at the meeting at which such resolution was passed) and on all Certificateholders.

16.2 Modification, Waiver, Authorisation or Determination

The Delegate may agree, without the consent of the Certificateholders, to (i) any modification of any of the provisions of the Declaration of Trust or the Conditions or any other Transaction Documents, that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error or an error which, in the opinion of the Delegate, is proven, and (ii) any other modification to the Declaration of Trust or the Conditions, or any waiver, authorisation or determination in respect of any such provision that is in the opinion of the Delegate not materially prejudicial to the interests of the Certificateholders (except as mentioned in the Declaration of Trust). Any such modification, authorisation, waiver or determination shall be binding on the Certificateholders and, if the Delegate so requires, shall be notified to the Certificateholders as soon as practicable.

16.3 Entitlement of the Delegate

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Delegate shall have regard to the interests of the Certificateholders as a class and shall not have regard to the consequences of such exercise for individual Certificateholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Certificateholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof) and the Delegate shall not be entitled to require, nor shall any Certificateholder be entitled to claim, from the Trustee, IFFIm or the Delegate any indemnification or payment in respect of any tax consequence of any such exercise upon individual Certificateholders.

17. INDEMNIFICATION AND LIABILITY OF THE DELEGATE AND THE TRUSTEE

17.1 The Declaration of Trust contains provisions for the indemnification of each of the Delegate and the Trustee and for their relief from responsibility. Neither the Trustee nor the Delegate is obliged or required to take any action under the Declaration of Trust which may involve it incurring any personal liability or expense unless indemnified and/or secured and/or prefunded to its satisfaction. The Delegate is entitled to continue with existing or to enter into further business transactions with IFFIm without accounting to the Certificateholders for profit resulting therefrom.

17.2 Neither the Trustee nor the Delegate is responsible for supervising the performance by any other person duly appointed under the Declaration of Trust of its obligations to IFFIm.

- 17.3 The Declaration of Trust provides that in performing their duties under the Declaration of Trust, neither the Trustee nor the Delegate shall assume any duty or responsibility to any other person other than the Certificateholders and shall have regard solely to the interests of the Certificateholders.
- 17.4 The Delegate makes no representation as to, and assumes no responsibility for, the validity, sufficiency or enforceability of the obligations of IFFIm under the Transaction Documents and shall not under any circumstances have any liability or be obliged to account to the Certificateholders in respect of any payments which should have been made by IFFIm but are not so made and shall not in any circumstances have any liability arising from the Trust Assets other than as expressly provided in these Conditions or in the Declaration of Trust.
- 17.5 Each of the Trustee and the Delegate is exempted from (i) any liability in respect of any loss or theft of the Trust Assets or any cash, (ii) any obligation to insure the Trust Assets or any cash and (iii) any claim arising from the fact that the Trust Assets or any cash are held by or on behalf of the Trustee or on deposit or in an account with any depository or clearing system or are registered in the name of the Trustee or its nominee, unless such loss or theft arises as a result of negligence, wilful default or fraud by the Trustee or the Delegate, as the case may be.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Conditions, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

19. GOVERNING LAW AND DISPUTE RESOLUTION

19.1 Governing Law

The Declaration of Trust, (including these Conditions), the Agency Agreement and the Certificates and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

19.2 Submission to jurisdiction

- (a) Subject to Condition 19.2(c) below, the English courts have jurisdiction to settle any dispute arising out of or in connection with the Declaration of Trust, (including these Conditions), the Agency Agreement and the Certificates, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Declaration of Trust, (including these Conditions), the Agency Agreement and the Certificates (a **Dispute**) and accordingly each of the Issuer, the Trustee, the Delegate, IFFIm and any Certificateholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts;
- (b) for the purposes of this Condition 19.2, the Issuer and the Trustee waive any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute; and
- (c) to the extent allowed by law, the Issuer, the Trustee, and the Certificateholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

19.3 Appointment of Process Agent

Each of the Issuer and the Trustee has, in the Declaration of Trust, appointed Maples and Calder at its registered office at 11th Floor, 200 Aldersgate Street, London EC1A 4HD, United Kingdom as its agent for service of process and has undertaken that, in the event of Maples and Calder ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any proceedings or Disputes, and shall immediately notify the Delegate of such appointment. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer and/or the Trustee). Nothing herein shall affect the right to serve proceedings in any matter permitted by law.

19.4 Waiver of Interest

Each of the Issuer, the Trustee, IFFIm and the Delegate have agreed in the Declaration of Trust that, if any proceedings are brought by or on behalf of a party under the Declaration of Trust, it will:

- (a) not claim interest under, or in connection with, such proceedings; and

- (b) to the fullest extent permitted by law, waive all and any entitlement it may have to interest awarded in its favour by a court as a result of such proceedings.

For the avoidance of doubt, nothing in this Condition 19.4 shall be construed as a waiver of rights by the Issuer, the Trustee, IFFIm or the Delegate in respect of Periodic Distribution Amounts or profit of any kind howsoever described payable pursuant to the Transaction Documents and/or these Conditions, howsoever such amounts may be described or recharacterised by any court.

GLOBAL CERTIFICATE

The Global Certificate contains the following provisions which apply to the Certificates in respect of which it is issued whilst they are represented by the Global Certificate, some of which modify the effect of the Conditions. Unless otherwise defined, terms defined in the Conditions have the same meaning in paragraphs 1 to 7 below.

1. CERTIFICATEHOLDERS

For so long as all of the Certificates are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg, the registered holder of the Global Certificate shall, except as ordered by a court of competent jurisdiction or as required by law, be treated as the owner thereof and the expression **Certificateholder** shall be construed accordingly. Each of the persons (other than another clearing system) who is for the time being shown in the records of either such clearing system as the holder of a particular aggregate principal amount of such Certificates (the **Accountholders**) (in which regard any certificate or other document issued by a clearing system as to the aggregate principal amount of such Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made to the Certificateholder. In addition, holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the relevant Certificates. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

2. CANCELLATION

Cancellation of any Certificate represented by the Global Certificate will be effected by reduction in the aggregate principal amount of the Certificates in the Register.

3. PAYMENTS

Payments of the Dissolution Amount in respect of Certificates represented by the Global Certificate will be made upon presentation and surrender of the Global Certificate to or to the order of the Registrar or such other Agent as shall have been notified to the Certificateholder for such purpose. Distributions of amounts with respect to book-entry interests in the Certificates held through Euroclear or Clearstream, Luxembourg will be credited to the cash accounts of participants in the relevant clearing system in accordance with the relevant clearing system's rules and procedures. A record of each payment made in respect of the Certificates will be entered into the Register by or on behalf of the Registrar and shall be *prima facie* evidence that payment has been made.

4. NOTICES

So long as all the Certificates are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg, notices may be given by delivery of the relevant notice to those clearing systems for communication to their Accountholders in substitution for notification as required by the Conditions. Any such notice shall be deemed to have been given on the day on which such notice is delivered to the relevant clearing systems.

Whilst any of the Certificates held by a Certificateholder are represented by the Global Certificate, notices to be given by such Certificateholder may be given (where applicable) through Euroclear and/or Clearstream, Luxembourg and otherwise in such manner as the Registrar and Euroclear and Clearstream, Luxembourg may approve for this purpose.

5. REGISTRATION OF TITLE

The Registrar will not register title to the Certificates in a name other than that of a nominee for the Common Depositary for a period of seven calendar days preceding the due date for any payment of any Periodic Distribution Amount or the Dissolution Amount in respect of the Certificates.

Record dates will be determined in accordance with the standard practices of Euroclear and Clearstream, Luxembourg.

6. TRANSFERS

Transfers of book-entry interests in the Certificates will be effected through the records of Euroclear or Clearstream, Luxembourg and their respective direct and indirect participants in accordance with their respective rules and procedures.

7. EXCHANGE FOR DEFINITIVE CERTIFICATES

Interests in the Global Certificate will be exchanged (free of charge) for Certificates in definitive form upon the occurrence of an Exchange Event.

For these purposes, **Exchange Event** means that: (a) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or have announced an intention permanently to cease business or does in fact do so; or (b) the Issuer has or will become subject to adverse tax consequences as a result of change in the domicile of the Issuer that would not occur were the exchange to be effected. Upon the occurrence of an Exchange Event, the Issuer will issue definitive Certificates in exchange for the whole of the Global Certificate within five days after (i) the 15th consecutive day on which a clearing system is closed for business as described in (a) above, or (ii) the date on which an Exchange Event pursuant to (b) above has occurred, upon presentation of the Global Certificate by the person in whose name it is registered in the Register on any day (other than a Saturday or Sunday) on which banks are open for business in the city in which the Registrar has its specified office and, except in the case of an Exchange Event pursuant to (a) above, in the cities in which Euroclear and Clearstream, Luxembourg are located.

USE OF PROCEEDS

The net proceeds of the Certificates will be applied by the Trustee in a *Shari'a* compliant manner, as described in "*Structure Diagram and Cash Flows*".

The net proceeds received by IFFIm from the transactions described herein will be applied by IFFIm to fund its general operations.

DESCRIPTION OF THE ISSUER

General

IFFIm Sukuk Company Limited, a Cayman Islands exempted company with limited liability, was incorporated on 3 November 2014 under the Companies Law (2013 Revision) of the Cayman Islands with company registration number 293422. The Issuer has been established as a company for the sole purpose of issuing the Certificates and entering into the transactions contemplated by the Transaction Documents. The registered office of the Issuer is P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands.

The authorised share capital of the Issuer is 50,000 ordinary shares of U.S.\$1.00 each, 250 of which have been issued. All of the issued shares (the **Shares**) are fully paid and are held by MaplesFS Limited as share trustee (the **Share Trustee**) under the terms of a declaration of trust (the **Share Declaration of Trust**) under which the Share Trustee holds the Shares in trust until the Termination Date (as defined in the Share Declaration of Trust) and may only dispose or otherwise deal with the Shares with the approval of the Delegate for so long as there are Certificates outstanding. Prior to the Termination Date, the trust is an accumulation trust, but the Share Trustee has the power, with the consent of the Delegate, to benefit the Qualified Charities (as defined in the Share Declaration of Trust). It is not anticipated that any distribution will be made whilst any Certificate is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee for acting as Share Trustee) from, its holding of the Shares.

Business of the Issuer

The Issuer will not have any substantial liabilities other than in connection with the Certificates. The Certificates are the obligations of the Issuer alone and not the Share Trustee.

The objects for which the Issuer is established are set out in clause 3 of its Memorandum of Association as registered or adopted on 3 November 2014.

Financial Statements

Since the date of incorporation, no financial statements of the Issuer have been prepared. The Issuer is not required by Cayman Islands law, and does not intend, to publish audited financial statements.

Directors of the Issuer

The Directors of the Issuer are as follows:

Name	Principal Occupation
Aaron Bennett	Vice President of Maples Fund Services (Middle East) Limited
Cleveland Stewart	Senior Vice President of MaplesFS Limited

The business address of Aaron Bennett is c/o Maples Fund Services (Middle East) Limited, Liberty House, 6th Floor, Office 616, PO Box 506734, Dubai, United Arab Emirates.

The business address of Cleveland Stewart is c/o MaplesFS Limited, P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

There are no potential conflicts of interest between the private interests or other duties of the Directors listed above and their duties to the Issuer.

The Administrator

MaplesFS Limited also acts as the corporate administrator of the Issuer (in such capacity, the **Corporate Administrator**). The office of the Corporate Administrator serves as the general business office of the Issuer. Through the office, and pursuant to the terms of a corporate services agreement entered into between the Issuer and the Corporate Administrator (the **Corporate Services Agreement**), the Corporate Administrator has agreed to perform in the Cayman Islands and/or such other jurisdiction as may be agreed by the parties from time to time various management functions on behalf of the Issuer and to provide certain clerical, administrative and other services until termination of the Corporate Services Agreement. The Issuer and the Corporate Administrator have also entered into a registered office agreement (the **Registered Office Agreement**) for the provision of registered office facilities to the Issuer. In consideration of the foregoing, the Corporate Administrator will receive various fees payable by the Issuer at rates agreed upon from time to time, plus expenses.

The terms of the Corporate Services Agreement and Registered Office Agreement provide that either the Issuer or the Corporate Administrator may terminate such agreements upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreements. In addition, the Corporate Services Agreement and the Registered Office Agreement provide that either party shall be entitled to terminate such agreements by giving at least three months' notice.

The Corporate Administrator will be subject to the overview of the Issuer's Board of Directors. The Corporate Administrator's principal office is P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

The Directors of the Issuer are all employees or officers of the Corporate Administrator or an affiliate thereof. The Issuer has no employees and is not expected to have any employees in the future.

DESCRIPTION OF IFFIm

Introduction

IFFIm is a multilateral development institution, established as a charity registered with the Charity Commission for England and Wales (the **UK Charity Commission**). IFFIm's primary purpose is to provide funding for the immunisation programmes and/or programmes of vaccine procurement of the GAVI Alliance in some of the poorest countries in the world by making grants to the GAVI Alliance, a non-profit foundation incorporated in Switzerland.

The governments of nine nations — the Republic of France, the Republic of Italy, the Kingdom of Norway, the Republic of South Africa, the Kingdom of Spain, the Kingdom of Sweden, the United Kingdom, the State of the Netherlands and the Commonwealth of Australia — originally committed to provide scheduled Grant Payments to The GAVI Fund Affiliate, a charity registered with the UK Charity Commission, over up to 20 years. The GAVI Fund Affiliate immediately assigned the right to receive these Grant Payments to IFFIm in consideration for IFFIm's agreement to assess for approval programmes of immunisation and/or vaccine procurement presented to IFFIm by The GAVI Fund Affiliate, and to use its reasonable endeavours to raise funds for such programmes if approved. IFFIm will use the proceeds of the assigned Grant Payments for the purpose of, *inter alia*, repaying principal and paying interest on the Notes issued by IFFIm under the Programme. Pursuant to the Second Deed of Novation, The GAVI Fund Affiliate transferred by novation all of its duties, liabilities, covenants, undertakings and obligations under each Grant Agreement to the GAVI Alliance and thereby ceased for all purposes to be involved with IFFIm in the arrangements described above. After 8 February 2013, any further Grantors or Grantors making additional grants will enter into Grant Agreements from time to time directly with the GAVI Alliance, which will then assign to IFFIm the right to receive Grant Payments under those Grant Agreements.

Working with its target Eligible Countries, the GAVI Alliance will continue to identify and approve programmes of immunisation, related health system strengthening and/or vaccine procurement, some of which may be appropriate for funding by IFFIm. The GAVI Alliance will present such programmes to IFFIm, which, after consideration of such programmes' eligibility for IFFIm funding, including consideration of whether IFFIm has sufficient financial resources and consideration of the funding and liquidity policies of IFFIm, may issue Notes from time to time under the Programme and disburse the proceeds to the GAVI Alliance. IFFIm is also permitted by the Finance Framework Agreement, defined and described in greater detail below, and the other agreements to which IFFIm is a party, to raise funds pursuant to the issue of other debt instruments under other debt issuance programmes established or to be established by IFFIm (**Other Debt Instruments**) and/or pursuant to loan facilities made available under agreements concluded between it and Lenders from time to time. The Finance Framework Agreement contains certain restrictions on the borrowing of loans or the issue of Other Debt Instruments by IFFIm, including that the terms of any such loan or Other Debt Instruments should be confirmed by IFFIm's Treasury Manager as being in compliance with IFFIm's funding strategy.

The GAVI Alliance subsequently disburses the funds received by it from IFFIm in accordance with the terms of the Finance Framework Agreement to support immunisation, related health system strengthening or vaccine procurement programmes which it and (in respect of programmes approved before 8 February 2013) The GAVI Fund Affiliate have previously approved.

IFFIm is managed by a board of directors. IFFIm has outsourced its principal activities to two organisations: all administrative support functions are provided by the GAVI Alliance; and all treasury functions are provided by the International Bank for Reconstruction and Development, otherwise known as the World Bank, in its capacity as IFFIm's Treasury Manager.

Background to the International Finance Facility for Immunisation

The Grantors (as described below) are committed to the achievement of the United Nations Millennium Development Goals (**MDGs**) agreed at the UN General Assembly in 2000. At the International Conference on Financing for Development in Monterrey in 2002, a number of sovereign grantors committed to increase their Official Development Assistance (**ODA**) and to explore mechanisms to raise additional resources for development. The Initial Grantors reaffirmed their commitment to contributing to meeting the Millennium Development Goals at the Millennium Review Summit held in New York in September 2005 by increasing their ODA and implementing new financing mechanisms.

The fourth Millennium Development Goal (**MDG4**) is the reduction by two thirds of the mortality rate of children under five by 2015. Immunisation and related health system strengthening programmes serving children under five living in poor countries can greatly contribute to the achievement of MDG4. The GAVI Alliance has been working since 2000 to save children's lives and protect people's health through the widespread use of vaccines in poor countries. In 2004, the establishment of a new organisation, IFFIm, was proposed to bring forward resources

to support and enhance the immunisation and/or vaccine procurement programmes of the GAVI Alliance through the leveraging of long-term sovereign grants. The GAVI Alliance is intended to be the principal recipient of funds raised in the international capital markets by IFFIm.

The Grantors each entered into a Grant Agreement, pursuant to which they committed to make Grant Payments to The GAVI Fund Affiliate according to an agreed schedule. The GAVI Fund Affiliate has, prior to the date of this Private Placement Memorandum, assigned all of its rights, title, benefit and interest in, to and under each such Grant Agreement, including the rights to receive each Grant Payment committed to be made thereunder, to IFFIm. Pursuant to the Second Deed of Novation, on 8 February 2013 The GAVI Fund Affiliate transferred by novation all of its duties, liabilities, covenants, undertakings and obligations under each Grant Agreement to the GAVI Alliance and thereby ceased for all purposes to be involved with IFFIm in the arrangements described above. After 8 February 2013, any further Grantors or Grantors making additional grants will enter into Grant Agreements from time to time directly with the GAVI Alliance, which will then assign to IFFIm the right to receive Grant Payments under those Grant Agreements.

The goal of IFFIm, based on the current Grant Payments, is to provide up to U.S.\$4 billion for programmes of immunisation and/or vaccine procurement from 2006 to 2015 (inclusive). A 2011 independent evaluation by healthcare consulting firm HLSP, using figures derived from the World Health Organisation (**WHO**) model, estimated that IFFIm funding helped to save approximately 2.1 million lives between 2006 and 2011.

53 countries are currently eligible to apply for support through GAVI Alliance programmes. Another 20 countries are graduating from GAVI support, many of which are implementing a set duration of GAVI support that was approved in previous years. IFFIm resources can be used to fund non-country specific programmes (as to which, see further below), and country-specific programmes in GAVI Alliance Eligible Countries that are also members of, and not in Protracted Arrears (as defined herein) to, the International Monetary Fund (**IMF**). There is one GAVI Alliance Eligible Country and one country graduating from GAVI support that are not members of the IMF (Cuba and North Korea) and which will therefore not benefit from IFFIm funds. There are three GAVI Alliance Eligible Countries currently in Protracted Arrears (Somalia, Sudan and Zimbabwe), and for a discussion of the effects of such Protracted Arrears, see "*Description of IFFIm – Grant Payment Conditionality*".

IFFIm

IFFIm was incorporated as a private company limited by guarantee, without share capital, under the Companies Act 1985 (as amended from time to time, the **Companies Act**), on 26 June 2006 for an indefinite duration under the name of International Finance Facility for Immunisation Company. The GAVI Alliance is the sole member of IFFIm.

IFFIm is registered with the Registrar of Companies for England and Wales under registered number 5857343. IFFIm is also registered with the UK Charity Commission as a charity with registered number 1115413.

IFFIm's registered office is 2 Lambs Passage, London EC1Y 8BB. IFFIm may be contacted on +41 22 909 6504.

As at the date of this Private Placement Memorandum, IFFIm has a five member board of directors (who also constitute the charitable board of trustees). The directors and their principal activities outside IFFIm are:

Cyrus Ardalan: Mr Ardalan is a Vice Chairman and Head of UK and EU Public Policy and Government Relations at Barclays Bank plc. He also serves as Chairman of the Board of the International Capital Market Association (**ICMA**), Chairman of the British Bankers' Association (**BBA**) Strategy Group, and is Honorary Adviser to the National Association of Financial Market Institutional Investors (**NAFMII**). Formerly he was Vice Chairman of Barclays Capital;

Didier J. Cherpitel: Mr Cherpitel is a former Managing Director at JP Morgan in London and Paris. He is also a former Secretary General and Chief Executive Officer of the International Federation of Red Cross and Red Crescent Societies, Geneva, Switzerland. He is a member of the Audit Committee of IFFIm;

Christopher Egerton-Warburton: Mr Egerton-Warburton is an expert in the structuring and execution of innovative financing solutions and was instrumental in the creation of IFFIm. He is a partner with Lion's Head Capital Partners, a merchant bank that provides advisory, financial structuring, capital raising and asset management services. Prior to that, he was Head of the Sovereign, Supranational and Agency team within the Debt Capital Markets group at Goldman Sachs International;

Marcus Fedder: Mr Fedder is a former banker, having served as a Vice Chair of TD Securities, the Toronto Dominion Bank, with responsibility for all businesses in Europe and Asia-Pacific. Prior to that he was Treasurer

of the European Bank for Reconstruction and Development (**EBRD**) and worked at the World Bank and in derivatives, starting his career at Deutsche Bank. He is the chair of the Audit Committee of IFFIm; and

René Karsenti. Board Chair: Dr Karsenti is the President of ICMA, has served as Director General of Finance of the European Investment Bank and was the first Treasurer of EBRD.

Pursuant to European Commission Directive 2007/18/EC, because IFFIm has a risk profile equivalent to the Multilateral Development Banks enumerated in Annex VI, Part 1, point 20 of Directive 2006/48/EC, exposures to IFFIm shall be assigned a 0 per cent. risk weight by credit institutions in the European Union. This has recently been re-enacted in Article 117(2)(m) of Regulation (EU) No. 575/2013 of the European Parliament and of the Council. Prospective investors should seek advice in their particular jurisdiction to ascertain the position with respect to such risk weighting prior to making any investment decision.

Description of Other Parties

Grantors

The governments of the Republic of France (acting through its Agence Française de Développement and the Ministry of Economy, Industry and Employment under separate Grant Agreements), the Republic of Italy (acting through its Ministry of Economy and Finance), the Kingdom of Norway (acting through its Ministry of Foreign Affairs), the Republic of South Africa, the Kingdom of Spain (acting through its Ministry of Foreign Affairs), the Kingdom of Sweden, for the United Kingdom, Her Britannic Majesty's Secretary of State (acting through the Department for International Development), the State of the Netherlands (represented by the Minister for Development Cooperation) and the Commonwealth of Australia (represented by the Australian Agency for International Development) have each entered into Grant Agreements with The GAVI Fund Affiliate. Additional Grantors may in the future accede to the Finance Framework Agreement and enter into Grant Agreements with the GAVI Alliance that will, once assigned to IFFIm, provide a further source of funds for IFFIm.

Provided that it is acceptable to each of the parties to the Finance Framework Agreement, any country which is not a Grantor may, upon *inter alia* (i) entering into a Grant Agreement on terms approved by the Treasury Manager acting reasonably, (ii) signing a form of accession letter and (iii) providing legal opinions and such documentary conditions precedent as IFFIm may require from it, become an Additional Grantor (acting, if applicable, through an appropriate ministry or government agency), vested with all the authority, rights, powers, duties and obligations under the Finance Framework Agreement as if originally named as an Initial Grantor.

The GAVI Alliance

The GAVI Alliance is responsible for the operational activities related to the immunisation, health system strengthening and/or vaccine procurement programmes for which IFFIm provides funding. The GAVI Alliance was created in 2000 to respond to and combat declining immunisation rates in developing countries.

The GAVI Alliance's mission is to save children's lives and protect people's health by increasing access to immunisation in poor countries. In the period from 2000 to 30 June 2014, the GAVI Alliance has committed more than U.S.\$9.45 billion to more than 70 of the world's poorest countries.

Since its launch in 2000, GAVI support has contributed to the immunisation of an additional 440 million children in the world's poorest countries. According to recent WHO estimates, more than 150 million children have been immunised with the pentavalent five-in-one vaccine, which offers protection against diphtheria-tetanus-pertussis (DTP), hepatitis B, and *Haemophilus influenzae* type B. Over 4 million children have been immunised against rotavirus; an estimated 64 million children are now protected against yellow fever through routine immunisation and one-off investment cases; and it is estimated that more than 11 million children have been immunised against pneumococcal. It is estimated that the GAVI Alliance support to countries has averted more than 6 million future deaths from hepatitis B, *Haemophilus influenzae* type B (Hib), measles, pertussis, pneumococcal disease, polio, rotavirus diarrhoea and yellow fever.

Since its creation, the GAVI Alliance has been supported through direct pledges by 16 governments: Australia, Canada, Denmark, France, Germany, India, Ireland, Japan, Luxembourg, the Netherlands, Norway, the Republic of Korea, Spain, Sweden, the United Kingdom and the United States, as well as by the European Commission, the Bill & Melinda Gates Foundation, His Highness Sheikh Mohammed bin Zayed Al Nahyan, "la Caixa" Foundation and by other private corporations and foundations. In addition to direct funding and long-term commitments secured through IFFIm funds, the GAVI Alliance worked with the governments of Canada, Italy, Norway, Russia and the United Kingdom, together with the Bill & Melinda Gates Foundation, who on 12 June 2009 committed funds to an advanced market commitment for pneumococcal vaccine aimed at accelerating access to a new generation of pneumococcal vaccines for the world's poorest countries. The GAVI Alliance has also established the GAVI Matching Fund, whereby every donation made to the GAVI Alliance through the

GAVI Matching Fund by a private sector partner, its customers, employees and business partners is matched either by the government of the United Kingdom or the Bill & Melinda Gates Foundation. Up to a total of U.S.\$130 million of donations to the GAVI Matching Fund until the end of 2015 will be matched by either the United Kingdom or the Bill & Melinda Gates Foundation through the GAVI Matching Fund.

The GAVI Fund Affiliate

The GAVI Fund Affiliate was incorporated as a private company limited by guarantee without share capital, under the Companies Act on 26 May 2006 for an indefinite duration. The GAVI Fund Affiliate was registered with the Registrar of Companies for England and Wales under registered number 5830438. The GAVI Fund Affiliate was also registered with the UK Charity Commission as a charity with registered number 1115297, and had its registered office at The Broadgate Tower, Third Floor, 20 Primrose Street, London EC2A 2RS. The sole member of The GAVI Fund Affiliate was the GAVI Alliance. Pursuant to the Second Deed of Novation, on 8 February 2013 The GAVI Fund Affiliate transferred by novation all of its duties, liabilities, covenants, undertakings and obligations under each Grant Agreement to the GAVI Alliance and thereby ceased for all purposes to be involved with IFFIm in the arrangements described above. On 31 October 2013 The GAVI Fund Affiliate board recommended that The GAVI Fund Affiliate be placed into member's voluntary liquidation. The GAVI Alliance, as sole member of The GAVI Fund Affiliate, resolved that The GAVI Fund Affiliate be wound up voluntarily and appointed KPMG LLP as liquidators for the purpose of such winding up. The GAVI Fund Affiliate's liquidation was concluded at a final member's meeting in December 2013.

Treasury Manager

The International Bank for Reconstruction and Development has been appointed to act as Treasury Manager of IFFIm. The duties of the Treasury Manager include, among others: assessing IFFIm's ability to finance any proposed immunisation and/or vaccine procurement programme presented for IFFIm's consideration by the GAVI Alliance; assessing on a periodic basis the funding required by IFFIm to meet its expected obligations in respect of programmes previously approved by it, as well as in respect of outstanding Notes and Other Debt Instruments; providing account administration services; recommending funding, risk management, investment management and liquidity policies for IFFIm and, upon approval of such policies, executing all of IFFIm's financial transactions contemplated thereunder; and advising IFFIm on all aspects of the issuance of Notes under the Programme and the issuance of Other Debt Instruments.

Key Transaction Agreements and Structure Overview

IFFIm, the Grantors, the GAVI Alliance and the Treasury Manager have entered into or become party to the Finance Framework Agreement to regulate their rights and obligations as between one another. The parties to the Finance Framework Agreement have also agreed therein to follow the procedures set out in the Procedures Memorandum when considering for approval GAVI Alliance immunisation and/or vaccine procurement programmes. IFFIm and the Treasury Manager have entered into the Treasury Management Agreement pursuant to which the Treasury Manager agrees to provide certain services to IFFIm. The overview of the structure which is set out in the remaining part of this section is based on, *inter alia*, the key terms of these documents and the Grant Agreements entered into prior to the date of this Private Placement Memorandum, which can be viewed in full by a prospective investor as described in "*General Information – Documents Available*".

The Grant Agreements

Each Grantor has, prior to the date of this Private Placement Memorandum, entered into a Grant Agreement with The GAVI Fund Affiliate. Each Grantor has represented and warranted to IFFIm and the other parties to the Finance Framework Agreement that the Grant Agreement to which it is a party constitutes valid and binding obligations of such Grantor.

Pursuant to each Grant Agreement, the relevant Grantor agreed to make scheduled Grant Payments to The GAVI Fund Affiliate, pursuant to a schedule contained in the relevant Grant Agreement. Each Grant Agreement is substantively identical to the others (save for the quantum and timing of the scheduled Grant Payments and certain other limited exceptions, as summarised herein), and the key terms are summarised below in the section entitled "*Summary of Grant Agreements*". Each Grant Agreement is governed by English law, save for the Grant Agreement entered into by the Kingdom of Spain, which is governed by Spanish law, the Grant Agreements entered into by the Republic of Italy, which are governed by Italian law, and the Grant Agreement entered into by the State of the Netherlands which is governed by Dutch law.

In consideration of IFFIm's agreement to assess immunisation and/or vaccine procurement programmes submitted to IFFIm for approval and, to the extent any such programmes are approved by IFFIm, to use all reasonable endeavours to fund such programmes in accordance with the Finance Framework Agreement, The GAVI Fund

Affiliate immediately assigned to IFFIm all of its rights, title, benefit and interest in, to and under each Grant Agreement entered into by each Grantor, including the right to receive each Grant Payment committed to thereunder, and IFFIm agreed to perform all of The GAVI Fund Affiliate's obligations under such Grant Agreements. Therefore, each Grantor is obliged to make each such Grant Payment on its due date directly to IFFIm, subject to the Grant Payment Condition (as defined below). Pursuant to the Second Deed of Novation, on 8 February 2013 The GAVI Fund Affiliate transferred by novation all of its duties, liabilities, covenants, undertakings and obligations under each Grant Agreement to the GAVI Alliance and thereby ceased for all purposes to be involved with IFFIm in the arrangements described above. After 8 February 2013, any further Grantors or any Grantors making additional grants will enter into Grant Agreements from time to time directly with the GAVI Alliance, which will then immediately assign to IFFIm all of its rights, title, benefit and interest in, to and under each of those Grant Agreements.

In respect of any Grant Agreement entered into by the GAVI Alliance after the date of this Private Placement Memorandum with a new Grantor, or any further Grant Agreement entered into by a Grantor, IFFIm has agreed that it will consider a written request by the GAVI Alliance to accept an assignment or transfer from the GAVI Alliance of all of its rights, title, benefit, interest and obligations in, to and under such Grant Agreement, including the rights to receive each Grant Payment thereunder.

Grant Payments

The Grantors' commitments under the Grant Agreements entered into prior to the date of this Private Placement Memorandum are as follows:

GRANTOR	TOTAL COMMITMENT
Republic of France	€1,239,960,000 ⁽¹⁾
Republic of Italy	€498,950,000 ⁽²⁾
Kingdom of Norway	U.S.\$27,000,000 NOK 1,500,000,000 ⁽³⁾
Republic of South Africa	U.S.\$20,000,000
Kingdom of Spain	€189,500,000
Kingdom of Sweden	SEK 276,150,000
United Kingdom	£1,630,000,000 ⁽⁴⁾
State of the Netherlands	€80,000,000
Commonwealth of Australia	AUD250,000,000

Notes:

- (1) The Republic of France, acting through its Agence Française de Développement, granted an initial commitment of €372,800,000 pursuant to its Grant Agreement dated 28 September 2006. Acting through the Ministry of Economy, Industry and Employment, the Republic of France has granted a further commitment of €867,160,000 pursuant to a Grant Agreement dated 7 December 2007.
- (2) The Republic of Italy, acting through its Ministry of Economy and Finance, granted an initial commitment of €473,450,000 pursuant to its Grant Agreement dated 28 September 2006. It made a further grant of €25,500,000 pursuant to a Grant Agreement dated 14 November 2011.
- (3) The Kingdom of Norway, represented by the Ministry of Foreign Affairs, granted an initial commitment of U.S.\$27,000,000 pursuant to its Grant Agreement dated 28 September 2006. It made a further grant of NOK 1,500,000,000 pursuant to a Grant Agreement dated 31 August 2010.
- (4) The United Kingdom, acting through the Department for International Development, granted an initial commitment of £1,380,000,000, pursuant to its Grant Agreement dated 28 September 2006. It made a further grant of £250,000,000 pursuant to a Grant Agreement dated 5 August 2010.

The Grant Payments are to be paid on the dates set out in the following schedules (shown in the currency in which the Grant Payment will be made):

GRANTOR											
GRANT PAYMENT DATE	Republic of France¹ (EUR)	Republic of France² (EUR)	Republic of Italy (EUR)	Kingdom of Norway (USD)	Kingdom of Norway (NOK)	Republic of South Africa (USD)	Kingdom of Spain (EUR)	Kingdom of Sweden (SEK)	United Kingdom (GBP)	Common- wealth of Australia (AUD)	State of the Netherlands (EUR)
31 October 2006				2,700,000			9,475,000				
28 November 2006			3,000,000								
20 December 2006				2,700,000							
1 March 2007				5,400,000							
15 March 2007						1,000,000					
31 March 2007	20,000,000		6,000,000					18,410,000			
15 April 2007									4,710,000		
15 October 2007									4,710,000		
31 October 2007							9,475,000				
15 February 2008						1,000,000					
1 March 2008				5,400,000							
31 March 2008	20,600,000	20,000,000	25,850,000					18,410,000			
15 April 2008									8,730,000		
15 October 2008									8,730,000		
31 October 2008							9,475,000				
15 February 2009						1,000,000					
1 March 2009				5,400,000							
31 March 2009	21,300,000	21,690,000	25,800,000					18,410,000			
15 April 2009									12,920,000		
15 October 2009									12,920,000		
31 October 2009							9,475,000				
21 December 2009											10,000,000
15 February 2010						1,000,000					
1 March 2010				5,400,000							
31 March 2010	21,900,000	23,520,000	25,800,000					18,410,000			
15 April 2010									16,960,000		
15 October 2010									18,666,522		
31 October 2010					100,000,000		9,475,000				
15 February 2011						1,000,000					
1 March 2011					50,000,000						
31 March 2011	22,600,000	25,500,000	25,800,000					18,410,000			
15 April 2011									22,651,521		
30 June 2011										3,000,000	
15 October 2011									22,651,522		
31 October 2011							9,475,000				
2 December 2011			1,700,000								
15 February 2012						1,000,000					
1 March 2012					150,000,000						
31 March 2012	23,200,000	27,650,000	27,500,000					18,410,000		5,000,000	
15 April 2012									27,560,579		

GRANTOR											
	Republic of France ¹ (EUR)	Republic of France ² (EUR)	Republic of Italy (EUR)	Kingdom of Norway (USD)	Kingdom of Norway (NOK)	Republic of South Africa (USD)	Kingdom of Spain (EUR)	Kingdom of Sweden (SEK)	United Kingdom (GBP)	Commonwealth of Australia (AUD)	State of the Netherlands (EUR)
GRANT PAYMENT DATE											
15 October 2012									27,560,580		
31 October 2012							9,475,000				
01 December 2012											14,000,000
15 February 2013						1,000,000					
1 March 2013					150,000,000						
31 March 2013	23,900,000	29,980,000	27,500,000					18,410,000		5,000,000	
15 April 2013									32,482,464		
15 October 2013									32,482,464		
31 October 2013							9,475,000				
01 December 2013											14,000,000
15 February 2014						1,000,000					
1 March 2014					150,000,000						
31 March 2014	24,700,000	32,510,000	27,500,000					18,410,000		5,000,000	
15 April 2014									37,567,029		
15 October 2014									37,567,029		
31 October 2014							9,475,000				
01 December 2014											14,000,000
15 February 2015						1,000,000					
1 March 2015					150,000,000						
31 March 2015	25,400,000	35,250,000	27,500,000					18,410,000		14,500,000	
15 April 2015									42,868,840		
15 October 2015									42,868,841		
31 October 2015							9,475,000				
01 December 2015											14,000,000
15 February 2016						1,000,000					
1 March 2016					150,000,000						
31 March 2016	26,200,000	38,220,000	27,500,000					18,410,000		14,500,000	
15 April 2016									47,417,898		
15 October 2016									47,417,899		
31 October 2016							9,475,000				
01 December 2016											14,000,000
15 February 2017						1,000,000					
1 March 2017					150,000,000						
31 March 2017	26,900,000	41,440,000	27,500,000					18,410,000		14,500,000	
15 April 2017									51,494,130		
15 October 2017									51,494,131		
31 October 2017							9,475,000				
15 February 2018						1,000,000					
1 March 2018					150,000,000						
31 March 2018	27,800,000	44,940,000	27,500,000					18,410,000		14,500,000	
15 April 2018									55,878,406		
15 October 2018									55,878,406		

GRANTOR											
GRANT PAYMENT DATE	Republic of France ¹ (EUR)	Republic of France ² (EUR)	Republic of Italy (EUR)	Kingdom of Norway (USD)	Kingdom of Norway (NOK)	Republic of South Africa (USD)	Kingdom of Spain (EUR)	Kingdom of Sweden (SEK)	United Kingdom (GBP)	Common- wealth of Australia (AUD)	State of the Netherlands (EUR)
31 October 2018							9,475,000				
15 February 2019						1,000,000					
1 March 2019					150,000,000						
31 March 2019	28,600,000	48,730,000	27,500,000					18,410,000		14,500,000	
15 April 2019									60,415,000		
15 October 2019									60,415,000		
31 October 2019							9,475,000				
15 February 2020						1,000,000					
1 March 2020					150,000,000						
31 March 2020	29,400,000	52,840,000	27,500,000					18,410,000		14,500,000	
15 April 2020									65,131,014		
15 October 2020									65,131,015		
31 October 2020							9,475,000				
15 February 2021						1,000,000					
31 March 2021	30,300,000	57,290,000	27,500,000					18,410,000		14,500,000	
15 April 2021									70,185,942		
15 October 2021									70,185,942		
31 October 2021							9,475,000				
15 February 2022						1,000,000					
31 March 2022		62,120,000	27,500,000							14,500,000	
15 April 2022									63,523,406		
15 October 2022									63,523,406		
31 October 2022							9,475,000				
15 February 2023						1,000,000					
31 March 2023		67,360,000	27,500,000							14,500,000	
15 April 2023									55,509,782		
15 October 2023									55,509,783		
31 October 2023							9,475,000				
15 February 2024						1,000,000					
31 March 2024		73,040,000	27,500,000							14,500,000	
15 April 2024									48,498,695		
15 October 2024									48,498,696		
31 October 2024							9,475,000				
15 February 2025						1,000,000					
31 March 2025		79,200,000	27,500,000							14,500,000	
15 April 2025									40,435,362		
15 October 2025									40,435,363		
31 October 2025							9,475,000				
15 February 2026						1,000,000					
31 March 2026		85,880,000								14,500,000	
15 April 2026									32,478,406		
15 October 2026									32,478,406		
31 March 2027										14,500,000	
15 April 2027									6,773,550		

GRANT PAYMENT DATE	GRANTOR										
	Republic of France ¹ (EUR)	Republic of France ² (EUR)	Republic of Italy (EUR)	Kingdom of Norway (USD)	Kingdom of Norway (NOK)	Republic of South Africa (USD)	Kingdom of Spain (EUR)	Kingdom of Sweden (SEK)	United Kingdom (GBP)	Common- wealth of Australia (AUD)	State of the Netherlands (EUR)
15 October 2027								6,773,551			
31 March 2028									14,500,000		
15 April 2028								5,554,348			
15 October 2028								5,554,348			
31 March 2029									14,500,000		
15 April 2029								4,400,362			
15 October 2029								4,400,362			
31 March 2030									14,500,000		
Total	372,800,000	867,160,000	498,950,000	27,000,000	1,500,000,000	20,000,000	189,500,000	276,150,000	1,630,000,000	250,000,000	80,000,000

Notes:

- (1) The Republic of France, acting through its Agence Française de Développement.
- (2) The Republic of France, acting through the Ministry of the Economy, Industry and Employment.

IFFIm has selected a single operating currency, being USD. IFFIm, on the advice of the Treasury Manager, has entered into appropriate hedging agreements to limit, *inter alia*, the future impact of changes in currency and interest rates on the value of each Grant Agreement and currency and interest rate risks in respect of Notes issued under the Programme prior to the date of this Private Placement Memorandum. IFFIm may also, from time to time and on the advice of the Treasury Manager, enter into further hedging transactions to limit currency, interest rate and other risks, as applicable, in respect of, *inter alia*, further Notes issued under the Programme, any other liabilities it incurs or any additional Grant Payments to be received by IFFIm under Grant Agreements assigned to it by The GAVI Fund Affiliate (or, in respect of any Grant Agreement entered into after 8 February 2013, by the GAVI Alliance).

S&P downgraded the credit rating of IFFIm by one notch from AAA to AA+ with a negative outlook on 17 January 2012, following S&P's rating actions announced on 13 January 2012 for certain of the eurozone Grantors. On 5 March 2013, Moody's downgraded the credit rating of IFFIm by one notch from Aaa to Aa1, maintaining a negative outlook, following Moody's downgrade of the credit rating of the UK from Aaa to Aa1 on 22 February 2013. On 22 April 2013, Fitch downgraded the credit rating of IFFIm from AAA to AA+ in connection with its decision to downgrade the UK's credit rating from AAA to AA+. On 8 November 2013, S&P downgraded IFFIm's credit rating by one notch from AA+ to AA, with a stable outlook, following its downgrade of France's credit rating from AA+ to AA on the same day. On 6 August 2014, Moody's changed the outlook on the credit rating of IFFIm to stable (previously negative) based on improvement in major European sovereign Grantors' creditworthiness and Moody's revised assessment of a lower default correlation between euro area member states in the event of a very severe crisis. On 16 October 2014, Fitch placed the rating of IFFIm on negative rating watch when it also took the same action in respect of France's ratings. On 14 November 2014, S&P changed the outlook on the credit rating of IFFIm to negative (previously stable). As a result of these downgrades IBRD has the right to require IFFIm to post collateral under the hedging agreement between IFFIm and IBRD. Although IBRD has not exercised that right, agreement has been reached between IBRD and IFFIm to apply a percentage that will be deducted from the IFFIm Gearing Ratio Limit from time to time to manage the exposure of IBRD under the derivative transactions entered into between IFFIm and IBRD (the **Risk Management Buffer**). This Risk Management Buffer may be adjusted by the Treasury Manager in its sole discretion.

The Treasury Manager currently serves as IFFIm's sole hedging counterparty. Under the Treasury Management Agreement between IFFIm and the Treasury Manager, IFFIm may request the Treasury Manager to negotiate hedging agreements between IFFIm and hedging counterparties other than the Treasury Manager. Any such additional counterparties must be financial institutions which are approved by the Treasury Manager.

IFFIm also has established liquidity and investment policies based on recommendations made by the Treasury Manager. Under the liquidity policy, it will maintain a prudential minimum level of liquidity equivalent to its contracted debt service payments for the next twelve month period. Under the investment policy, IFFIm's liquidity will be invested in high-grade fixed-income instruments with interest rates matching those of the

liabilities funding the portfolio, except where the board of directors of IFFIm permits an interest rate duration mismatch between such liquidity and liabilities.

Grant Payment Conditionality

IFFIm has established a Reference Portfolio (as set out below) containing all of the GAVI Alliance Eligible Countries that are also members of the IMF. All countries are accorded a Country Weighting of 1 per cent. except for South Sudan and Sudan, which each have a Country Weighting of 0.5 per cent., Vietnam, which has a Country Weighting of 3 per cent., and Bangladesh, Congo DR, Ethiopia, India, Indonesia, Nigeria and Pakistan, which each have a Country Weighting of 5 per cent. These countries have been accorded a larger Country Weighting in the Reference Portfolio to reflect the expected larger value of programmes funded by IFFIm in those countries. The Country Weighting of each country in the Reference Portfolio may be used from time to time, as described below, to determine a reduction in the amount of Grant Payments due from the Grantors.

Under the terms of the Grant Agreements, a Grant Payment due from each Grantor will be reduced if, on or prior to the date which is 25 IBRD Business Days prior to the due date for such Grant Payment, the IMF has declared that any Specified Country in the Reference Portfolio is in Protracted Arrears in meeting any of its IMF Financial Obligations. In such circumstances, the Grant Payment Amount then due from the Grantors will be reduced by the Reduction Amount determined by the Treasury Manager according to the following formula:

$$A = B \times C$$

Where:

A is the Reduction Amount in respect of the Specified Country;

B is the Grant Payment Amount due and payable on the relevant date (ignoring any applicable Reduction Amount or Reduction Amounts); and

C is the Country Weighting applicable to the Specified Country in the Reference Portfolio set out below:

Specified Country	Country Weighting	Total Share
South Sudan, Sudan	0.5 per cent.	1 per cent.
Afghanistan, Angola, Armenia, Azerbaijan, Benin, Bhutan, Bolivia, Burkina Faso, Burundi, Cambodia, Cameroon, Central African Republic, Chad, Comoros, Congo, Republic of Côte d'Ivoire, Djibouti, Eritrea, The Gambia, Georgia, Ghana, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Kenya, Kiribati, Kyrgyzstan, Lao PDR, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Moldova, Mongolia, Mozambique, Myanmar, Nepal, Nicaragua, Niger, Papua New Guinea, Rwanda, São Tomé & Príncipe, Senegal, Sierra Leone, Solomon Islands, Somalia, Sri Lanka, Tajikistan, Tanzania, Timor-Leste, Togo, Uganda, Ukraine, Uzbekistan, Yemen Republic, Zambia, Zimbabwe	1 per cent.	61 per cent.
Vietnam	3 per cent.	3 per cent.
Bangladesh, Congo DR, Ethiopia, India, Indonesia, Nigeria, Pakistan	5 per cent.	35 per cent.
Total		100 per cent.

The Reference Portfolio will remain static throughout the life of the Programme. However, in the event of any secession from or consolidation of a Specified Country, and provided that any successor states are also members of the IMF, the Reference Portfolio and the Country Weightings will be adjusted accordingly.

If a Specified Country which has been in Protracted Arrears is subsequently no longer in Protracted Arrears, Grant Payments falling due after the date which is 25 IBRD Business Days after the date upon which the Specified Country ceases to be in Protracted Arrears shall not be so reduced by the Reduction Amount with respect to that Specified Country.

If one or more Specified Countries falls into Protracted Arrears and the Grant Payments are subsequently reduced, the funds available to IFFIm for the purposes of repaying principal and paying interest on the Notes and for the purposes of performing its obligations under the IFFIm Transaction Documents will be reduced. In order

to mitigate the impact of one or more Specified Countries falling into Protracted Arrears on IFFIm's ability to meet its obligations under the Notes and the IFFIm Transaction Documents, IFFIm maintains the IFFIm Gearing Ratio Limit. The Treasury Manager, on behalf of IFFIm, is obliged to monitor compliance with this limit and to ensure that additional programmes are not approved by IFFIm for funding which would, in the determination of the Treasury Manager, lead to it being breached.

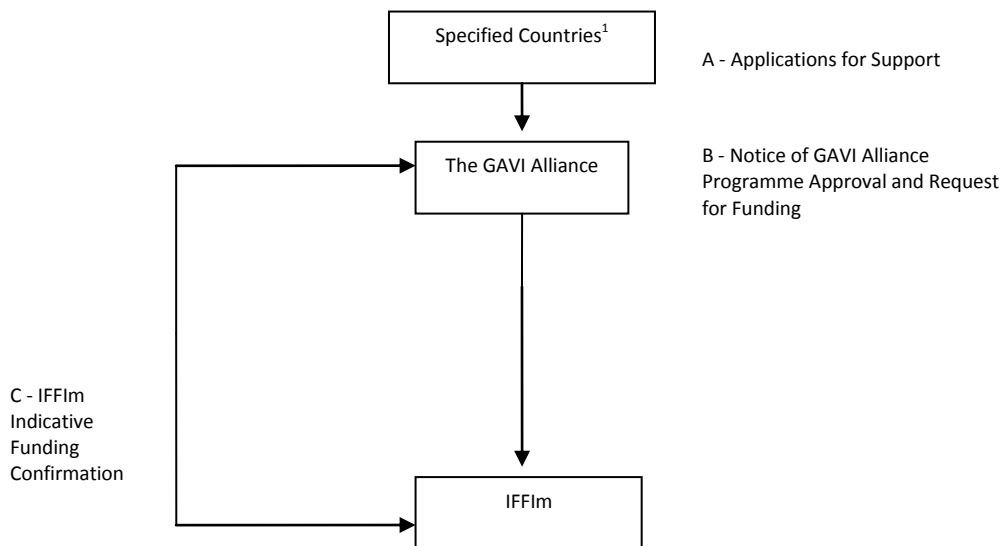
Prospective investors should note that, as at the date of this Private Placement Memorandum, the following Specified Countries are in Protracted Arrears: Somalia, Sudan and Zimbabwe. Should some or all of them remain in Protracted Arrears as at the Relevant Date for any Grant Payment, then the amount of such Grant Payment will be reduced in the manner described above.

In July 2011, South Sudan seceded from Sudan and became an independent state. In April 2012, South Sudan became a member of the IMF. In accordance with the Finance Framework Agreement, the GAVI Alliance, in consultation with IFFIm and with the prior approval of the Treasury Manager, amended the Reference Portfolio to reflect the secession of South Sudan by allocating a revised Country Weighting to Sudan and a Country Weighting to South Sudan, each as set out in the table above.

The Activities of IFFIm — Part 1. Programme Approval Procedure

From time to time, IFFIm receives requests from the GAVI Alliance to approve funding for immunisation and/or vaccine procurement programmes, for the benefit of any of the 71 Specified Countries included in the Reference Portfolio. IFFIm, having considered, *inter alia*, whether such funding would meet its charitable objectives and would not contravene its Memorandum and Articles of Association, and whether such funding would meet certain financial parameters, may approve such programmes. The programmes are originated as follows:

The Programme Approval Procedure



Note:

(1) The GAVI Alliance may also propose programmes which are non-country specific.

A Applications for Support

Applications for financial support for immunisation, related health system strengthening and vaccine procurement programmes are made by Eligible Countries. Such applications are made using a standard GAVI Alliance application form, and are to be accompanied by specific supporting documents satisfactory to the GAVI Alliance.

There are also certain programmes considered by the GAVI Alliance which do not relate to a specific country. These may, for example, be programmes to create emergency stockpiles of vaccines or for campaigns against disease outbreaks threatening multiple countries.

B Notice of GAVI Alliance Programme Approval and Request for Funding

All applications received from Eligible Countries are initially screened by the GAVI Alliance for completeness and compliance with the GAVI Alliance's mandatory requirements and to confirm that such application is from an Eligible Country. Thereafter, each application from an Eligible Country undergoes a pre-assessment to examine consistency of information in such application, validity of data provided and other relevant factors to produce a written pre-assessment report. Each application is then reviewed by an Independent Review Committee (IRC), made up of independent, technical experts in a wide range of areas such as public health, epidemiology, development, finance and economics. The IRC may recommend to the GAVI Alliance that a particular application be approved, conditionally or unconditionally, or rejected. The GAVI Alliance then considers each application in the light of the IRC's recommendation and report, and considers whether to issue an approval and request for funding.

Though focused generally on supporting programmes arising under applications from Eligible Countries (including the strengthening of health system services), the GAVI Alliance also provides support on the basis of Non-Country Specific Applications in order to address immunisation objectives and needs which cannot be met through the country-specific support process. Non-country specific programmes may also be able to benefit from funding by IFFIm. Examples include the increase of vaccine security and affordability in multiple countries by means of emergency stockpiles and other collective purchase mechanisms, provision of technical assistance to facilitate rapid scale-up of immunisation services in multiple countries and expanded use of safe and cost-effective vaccines.

Non-Country Specific Applications may be solicited or commissioned by the GAVI Alliance. In the past such applications have been prepared and submitted to the GAVI Alliance by international, national and regional organisations, non-governmental organisations, research institutions, foundations, and national agencies, as well as by consortiums of such entities.

Non-Country Specific Applications are normally evaluated by an ad-hoc group constituted by the GAVI Alliance, or by an IRC. The GAVI Alliance decides whether to approve each such application on the basis of the report presented by the evaluation group or IRC, and its consideration as to whether the project is consistent with the strategic goals of the GAVI Alliance.

The GAVI Alliance updates its long-term financial projections for expenditures, incomes and cashflow plans on a regular basis, and specifically when new programme budgets are being assessed for funding approval. As part of these projections, the GAVI Alliance will ascertain the level of funding required from IFFIm Disbursements. In making this determination, the GAVI Alliance will consider the relative financial efficiencies as between IFFIm Disbursements and all other sources of funding available to it.

After ensuring that the programme is consistent with the provisions of its statutes and with its status as a non-profit foundation in Switzerland, the GAVI Alliance issues a request for funding through disbursements from IFFIm for all or part of the applicable budget required to fund the relevant programme (which is in the form of a Notice of GAVI Alliance Programme Approval and Request for Funding, being a standard form document appended to the Procedures Memorandum).

C IFFIm Indicative Funding Confirmation

IFFIm considers each GAVI Alliance Programme Approval and Request for Funding presented to it in light of, *inter alia*, its charitable status and the provisions of its Memorandum and Articles of Association. It also considers, in consultation with the Treasury Manager, various parameters upon its borrowing, including the maximum cumulative amount of programmes which it may agree to approve for funding in any one financial year, as set out in the Finance Framework Agreement, its funding strategy, its liquidity policy, its risk management policy and the IFFIm Gearing Ratio Limit.

If IFFIm decides to approve a GAVI Alliance Programme Approval and Request for Funding, it issues an IFFIm Indicative Funding Confirmation (being a standard form document appended to the Procedures Memorandum), and the programme so approved will become, and be known as, an Approved Programme.

IFFIm is subject to a limit on the value of programmes which may become Approved Programmes in any one year under the Finance Framework Agreement. The maximum cumulative value of proposed programmes which, subject to, *inter alia*, the application of the IFFIm Gearing Ratio Limit, IFFIm's funding strategy, liquidity and risk management policies, may be approved such that they become Approved Programmes during any calendar year (being the IFFIm Programme Capacity for the relevant year, or (in the case of 2006-2007) period, from 2006 to 2015 (inclusive)) is as follows:

<u>Calendar year/period</u>	<u>Maximum amount of new Approved Programmes (U.S.\$)</u>	<u>Cumulative maximum amount of Approved Programmes (U.S.\$)</u>
2006-2007	1,050 million	1,050 million
2008	500 million	1,550 million
2009	450 million	2,000 million
2010	425 million	2,425 million
2011	400 million	2,825 million
2012	350 million	3,175 million
2013	325 million	3,500 million
2014	300 million	3,800 million
2015	200 million	4,000 million

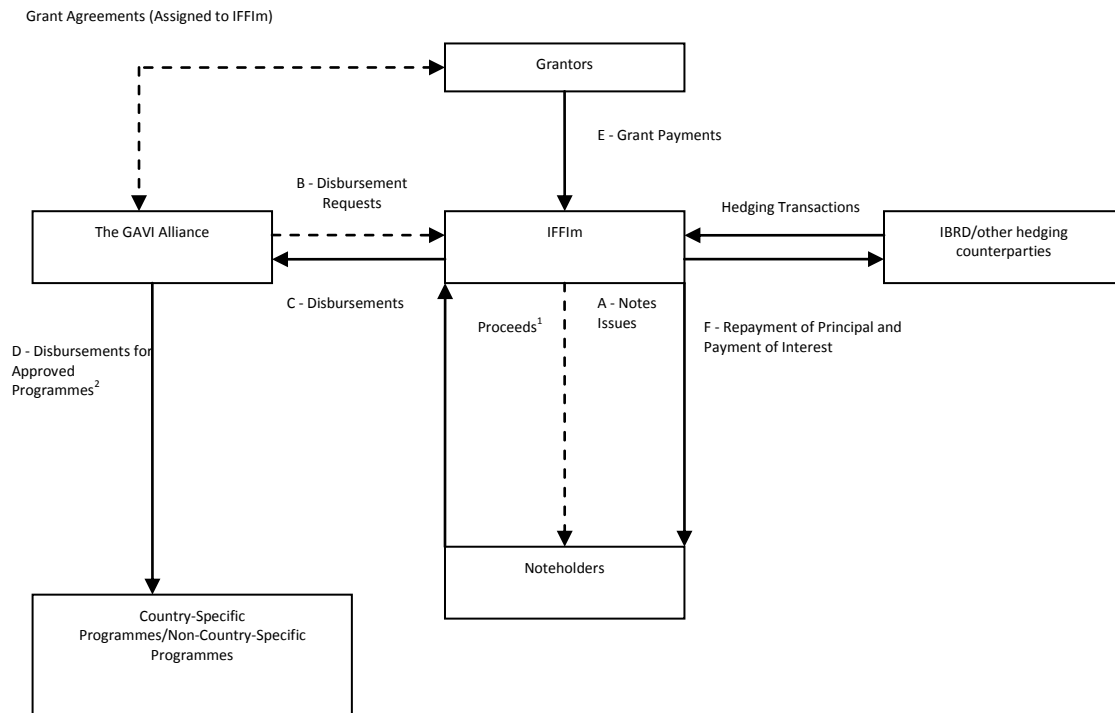
If the cumulative value of Approved Programmes approved in any calendar year, or (in the case of 2006-2007) period, is below the maximum amount, the difference will be added to the capacity for the subsequent calendar year.

A further schedule may be established between, *inter alios*, IFFIm, the Treasury Manager and the Grantors for the years following 2015, by no later than 1 January 2016. If the relevant parties agree, it is intended that the first such schedule will address IFFIm Programme Capacity for the years 2016 to 2025, and a further schedule may be agreed thereafter, if required.

Prospective investors should also note that IFFIm, under the Finance Framework Agreement, is not permitted to approve any programme for funding unless it is rated "AA" or equivalent (or such other credit rating as may be proposed to the Grantors by IFFIm in consultation with the Treasury Manager and which credit rating has been consented to by each of the Grantors in writing) by at least two of Fitch, Moody's and S&P. For further information regarding recent developments relating to IFFIm's credit rating, see "*Description of IFFIm – Rating*".

The diagram below illustrates, *inter alia*, the cashflow between IFFIm, the Grantors and the other main parties.

The Activities of IFFIm — Part 2. Programme Funding



Notes:

- (1) Proceeds flow to the IFFIm Account held with, and maintained by, the Treasury Manager.
- (2) Funds are disbursed by the GAVI Alliance to the relevant Approved Programme.

A Issuance of Notes under the Programme

Prior to the first day of each Relevant Funding Period, the Treasury Manager assesses, on behalf of IFFIm, the aggregate of IFFIm's payment obligations during the forthcoming Relevant Funding Period, being the IFFIm Financial Requirements for such period. These include, *inter alia*, IFFIm's obligations to fund disbursements under Approved Programmes, to make repayments of principal and payments of interest on outstanding Notes under the Programme, to make payments under Other Debt Instruments, to make payments due in respect of or in connection with any Derivatives Transactions entered into by it, and to meet fees and pay applicable expenses.

The Treasury Manager also assesses the aggregate of all funds available to IFFIm prior to the first day of each such Relevant Funding Period, including, *inter alia*, funds held in its bank accounts, any payments due to it in respect of IFFIm's liquid asset investments (if any), and the amounts due to be paid to it by Grantors under the Grant Agreements in the Relevant Funding Period, together being the IFFIm Aggregate Available Funds.

The amount of funding required by IFFIm for each Relevant Funding Period is therefore the amount by which the IFFIm Financial Requirements exceed the IFFIm Aggregate Available Funds, being the IFFIm Required Funding.

In making the assessment of the IFFIm Required Funding for a Relevant Funding Period, the Treasury Manager also calculates whether the raising of funds to meet the IFFIm Required Funding would cause IFFIm to breach the IFFIm Gearing Ratio Limit, or act in a manner inconsistent with the funding and other strategies of IFFIm, in which case it holds over any Disbursement Requests from the GAVI Alliance until such time as the funding of such Approved Programmes would not lead to a breach of the IFFIm Gearing Ratio Limit or an inconsistency with such strategies.

Following the assessments by the Treasury Manager described above, the Treasury Manager effects the issuance of Notes under the Programme, or the Issuance of Other Debt Instruments or borrows funds under Loans as necessary to meet the IFFIm Required Funding, or the IFFIm Required Funding as reduced by the amount necessary to account for any Disbursement Requests held over as described

above, for such Relevant Funding Period. The proceeds of each issuance are held in the IFFIm Account maintained with IBRD pursuant to the Treasury Management Agreement pending payment pursuant to a Disbursement Request from the GAVI Alliance (subject to such proceeds being able to be used by IFFIm in the interim, *inter alia*, to meet principal and interest payment obligations under the Notes, any Other Debt Instruments and any Loans, to meet payments due in respect of Derivative Transactions, and to meet expenses and pay applicable fees).

Based on the current Grant Payments, it is expected that IFFIm may raise up to U.S.\$4 billion (net of refinancing of Notes, Other Debt Instruments or Loans) over the period from 2006 until 2015 (inclusive). The annual funding volume, choice of instrument and method of offering will vary depending on the need for funds for Approved Programmes in Specified Countries.

IFFIm and its Treasury Manager intend to seek the best overall value for IFFIm and the Grant Payments on a sustained basis, and to ensure reliable and predictable funding to countries for immunisation and/or vaccine procurement programmes. To achieve this, IFFIm will issue Notes to institutional and/or retail investors through financial intermediaries, and will carry out a variety of transactions ranging from larger, more liquid issues of Notes with broad placement, to smaller Note issues targeted to specific investor groups.

B/C Disbursement Requests and Disbursement to the GAVI Alliance

From time to time, when the GAVI Alliance requires a payment in respect of an Approved Programme (see above), it submits to IFFIm a Disbursement Request, containing details, *inter alia*, of the amount requested for disbursement and the Approved Programme to which it relates.

During any Relevant Funding Period, provided that the Treasury Manager is satisfied that funds held in the IFFIm Account and other financial resources of IFFIm will be sufficient to meet the aggregate anticipated requirements of IFFIm during such Relevant Funding Period, the Treasury Manager (on behalf of IFFIm), subject to the provisions of the Finance Framework Agreement, promptly transfers from the IFFIm Account to the GAVI Alliance amounts necessary to meet (i) any Disbursement Request submitted with respect to any previous Relevant Funding Period that has not previously been satisfied in full and thereafter (ii) any Disbursement Request submitted by the GAVI Alliance to IFFIm on or before the last business day of the preceding Relevant Funding Period.

D Disbursements to Approved Programmes

The GAVI Alliance makes the necessary disbursements for the relevant Approved Programmes in accordance with the terms of the Finance Framework Agreement as soon as reasonably practicable after receipt of relevant funds.

E/F Payment of Principal and Interest on the Notes

IFFIm applies the proceeds of the Grant Payments received by it from the Grantors under the Grant Agreements assigned to it, *inter alia*, to make repayments of principal and payments of interest on any outstanding Notes issued by it under the Programme and on Other Debt Instruments.

Programme Monitoring

GAVI Alliance financial support for Approved Programmes is given subject to strict performance monitoring by the GAVI Alliance that is designed to track the progress achieved in the previous year, to declare planned targets for the following year and to verify the sustainability of existing financing sources. IFFIm is under no obligation to monitor Approved Programmes.

The Activities of IFFIm — Part 3. Miscellaneous

Restrictions

Investors should note that the Finance Framework Agreement contains certain covenants of IFFIm which restrict its activities. IFFIm agrees, *inter alia*, to use all reasonable endeavours to maintain its status as a registered charity, to maintain its residence and management in the United Kingdom, not to engage in other business beyond that contemplated in the Finance Framework Agreement, Procedures Memorandum and related documents, not to incur indebtedness for borrowed money other than as permitted under such agreements, not to have any subsidiaries, not to own or acquire any real property and not to transfer, assign or otherwise dispose of in any manner whatsoever (whether absolutely or by way of security) any of its rights, title, benefit or interest assigned to it under the Deeds of Assignment, or create any mortgage, charge or other security or right of recourse in respect thereof, save to the extent permitted in accordance with the relevant Grant Agreement.

Relevant Events and Suspension of Operations

The Finance Framework Agreement contains provisions permitting the Majority Grantors to oblige IFFIm to suspend, temporarily or permanently, the disbursement of funds to the GAVI Alliance in certain circumstances, each known as a Relevant Event. These include (but are not limited to) IFFIm ceasing to be a registered charity under the laws of England and Wales, the insolvency of IFFIm, and the GAVI Alliance's strategic goals for the advancement of immunisation not being met in a materially adverse way, as such goals are set out in the Procedures Memorandum.

During a temporary suspension of operations at the request of the Majority Grantors, no funds may be disbursed by IFFIm to the GAVI Alliance in respect of any Approved Programmes if the Majority Grantors have notified IFFIm and the Treasury Manager that disbursements to such Approved Programme are to be suspended pending remedy of the applicable Relevant Event. However, during any temporary suspension of operations, IFFIm will continue to make disbursements as necessary to service payments of principal and interest on the Notes, Other Debt Instruments and any Loans, make payments due in respect of Derivatives Transactions, and meet expenses and pay fees. A period of up to 60 days is permitted for the parties to use all reasonable endeavours to remedy a Relevant Event which has resulted in a temporary suspension of operations.

Following the elapse of such a period, and if the Relevant Event cannot be remedied to the satisfaction of the Majority Grantors, then they may decide to permanently suspend IFFIm's operations. In that event, IFFIm shall (save as permitted in the Finance Framework Agreement) suspend permanently its operations in respect of disbursements from its bank account, and forthwith cease all activities, except those incidental to the orderly realisation, conservation, and preservation of its assets and settlement of its obligations. As a result, no new GAVI Alliance programmes will then be approved to become Approved Programmes and IFFIm will cease disbursements to the GAVI Alliance in respect of Approved Programmes.

A temporary or permanent suspension of operations does not change, reduce, suspend or alter in any way the Grantors' obligations to make the scheduled payments under their Grant Agreements, which must continue until such time as the Treasury Manager has notified the Grantors that all outstanding Notes and any other debts owed by IFFIm, have been met in full. Following a notice of permanent suspension, IFFIm may not issue any further Notes or Other Debt Instruments or borrow further Loans, except as necessary to refinance Notes or Other Debt Instruments and Loans that mature or are otherwise redeemed.

Once IFFIm and the Treasury Manager are satisfied that all creditors of IFFIm (including holders of Notes) have been fully discharged, any funds remaining to the credit of the IFFIm Account shall be applied, following consultation, towards the charitable purposes of IFFIm in accordance with the provisions of IFFIm's Memorandum and Articles of Association and provisions of applicable law.

Any of the Grantors may notify the other parties to the Finance Framework Agreement that:

- (a) (i) it has become, or (ii) it is likely to become, required to make additional payments in accordance with the terms of a Grant Agreement in order to ensure that Grant Payments are made without deduction or withholding on account of tax in that Grantor's jurisdiction or to meet an indemnity obligation in respect of tax; or
- (b) any unanticipated liability to taxation (i) has arisen, or (ii) is likely to arise, under any applicable jurisdiction in relation to the activities of the GAVI Alliance or IFFIm; or
- (c) a material adverse change in the national or international accounting or regulatory treatment of such Grantor's commitments under a Grant Agreement (i) has occurred or (ii) is likely to occur.

If any such notification is given, the parties to the Finance Framework Agreement shall enter into negotiations in good faith with a view to agreeing a restructuring of the transactions described in the IFFIm Transaction Documents and any amendments to the IFFIm Transaction Documents which are necessary as a result of such restructuring, provided that no such restructuring shall take effect (A) unless and until each of the Applicable Rating Agencies has confirmed in writing that the rating of IFFIm's outstanding Notes, Other Debt Instruments and/or Loans will not be adversely affected by such amendments or (B) if in the reasonable opinion of the Treasury Manager, such restructuring would (i) impair IFFIm's ability to meet its anticipated disbursements and debt service requirements in respect of Notes, Other Debt Instruments and Loans outstanding at the time of that Grantor's request or to meet its other commitments, expenses, liabilities or other requirements of the type specified in the Finance Framework Agreement; or (ii) materially impair the overall financial efficiency of IFFIm.

If, however, the parties are unable to agree amendments to the IFFIm Transaction Documents, then the Majority Grantors may determine that a permanent suspension of operations of IFFIm should occur, notwithstanding that no Relevant Event has occurred.

If such notification is a notification referred to in (a)(i), (b)(i) or (c)(i) above then, notwithstanding that no Relevant Event has occurred, the Majority Grantors may temporarily suspend the operations of IFFIm prior to entering into any such negotiations, on the basis that such temporary suspension shall begin on the date of such notification by the Majority Grantors to each of the other parties hereto and shall end on (and include) the date on which either (i) a permanent suspension of operations has occurred or (ii) the restructuring and amendments referred to shall have come into effect.

Management of IFFIm

The directors of IFFIm, and their principal activities outside IFFIm are:

Name	Position	Other Principal Activities
Dr. René Karsenti	Chairman of the board of Directors	President of ICMA; former Director General of Finance, European Investment Bank; and first Treasurer of EBRD
Cyrus Ardalan	Director	Vice Chairman, Head of UK and EU Public Policy and Government Relations at Barclays Bank plc; Chairman of the Board of ICMA; Chairman of BBA Strategy Group; Honorary Adviser to NAFMII; former Vice Chairman of Barclays Capital
Didier J. Cherpitel	Director	Former Managing Director, JP Morgan (London and Paris); and former Secretary General and Chief Executive Officer, International Federation of Red Cross and Red Crescent Societies, Geneva
Christopher Egerton-Warburton	Director	Partner, Lion's Head Global Partners; former Head of Sovereign, Supranational and Agency within the Debt Capital Markets group at Goldman Sachs International
Marcus Fedder	Director	Former Vice Chair and Head of Europe and Asia-Pacific, TD Securities, Toronto Dominion Bank; former Treasurer, EBRD; worked at the World Bank, and in derivatives, starting his career at Deutsche Bank

The GAVI Alliance, as the sole member of IFFIm, currently has the power under IFFIm's Articles of Association to appoint directors by ordinary resolution. The directors of IFFIm may appoint any person to be a director to fill a casual vacancy and any director so appointed shall hold office until removed using the relevant procedure as set out in the Articles of Association. The directors have commenced a board refreshment process which will result in new directors joining the IFFIm board as some of the current directors conclude their terms.

IFFIm's Articles of Association contain provisions for directors ceasing to hold office in certain circumstances, including (but not limited to) a director ceasing to be a director by virtue of any provision of the Companies Act, a director's incapacity due to illness or injury, and resignation of a director by notice (provided that at least three directors remain in office following the effective date of such resignation). The Articles of Association of IFFIm also contain additional provisions for the appointment of further directors, and the retirement of existing directors.

The sole member of IFFIm has undertaken, and each further member will be required to undertake, to contribute to IFFIm's assets if it should be wound up while that person is a member, or within one year after that person ceases to be a member, for the payment of IFFIm's debts and liabilities contracted before that person ceases to be a member, and of the costs, charges and expenses of winding up of IFFIm, and for the adjustment of the right of the contributories among themselves, such amount as may be required, not exceeding £10.

The business address of each of the directors is the same as the registered office of IFFIm.

IFFIm's Business and Objects

IFFIm's primary activities are to (i) act as issuer of Notes under the Programme and (ii) enter into the IFFIm Transaction Documents to which it is a party and to perform its obligations pursuant to each of them. Since its

date of incorporation, IFFIm has not carried on any other business or activities other than those incidental to its registration and other matters described or contemplated in this Private Placement Memorandum.

The objects of IFFIm, as set out at paragraph 3 of its Memorandum of Association, are to promote the effective use of the resources of The GAVI Fund Affiliate and other charities and independent organisations established for purposes that benefit the community as a whole, or a significant section of the community, and which are not permitted by their constitution to make a profit for private distribution, in each case supported by or associated with the GAVI Alliance for the relief of sickness and the promotion, protection and preservation of good health among people in developing countries for the benefit of the public, by providing certain services and facilities, which will assist such charities and organisations (including The GAVI Fund Affiliate) to raise funds.

As set out under "*The International Finance Facility for Immunisation—IFFIm*", the relevant EU Directive provides that supervisory regulatory authorities may allow banks to apply a 0 per cent. risk weighting to their exposure to IFFIm, as if it were a Multilateral Development Bank.

Rating

IFFIm is currently rated AA (negative)/Aa1 (stable)/AA+ (negative) by S&P, Moody's and Fitch respectively. These ratings reflect the following decisions:

On 19 December 2011, Fitch changed the outlook on the credit rating of IFFIm to negative when it also changed France's ratings outlook to negative. S&P downgraded the credit rating of IFFIm by one notch from AAA to AA+ with a negative outlook on 17 January 2012, following S&P's rating actions announced on 13 January 2012 for certain of the eurozone Grantors. On 5 March 2013, Moody's downgraded the credit rating of IFFIm by one notch from Aaa to Aa1, maintaining a negative outlook, following Moody's downgrade of the credit rating of the UK from Aaa to Aa1 on 22 February 2013. On 22 April 2013, Fitch downgraded the credit rating of IFFIm from AAA to AA+ in connection with its decision to downgrade the UK's credit rating from AAA to AA+. On 8 November 2013, S&P downgraded IFFIm's credit rating by one notch from AA+ to AA, with a stable outlook, following its downgrade of France's credit rating from AA+ to AA on the same day. On 6 August 2014, Moody's changed the outlook on the credit rating of IFFIm to stable (previously negative) based on improvement in major European sovereign Grantors' creditworthiness and Moody's revised assessment of a lower default correlation between euro area member states in the event of a very severe crisis. On 16 October 2014, Fitch placed the rating of IFFIm on negative rating watch when it also took the same action in respect of France's ratings. On 14 November 2014, S&P changed the outlook on the credit rating of IFFIm to negative (previously stable).

A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the assigning rating agency at any time.

Principal Activities of IFFIm

Funding

As at the date of this Private Placement Memorandum, IFFIm has issued the following Notes under the Programme and has issued the Notes referred to below as ANZ 1 under its Australian and New Zealand Medium-Term Note Programme:

Series	Date	Notes
1	14 November 2006	U.S.\$1,000,000,000 5.00 per cent. fixed coupon Notes due 14 November 2011
2	18 March 2008	ZAR1,700,000,000 9.90 per cent. fixed coupon Notes due 18 March 2010
3	19 February 2009	AUD45,000,000 2.60 per cent. fixed coupon Notes due 21 February 2012
4	19 February 2009	ZAR3,170,000,000 6.26 per cent. fixed coupon Notes due 21 February 2012
5	19 February 2009	NZD179,000,000 2.65 per cent. fixed coupon Notes due 21 February 2012
6	15 May 2009	GBP16,227,290 Zero Coupon Notes (paying 116.2 per cent. on maturity) due 13 June 2014
7	15 May 2009	GBP250,000,000 3.375 per cent. fixed coupon Notes due 15 May 2014
8	27 May 2009	U.S.\$105,000,000 1.00 per cent. fixed coupon Notes due 25 May 2012
9	27 May 2009	AUD50,000,000 3.51 per cent. fixed coupon Notes due 25 May 2012
10	24 June 2009	AUD70,592,000 4.36 per cent. fixed coupon Notes due 24 June 2013
11	24 June 2009	ZAR239,000,000 6.85 per cent. fixed coupon Notes due 24 June 2013

12	24 June 2009	ZAR800,000,000 0.50 per cent. fixed coupon discounted Notes due 24 June 2024
13	23 March 2010	ZAR2,500,000,000 7.15 per cent. fixed coupon Notes due 27 March 2013
14	28 June 2010	AUD17,200,000 4.77 per cent. fixed coupon Notes due 27 June 2014
15	28 June 2010	BRL103,300,000 8.30 per cent. fixed coupon Notes due 27 June 2014
16	28 June 2010	ZAR430,000,000 0.50 per cent. fixed coupon discounted Notes due 29 June 2020
17	15 October 2010	AUD35,000,000 5.50 per cent. fixed coupon Notes due 15 October 2015
18	30 March 2011	BRL371,100,000 7.81 per cent. fixed coupon Notes due 24 March 2014
19	28 September 2011	BRL105,000,000 6.00 per cent. fixed coupon Notes due 26 September 2014
20	29 September 2011	ZAR650,000,000 6.10 per cent. fixed coupon Notes due 29 September 2016
21	29 September 2011	AUD12,000,000 3.40 per cent. fixed coupon Notes due 30 September 2015
22	28 June 2012	AUD11,500,000 3.15 per cent. fixed coupon Notes due 28 December 2016
23	28 June 2012	ZAR520,000,000 0.50 per cent. fixed coupon discounted Notes due 29 June 2027
24	28 June 2012	ZAR471,000,000 4.21 per cent. fixed coupon Notes due 29 June 2015
25	30 July 2012	AUD38,000,000 3.10 per cent. fixed coupon Notes due 24 July 2017
26	27 March 2013	ZAR801,000,000 5.31 per cent. fixed coupon Notes due 19 March 2018
27	27 March 2013	TRY90,000,000 5.34 per cent. fixed coupon Notes due 19 March 2018
28	3 July 2013	U.S.\$700,000,000 floating rate Notes due 5 July 2016
ANZ 1	8 December 2010	AUD400,000,000 5.75 per cent. fixed coupon Notes due 8 December 2015

Disbursements to The GAVI Fund Affiliate, the GAVI Alliance, and Approved Programmes

During the calendar year 2006, IFFIm Indicative Funding Confirmations were issued approving aggregate disbursements to The GAVI Fund Affiliate of approximately U.S.\$861 million of which approximately U.S.\$525 million was actually disbursed.

During the calendar year 2007, IFFIm Indicative Funding Confirmations were issued approving aggregate disbursements to The GAVI Fund Affiliate of approximately U.S.\$186 million and approximately U.S.\$428 million was actually disbursed.

During the calendar year 2008, IFFIm Indicative Funding Confirmations were issued approving aggregate disbursements to The GAVI Fund Affiliate of approximately U.S.\$325 million and approximately U.S.\$273 million was actually disbursed.

During the calendar year 2009, IFFIm Indicative Funding Confirmations were issued approving aggregate disbursements to The GAVI Fund Affiliate of approximately U.S.\$620 million and approximately U.S.\$330 million was actually disbursed.

During the calendar year 2010, IFFIm Indicative Funding Confirmations were issued approving aggregate disbursements to The GAVI Fund Affiliate of approximately U.S.\$400 million and approximately U.S.\$320 million was actually disbursed.

During the calendar year 2011, IFFIm Indicative Funding Confirmations were issued approving aggregate disbursements to The GAVI Fund Affiliate of approximately U.S.\$200 million and approximately U.S.\$300 million was actually disbursed.

During the calendar year 2012, IFFIm Indicative Funding Confirmations were issued approving aggregate disbursements to The GAVI Fund Affiliate of approximately U.S.\$390 million and approximately U.S.\$100 million was actually disbursed.

During the calendar year 2013, no IFFIm Indicative Funding Confirmations were issued to either The GAVI Fund Affiliate or the GAVI Alliance and approximately U.S.\$200 million was actually disbursed.

As at the date of this Private Placement Memorandum, the total amount of IFFIm Indicative Funding Confirmations which have been issued to The GAVI Fund Affiliate and the GAVI Alliance approving aggregate disbursements is approximately U.S.\$2,983 million of which approximately U.S.\$2,476 million has actually been disbursed. The following sections provide summaries of the immunisation and vaccine procurement programmes approved by IFFIm.

Country Specific Programmes:

Governments of Eligible Countries apply for vaccine procurement, immunisation and HSS support by submitting applications to the GAVI Alliance. Once it has reviewed and approved the applications, the GAVI Alliance requests funding from the IFFIm structure. IFFIm funds have supported the following GAVI Alliance Country Specific programmes:

New and Underused Vaccine Support (NVS): The GAVI Alliance supports developing countries in introducing vaccines and associated vaccine technology. The GAVI Alliance's support is aimed at accelerating the countries' vaccine uptake and improving their vaccine supply security. NVS programmes funded by IFFIm related primarily to the following diseases:

Diphtheria: This is a bacterial infection transmitted from person to person through close physical and respiratory contact. The disease can be fatal. Between 5 per cent. and 10 per cent. of diphtheria patients die, even if properly treated. If left untreated, the disease claims even more lives.

Haemophilus Influenzae Type B or Hib: This is a bacterial infection estimated to be responsible for some three million serious illnesses and an estimated 386,000 deaths per year, mainly through meningitis and pneumonia. Almost all victims are children under the age of five.

Hepatitis B: This is a viral infection that attacks the liver and can cause both acute and chronic disease. Approximately 2 billion people worldwide have been infected with the virus and more than 350 million live with chronic infection. Approximately 600,000 people die each year due to the acute or chronic consequences of hepatitis B. About 25 per cent. of adults who become chronically infected during childhood later die from liver cancer or cirrhosis (scarring of the liver) caused by the chronic infection.

Human Papillomavirus: This is the leading cause of cervical cancer and the second most common cancer in women worldwide. Of the estimated 275,000 women who die each year from cervical cancer, more than 85 per cent. are from developing countries, where women often lack access to cervical cancer screening and treatment. In GAVI-supported countries, cervical cancer is the leading cause of cancer deaths among women. Without changes in prevention and control, cervical cancer deaths are expected to increase to 430,000 each year by 2030, virtually all in developing countries. HPV vaccines can protect against 70 per cent. of cervical cancer, and together with screening and treatment could prevent most cervical cancer. However, in developing countries where women often lack access to those services, vaccines are critical to prevention.

Measles: This is a highly contagious virus, whose symptoms include a high fever, severe skin rash, and a cough. Measles still kills an estimated 164,000 people each year, mostly children under five years of age. Because it is so contagious, measles remains a significant threat to child health even in those areas where the rates of measles are reduced. By weakening the immune system, measles can also lead to other health problems such as pneumonia, blindness, diarrhoea, and encephalitis.

Meningitis A: This disease causes epidemics which threaten the lives of 450 million people living in the meningitis belt, which stretches through 26 African countries from Gambia in the west to Eritrea in the east. The disease causes a painful inflammation of the lining around the brain and the spine that can kill people within 24 to 48 hours. Those who survive often face severe learning difficulties, deafness, or amputated limbs. Children and young adults are most at risk.

Pertussis: Also known as whooping cough, pertussis is a disease of the respiratory tract caused by bacteria that live in the mouth, nose, and throat. Many children who contract pertussis have coughing spells that last four to eight weeks. The disease is most dangerous in infants. WHO estimated that pertussis caused 195,000 deaths in 2008.

Pneumococcal Disease: This is a bacterial infection. Each year, pneumococcal disease takes the lives of up to one million children under five years of age, making it the leading vaccine-preventable cause of death among young children. The most effective way to prevent these deaths is to ensure access to effective, safe and affordable vaccines. Approximately 800,000 children under five years of age die each year from this disease.

Rotavirus: This virus is the leading cause of severe and fatal diarrhoea in children under five years of age. WHO estimates that more than 450,000 children under five die from rotavirus infection each year. Nearly every child in the world will suffer a rotavirus infection by their third birthday. While rotavirus infects children in every country, more than 95 per cent. of rotavirus deaths occur in low-income countries in Africa and Asia, where access to treatment for severe rotavirus-related diarrhoea is limited or unavailable.

Rubella: This is also known as "German measles". While very contagious it causes relatively mild disease in children. More than 100,000 children are born with the birth defects (blindness, deafness and heart defects), known as Congenital Rubella Syndrome (CRS), each year – of which 90,000 live in Eligible Countries. The vaccine has been available since the 1970s and no longer poses a threat in many countries, but it remains underused in some regions, particularly Africa and South Asia. Working with the Measles & Rubella Initiative, GAVI is introducing the rubella vaccine in combination with measles.

Tetanus: Also known as lockjaw, tetanus is a bacterial infection. Tetanus affects newborn babies and their mothers, usually as a result of unsafe delivery in unhygienic conditions, often without skilled birth attendants. WHO estimated that tetanus caused 59,000 deaths in 2008.

Yellow Fever: This is a viral disease that has caused large epidemics in Africa and the Americas. Infection causes a wide spectrum of disease, from mild symptoms to severe illness and death. Although an effective vaccine has been available for 60 years, the number of people infected over the last two decades has increased and yellow fever is again a serious public health issue.

Injection Safety Support (INS) programmes: GAVI Alliance contributes to the provision of auto-disable syringes, reconstitution syringes and safety boxes. These syringes and safety boxes facilitate the administering of vaccines in developing countries.

Immunisation Services Support (ISS) programmes: GAVI Alliance provides developing countries with flexible reward payments for strengthening their immunisation systems. These payments are subject to strict performance requirements and GAVI Alliance works with governments and inter-agency coordinating committees to set goals and monitor progress.

Health System Strengthening (HSS) programmes: The objective of HSS programmes is to achieve and sustain increased immunisation coverage, through strengthening the capacity of countries' systems to provide immunisation and other health services. Countries are encouraged to use HSS funding to target the "bottlenecks" or barriers in their health systems.

Vaccine Introduction Grant: Recognising that introduction of a new vaccine can imply additional costs for a country's health system, GAVI provides additional support to bridge this resource gap. This support takes the form of an upfront cash grant and is used by implementing countries to pay for costs such as training, social mobilisation, programme management surveillance and monitoring.

Investment Cases

From time to time, IFFIm funds one-time tactical investments in disease prevention and control. These investments are made through GAVI partners such as the United Nations Children's Fund (UNICEF) and WHO. Each investment targets a disease that constrains progress towards the United Nations Millennium Development Goals for improved child and maternal health. To date, IFFIm has helped to fund the following investment cases:

Yellow Fever Stockpiles: GAVI supported the creation and maintenance of yellow fever vaccine stockpiles to ensure that vaccines are ready for deployment as soon as an outbreak is identified. The stockpiles also help to secure supply for routine programmes. IFFIm funds were used for both outbreak response and preventative campaigns.

Polio Eradication: GAVI supported intensified eradication activities that were implemented to interrupt wild and vaccine-derived poliovirus transmission. These activities included sustaining polio surveillance and laboratory activities, improving social mobilisation and enhancing technical assistance.

Measles Mortality Reduction: GAVI supported efforts to reduce the level of mortality from measles. Each year, measles kills nearly 200,000 people globally, including many children under the age of five. The measles mortality reduction campaign is a partnership among several global health and development agencies to address this major childhood disease. Measles vaccination campaigns have become a channel for the delivery of other life-saving interventions, such as bed nets, de-worming medicine and vitamin supplements.

Maternal and Neonatal Tetanus: GAVI supported a campaign to eliminate maternal and neonatal tetanus. Maternal and neonatal tetanus continues to burden the most poorly served populations in the

poorest countries in the world. The campaign was implemented to build on existing efforts to improve clean delivery practices and immunisation services in these populations.

Pentavalent Payment Guarantee: GAVI provided funds for the purchase of pentavalent vaccine. A single shot of pentavalent vaccine immunises against five infectious diseases: diphtheria, tetanus, pertussis, Hib and hepatitis B. The easy-to-administer liquid formulation pentavalent vaccine has played a significant part in the increase in uptake of the Hib and hepatitis B vaccines. Availability of IFFIm funding secures and stabilises GAVI's capacity to supply pentavalent vaccine. As a result, new manufacturers are incentivised to enter the market and further reduce the price of the vaccine.

Yellow Fever Continuation: In March 2009, GAVI, IFFIm and GFA boards approved funding for an extension and expansion of GAVI's original yellow fever investment case described above. The additional funds allowed for increased and extended yellow fever vaccine coverage and also helped offset higher than expected vaccine prices.

Meningitis Eradication: GAVI supported efforts to eliminate meningococcal A meningitis epidemics in 25 African countries that were estimated to be home to approximately 95 per cent. of the world's meningococcal meningitis burden. Meningococcal meningitis is a bacterial disease that mainly affects children and can result in death or permanent disability.

From its inception to 31 December 2013, IFFIm disbursed the following amounts to help fund GAVI's investment cases:

Investment Cases	USD (Millions)
Yellow fever stockpile and eradication	101
Polio eradication	191
Measles mortality reduction	139
Maternal and neonatal tetanus	62
Meningitis eradication	68
Total Investment Case approvals	561

Further details may be found at: <http://www.gavialliance.org>

Hedging

In accordance with IFFIm's risk management strategy, donor pledges and borrowings have been hedged into USD on a floating rate basis.

Financial Information

The financial statements of IFFIm for the years ended 31 December 2013 and 2012 (including the comparative information for the year ended 31 December 2011), and for each of the years then ended, incorporated by reference in this Private Placement Memorandum, have been audited by KPMG LLP, independent auditors, as stated in their reports incorporated by reference herein.

IFFIm, as a public sector issuer, is exempted from certain of the periodic financial reporting obligations set out in Rule 4 of the Financial Conduct Authority's Disclosure and Transparency Rules, including the obligation to produce half-yearly financial reports.

A comparative table of the balance sheet and statement of income and expenditures of IFFIm for the last three financial years, as shown in its audited financial statements for the year ended 31 December 2013, appears below. The Report of the Trustees and Annual Financial Statements for the financial year ended 31 December 2013, including the notes on the financial statements for that financial year, are incorporated into this Private Placement Memorandum by reference.

Audited Financial Statements of IFFIm

Balance Sheets as of 31 December 2013, 2012 and 2011

The information presented below has been extracted without material adjustment from the Reports of the Trustees and Annual Financial Statements for the years ended 31 December 2013 and 2012. The accompanying notes are an integral part of these financial statements and are incorporated into this Private Placement Memorandum by reference. In addition, prospective investors should read the information below in conjunction with the Annual Report of the Trustees for the year ended 31 December 2013 incorporated by reference into this Private Placement Memorandum.

	As of 31 December 2013	As of 31 December 2012	As of 31 December 2011
	USD	USD	USD
	(Thousands)	(Thousands)	(Thousands)
Non-current assets			
Sovereign pledges due after more than one year	3,101,996	3,327,061	3,192,651
Derivative financial instruments due after more than one year	214	115,704	97,329
Current assets			
Sovereign pledges due within one year	260,031	235,081	211,286
Derivative financial instruments due within one year	55,478	17,535	171,778
Prepayments	143	337	272
Cash and funds held in trust:			
Cash	22	549	692
Funds held in trust	1,024,771	546,648	850,958
Total cash and funds held in trust	1,024,793	547,197	851,650
Total current assets	1,340,445	800,150	1,234,986
Current liabilities			
Creditors falling due within one year	725,590	420,567	766,565
Derivative financial instruments due within one year	105,262	24,518	2,023
Grants payable within one year	150,000	200,000	417,064
Total current liabilities	980,852	645,085	1,185,652
Net current assets	359,593	155,065	49,334
Total assets less current liabilities	3,461,803	3,597,830	3,339,314
Creditors falling due after more than one year	1,443,156	1,539,149	1,809,050
Derivative financial instruments due after more than one year	1,088,968	1,121,310	753,771
Grants payable after more than one year	357,064	507,064	–
Net assets	572,615	430,307	776,493
Restricted funds	572,615	430,307	776,493

Audited Financial Statements of IFFIm

Statements of Income and Expenditures for the years ended 31 December 2013, 2012 and 2011

	Year Ended 31 December 2013 Restricted Funds USD (Thousands)	Year Ended 31 December 2012 Restricted Funds USD (Thousands)	Year Ended 31 December 2011 Restricted Funds USD (Thousands)
Turnover			
Contribution revenue	–	–	144,137
Operating expenses			
Programme grants	-	390,000	200,000
Treasury manager's fees	2,276	2,377	2,569
Governance costs	2,701	2,997	2,749
Total operating expenses	4,977	395,374	205,318
Other operating income			
Donated services	1,096	974	820
Operating loss	(3,881)	(394,400)	(60,361)
Financing and investment income (expenses)			
Financing income (expenses) on bonds and bond swaps:			
Net fair value gains on bonds and bond swaps	71,106	91,984	174,027
Interest expense on bonds	(77,712)	(103,947)	(166,399)
Net financing expenses on bonds and bond swaps	(6,606)	(11,963)	7,628
Other financing income (expenses):			
Net fair value gains (losses) on pledges and pledge swaps	153,671	54,084	(130,291)
Other foreign exchange gains (losses)	(906)	440	1,068
Other financing charges	(3,722)	(629)	(4,209)
Net other financing income (expenses)	149,043	53,895	(133,432)
Investment income:			
Investment and interest income	3,752	6,282	8,046
Fair value gain on interest rate overlay swap	–	–	1,437
Total financing and investment income (expenses)	146,189	48,214	(116,321)
Surplus (Deficit) for the year	142,308	(346,186)	(176,682)

SUMMARY OF GRANT AGREEMENTS

The following is a summary of the terms of the Grant Agreements entered into as of the date of this Private Placement Memorandum between the Grantors and IFFIm. This summary is qualified in its entirety by the specific terms of each Grant Agreement, which are available as described in the section entitled "General Information – Documents Available", and should be read and construed in accordance therewith.

Parties

- (1) The relevant Grantor; and
- (2) IFFIm.

Grant Payments

Subject to the Grant Payment Condition, the relevant Grantor irrevocably and unconditionally undertakes to pay to IFFIm the Grant Payments, in the amounts and on the dates set out in a schedule to the relevant Grant Agreement.

If a Grantor does not make a Grant Payment on a due date, then IFFIm shall be entitled to pursue all rights available to it.

Grant Payment Condition

Each Grant Payment is subject to the condition that if, based on publicly available information released by the IMF as of the Relevant Date for that Grant Payment, any one or more Specified Countries forming part of the Reference Portfolio is in Protracted Arrears in meeting any of its IMF Financial Obligations, the Grant Payment will automatically be reduced by an amount equal to the aggregate of the Reduction Amounts, as determined by the Treasury Manager, for each such Specified Country.

No Reduction Amount will apply to any Grant Payment to be paid by a Grantor on any Grant Payment Date in respect of any Specified Country forming part of the Reference Portfolio unless the Specified Country is in Protracted Arrears in meeting any of its IMF Financial Obligations based on publicly available information released by the IMF as of the Relevant Date for that Grant Payment (notwithstanding the fact that any such Specified Country may previously have been in Protracted Arrears).

Termination of Obligations

In the event that the relevant Grantor receives notification under the Finance Framework Agreement from the Treasury Manager that all of IFFIm's obligations to its creditors (including all Noteholders) have been fully discharged or provided for, then that Grantor's payment obligations under the relevant Grant Agreement shall be terminated.

Tax Gross-up

Each Grant Agreement contains gross-up provisions providing that, should any tax be deductible from any Grant Payment due to a change in applicable law of the jurisdiction of the Grantor following the date of the relevant Grant Agreement, then the relevant Grantor is required to pay such additional amounts as may be required to ensure that the Grant Payment is made in full.

An indemnity is also provided on terms that a Grantor shall (within 40 days of demand) pay an amount equal to the loss, liability or cost which IFFIm will or has (directly or indirectly) suffered for or on account of tax due to a change in applicable law in respect of the relevant Grant Agreement, subject to certain exceptions.

Indemnity

Each Grant Agreement also provides for the relevant Grantor to indemnify IFFIm against any reasonable cost, loss or liability incurred by IFFIm as a result of failure, or delay, to pay any sum due from that Grantor pursuant to the relevant Grant Agreement.

Undertakings

The relevant Grantor undertakes to obtain and maintain all authorisations required to enable it to perform its obligations under the relevant Grant Agreement or to ensure the legality, validity, enforceability or admissibility in evidence of the relevant Grant Agreement in the relevant jurisdiction of the Grantor, and to notify IFFIm of any breach of its representations and warranties under the Finance Framework Agreement.

Governing Law

Each Grant Agreement is governed by English law (save for the Grant Agreements entered into by the Republic of Italy, the Kingdom of Spain and the State of the Netherlands, which are governed by Italian law, Spanish law and Dutch law, respectively).

Each Grantor which enjoys immunity from jurisdiction or service of process has given a waiver of such immunity. However, each Grantor enjoys a form of immunity from execution, attachment or similar enforcement proceedings against its assets, and none of the Grantors has waived any such immunity.

Assignment

Each Grant Agreement entered into prior to 8 February 2013 was originally entered into between the relevant Grantor and The GAVI Fund Affiliate. Pursuant to the Deeds of Assignment, The GAVI Fund Affiliate then immediately and absolutely assigned and transferred to IFFIm all of its rights, title, benefit, interest and obligations under the relevant Grant Agreement, including with respect to the relevant Grant Payments. The GAVI Fund Affiliate gave notice, in or substantially in the form set out in the Grant Agreement, to the relevant Grantor of such assignment or transfer and the relevant Grantor acknowledged such notice in writing. The rights, title, benefit, interest and obligations under each Grant Agreement (including with respect to the Grant Payments thereunder) assigned or transferred to IFFIm shall not be capable of being further assigned, transferred or otherwise disposed of in any manner whatsoever (whether absolutely or by way of security) without the prior written consent of the Grantor.

Pursuant to the Second Deed of Novation, on 8 February 2013 The GAVI Fund Affiliate transferred by novation all of its duties, liabilities, covenants, undertakings and obligations under each Grant Agreement to the GAVI Alliance and thereby ceased for all purposes to be involved with IFFIm in the arrangements described above. After 8 February 2013, any further Grantors will enter into Grant Agreements from time to time directly with the GAVI Alliance, which will then assign to IFFIm the right to receive Grant Payments under those Grant Agreements pursuant to Deeds of Assignment in the same form as those described above.

The Grantor may transfer any of its rights, title, interest and obligations to any appropriate ministry or government agency of the relevant Grantor of the same or higher credit standing provided that such transfer is notified to IFFIm.

SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS

The following is a summary of certain provisions of the principal Transaction Documents and is qualified in its entirety by reference to the detailed provisions of the principal Transaction Documents. Physical copies of the Transaction Documents will be available for inspection at the offices of the Principal Paying Agent.

The Declaration of Trust

The Declaration of Trust will be entered into on or about the Issue Date between IFFIm, the Issuer, the Trustee and the Delegate and will be governed by English law.

Pursuant to the Declaration of Trust, the Trustee will, *inter alia*:

- (a) hold the Trust Assets on trust absolutely for the Certificateholders *pro rata* according to the principal amount of Certificates held by each Certificateholder; and
- (b) act as trustee in respect of the Trust Assets, distribute the income from such Trust Assets and perform its duties in accordance with the provisions of the Declaration of Trust and the Conditions.

In the Declaration of Trust, the Trustee will irrevocably and unconditionally delegate to the Delegate the performance of certain present and future powers, authorities and discretions vested in the Trustee by the relevant provisions of the Declaration of Trust (including but not limited to the authority to request instructions from any Certificateholders and the power to make any determinations to be made under the Declaration of Trust) and any of the other Transaction Documents (provided that no obligations, duties or covenants of the Trustee pursuant to the Declaration of Trust or any other Transaction Documents shall be imposed on the Delegate by virtue of such delegation) and make such distributions from the Trust Assets as the Trustee is bound to make in accordance with the Declaration of Trust. The appointment of such Delegate by the Trustee is intended to be in the interests of the Certificateholders and does not affect the Trustee's continuing role and obligations as trustee.

A Transaction Account will be established in the name of the Trustee. Monies received in the Transaction Account will, *inter alia*, comprise amounts required to pay the Periodic Distribution Amounts and Dissolution Amount and will be applied in the order of priority set out in Condition 5.

Pursuant to the Declaration of Trust, IFFIm will pay certain fees and expenses of, and indemnify against certain losses of, the Delegate.

Master Purchase Agency Agreement

The Master Purchase Agency Agreement will be entered into on or about 1 December 2014 between the Trustee (in its capacity as the Principal) and Citi Islamic Investment Bank E.C. (in its capacity as the Commodity Agent). The Master Purchase Agency Agreement will be governed by English law.

Pursuant to this agreement, the Commodity Agent will be appointed to be the agent and attorney in fact of the Principal to do all acts and things with respect to the purchase of Commodities on a cash basis and the subsequent transfer of such Commodities to IFFIm (the **Trade Transactions**) through sale agreements or other agreements. The Commodity Agent will have the right to perform any of its obligations or duties thereunder through the agency or sub-agency of any other person (provided that any such appointment shall be upon terms and conditions not materially different from those set out in the Master Purchase Agency Agreement). To enter into a Trade Transaction, the Principal shall issue a notice to the Commodity Agent at least two Business Days (or, in respect of the first Trade Transaction only, four days) prior to the proposed purchase date with details of the proposed Trade Transaction. Following receipt of such notice, the Commodity Agent shall provide the Principal with details of the proposed Trade Transaction. The Commodity Agent shall use its best endeavours to ensure that the Commodities selected do not give rise to any value added tax or any other tax liabilities, duties, levies, imposts, deductions or charges. If the Principal wishes to proceed with the Trade Transaction, it will issue its approval to the Commodity Agent. On or prior to the Purchase Date, the Commodity Agent will confirm the details of the Trade Transaction approved by the Principal and entered into by the Commodity Agent.

The Master Murabaha Agreement

The Master Murabaha Agreement will be entered into on or about 1 December 2014 between the Trustee (in its capacity as the Seller) and IFFIm (in its capacity as the Purchaser). The Master Murabaha Agreement will be governed by English law.

Pursuant to the Master Murabaha Agreement, on the Issue Date the Trustee will purchase Commodities through a Commodity Agent (appointed by the Trustee under the Master Purchase Agency Agreement) from the Supplier for Purchase (as defined in the Master Murabaha Agreement) for an amount equal to the Cost Price. The Trustee will then make an offer to IFFIm to purchase the Commodities on the terms set out in an Offer Letter (specifying,

among other things, the description of the Commodities, the Cost Price of the Commodities, the Murabaha Profit and the price to be paid for the Commodities, being the Deferred Price). IFFIm shall accept the terms of the offer by delivering a Notice of Acceptance to the Trustee and accordingly, ownership and title to the relevant Commodities will pass from the Commodity Agent of the Trustee to IFFIm. Upon delivery or transfer of the Commodities to IFFIm, IFFIm shall be deemed and considered to have accepted the Commodities unconditionally and without reservation. Immediately upon such transfer of the Commodities to IFFIm, pursuant to the On-Sale Agreement IFFIm shall on-sell the Commodities purchased by it from the Trustee at an amount equal to the Cost Price to the Supplier for On-Sale (as defined in the Conditions) and accordingly, ownership of the Commodities will pass from IFFIm to the Supplier for On-Sale.

On the Issue Date, in accordance with the Master Murabaha Agreement, IFFIm will give a unilateral undertaking for the benefit of the Trustee, whereby IFFIm will undertake to purchase on each Periodic Distribution Date the relevant Commodities under each Murabaha Contract purchased by the Trustee from the Supplier for Purchase.

On each Periodic Distribution Date (other than a Dissolution Date) on which the Trustee delivers an Offer Letter to IFFIm, IFFIm will have the obligation to pay the Deferred Price to the Trustee in respect of the relevant Commodities purchased on the first day of the Periodic Distribution Period ending on such Periodic Distribution Date. The Trustee will use the Deferred Price to (i) enter into a new Murabaha Contract for the purchase of Commodities in an amount equal to the Cost Price; and (ii) pay the Periodic Distribution Amount due under the Certificates (from the Murabaha Profit component of the Deferred Price).

On any Dissolution Date, IFFIm will pay the Deferred Price to the Trustee to complete the existing Murabaha Contract and no new Murabaha Contract will be entered into. The Trustee will use the Deferred Price received from IFFIm on the relevant Dissolution Date, to pay the Dissolution Amount due under the Certificates.

If any sum (including, without limitation, any late payment amount) which is due and payable by IFFIm under or in connection with the Master Murabaha Agreement is not paid in full on the due date in accordance with the Master Murabaha Agreement, IFFIm undertakes to pay late payment amounts (calculated in accordance with the Master Murabaha Agreement) to the Trustee on each day that such unpaid amount remains outstanding. The Trustee shall, after deducting an amount to compensate it for any actual costs (not to include any opportunity costs or funding costs), pay the amount of any late payment amounts received by it from IFFIm, to a *Shari'a* compliant charitable foundation as chosen by the Delegate.

The payment obligations of IFFIm under the Murabaha Documents shall, save for such exceptions as may be provided by applicable legislation and subject to the negative pledge provisions described in the Conditions, at all times rank at least equally with IFFIm's payment obligations in respect of all other unsecured and unsubordinated Indebtedness for Borrowed Money.

All payments under the Master Murabaha Agreement from IFFIm to the Trustee shall be made without deduction and free from any present or future direct or indirect tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or commission payable in connection with any failure to pay or delay in paying any of the same), unless IFFIm is compelled by law to make any such deduction or withholding. In such event, IFFIm shall pay to the appropriate authorities the amount required to be deducted or withheld and shall pay to the Trustee such further amounts, as may be necessary, in order that the net amounts received and retained by the Trustee, after such deduction or withholding, shall equal the amount which would have been received and retained by the Trustee in the absence of such deduction or withholding.

On-Sale Agreement

The On-Sale Agreement will be entered into on or about 1 December 2014 between IFFIm (in its capacity as the **Principal**) and the Supplier for On-Sale. The On-Sale Agreement will be governed by English law.

Pursuant to this agreement, the Principal will on-sell the Commodities purchased from the Trustee pursuant to the Master Murabaha Agreement to the Supplier for On-Sale for the Purchase Price (being an amount equal to the Cost Price payable by IFFIm for the purchase of the Commodities under the Master Murabaha Agreement).

Payment Agreement

Pursuant to a Payment Agreement entered into between the Trustee, IFFIm, the Commodity Agent, the Supplier for Purchase and the Supplier for On-Sale, the parties have agreed that netting will be applied in respect of the payment obligations described in the "*Structure Diagram and Cash flows*" and as further described in the Payment Agreement to the intent and effect that on each Periodic Distribution Date each such payment obligation will be satisfied and discharged in full save that IFFIm will only be required to pay to the Trustee the Murabaha Profit component of the Deferred Price on each Periodic Distribution Date.

TAXATION

The following is a general description of certain tax considerations relating to the Certificates. It does not purport to be a complete analysis of all tax considerations relating to the Certificates. Prospective purchasers of Certificates should consult their tax advisers as to the consequences under the tax laws of the countries of their respective citizenship, residence or domicile of acquiring, holding and disposing of Certificates and receiving payments of profit, principal and/or other amounts under the Certificates. This summary is based upon the law as in effect on the date of this Private Placement Memorandum and is subject to any change in law that may take effect after such date.

Cayman Islands

Under existing Cayman Islands laws, payments by the Issuer on the Certificates and payments by IFFIm under the Transactions Documents will not be subject to taxation in the Cayman Islands and no withholding will be required on the payments to any holder of the Certificates, nor will gains derived from the disposal of the Certificates be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance or gift tax.

The Issuer has applied for and expects to obtain an undertaking from the Governor-in-Cabinet of the Cayman Islands, pursuant to the Tax Concessions Law (as amended) of the Cayman Islands, that for a period of 20 years from the grant of that undertaking no law which is enacted in the Cayman Islands imposing any tax to be levied on profit, income, gains or appreciation shall apply to the Issuer or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable on or in respect of the shares, debentures or other obligations (which would include the Certificates) of the Issuer or by way of the withholding in whole or part of any relevant payment (as defined in the Tax Concessions Law (as amended)). No capital or stamp duties are levied in the Cayman Islands on the issue or redemption of Certificates. An instrument of transfer in respect of a Certificate will be stampable if executed in or brought to the Cayman Islands. An annual registration fee is payable by the Issuer to the Cayman Islands Registry of Companies which is calculated by reference to the nominal amount of its authorised capital. At current rates, this annual registration fee is approximately U.S.\$854. The foregoing is based on current law and practice in the Cayman Islands and this is subject to change therein.

UK Taxation

Withholding tax

Her Majesty's Revenue and Customs (**HMRC**) has confirmed that payments made by IFFIm to the Trustee under the Master Murabaha Agreement, and payments made by the Trustee to the Certificateholders in respect of the Certificates, may be made without withholding or deduction for or on account of UK income tax.

Non-UK Certificateholders

HMRC has confirmed that the Periodic Distribution Amounts will not be assessed to UK tax in the hands of Certificateholders who are not resident for tax purposes in the United Kingdom, unless (i) the Certificateholder is within the charge to corporation tax because it carries on a trade in the United Kingdom through a permanent establishment in the United Kingdom, and the Periodic Distribution Amounts are attributable to that permanent establishment, or (ii) the Periodic Distribution Amounts are subject to income tax because they arise from a trade, profession or vocation (or part thereof) carried on by the Certificateholder in the United Kingdom. HMRC has also confirmed that non-resident Certificateholders will not be regarded as carrying on a trade, profession or vocation in the United Kingdom merely because they are Certificateholders.

EU Savings Directive

Under Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of other Member States details of payments of interest or similar income, which may include Periodic Distribution Amounts, paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State.

On 24 March 2014, the Council of the European Union adopted a Council Directive amending and broadening the scope of the requirements described above. Member States are required to apply these new requirements from 1 January 2017. The changes will expand the range of payments covered by the Directive, in particular to include additional types of income payable on securities. The Directive will also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported. This approach will apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain

conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

For a transitional period, Luxembourg and Austria are required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments. The changes referred to above will broaden the types of payments subject to withholding in those Member States which still operate a withholding system when they are implemented. In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the Directive.

The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

SUBSCRIPTION AND SALE

Under the terms and conditions contained in a Subscription Agreement (the **Subscription Agreement**) dated 1 December 2014 between the Issuer, IFFIm and Barwa Bank Q.S.C., CIMB Investment Bank Berhad, National Bank of Abu Dhabi PJSC, NCB Capital Company and Standard Chartered Bank (together, the **Joint Lead Managers**), and Bank Islam Brunei Darussalam Berhad and Union National Bank P.J.S.C. (the **Co-Lead Managers** and, together with the Joint Lead Managers, the **Managers**), the Issuer has agreed to issue U.S.\$500,000,000 in aggregate principal amount of the Certificates and, subject to certain conditions, the Managers have agreed to subscribe for the Certificates. The Subscription Agreement provides that the obligations of the Managers to pay for and accept delivery of the Certificates are subject to certain conditions. Pursuant to the Subscription Agreement, the Managers will be paid certain commissions in respect of their services for managing the issue and sale of the Certificates. The Managers will also be reimbursed in respect of certain of their expenses, and each of the Issuer and IFFIm has agreed to indemnify the Managers against certain liabilities incurred in connection with the issue and offering of the Certificates.

In connection with the offering of the Certificates, each Manager and/or its affiliate(s) may act as an investor for its own account and may take up Certificates in the offering and in that capacity may retain, purchase or sell for its own account such securities and any securities of the Issuer or IFFIm or related investments and may offer or sell such securities or other investments otherwise than in connection with the offering. Accordingly, references herein to the Certificates being offered should be read as including any offering of the Certificates to the Managers and/or their affiliate(s) acting in such capacity. Save as set out below, such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Managers have indicated their intention to purchase in aggregate 75 per cent. of the aggregate principal amount of the Certificates for investment purposes in the offering.

Selling Restrictions

United States

The Certificates have not been and will not be registered under the Securities Act and may not be offered or sold (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined by the Joint Lead Managers (on behalf of the Managers), of all Certificates, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or pursuant to an exemption from the registration requirements of the Securities Act.

Each Manager has represented and agreed that it has not offered and sold any Certificates, and will not offer or sell any Certificates (i) as part of its distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined by the Joint Lead Managers (on behalf of the Managers), of all Certificates except in accordance with Rule 903 of Regulation S.

The foregoing restrictions apply to holders of beneficial interests in the Certificates, as well as holders of the Certificates.

Each Manager has represented and agreed that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Certificates.

Until 40 days after the commencement of the offering of the Certificates, an offer or sale of the Certificates within the United States by any dealer/manager (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

United Kingdom

Each Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (**FSMA**)) received by it in connection with the issue or sale of any Certificate in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or IFFIm;
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Certificates in, from or otherwise involving the United Kingdom; and

- (c) it has not communicated and will not communicate a copy of this Private Placement Memorandum to individuals in the United Kingdom acting otherwise than in the course of their trade, business or profession.

Cayman Islands

Each Manager has represented and agreed that it has not made and will not make any offer or invitation (whether directly or indirectly) to any member of the public in the Cayman Islands to subscribe for the Certificates.

Kingdom of Bahrain

Each Manager has represented and agreed that it has not marketed, offered or sold, and will not market, offer or sell, any Certificates to persons in the Kingdom of Bahrain.

Kingdom of Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia (**Saudi Arabia**) that would permit a public offering of the Certificates. Any investor in Saudi Arabia or who is a Saudi person (a **Saudi Investor**) who acquires any certificates pursuant to an offering should note that the offer of certificates is being made as a private placement by way of an "offer restricted to sophisticated investors" pursuant to Article 10 of the "Offer of Securities Regulations" as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated 4 October 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated 18 August 2008 (the **KSA Regulations**) through a person authorised by the Capital Market Authority (**CMA**) to carry on the securities activity of arranging (as specified in Article 12 of the KSA Regulations) and following a notification to the Capital Market Authority under the KSA Regulations.

Each Manager has represented and agreed that any offer of Certificates to a Saudi Investor will be made in compliance with the KSA Regulations.

The offer of Certificates shall not therefore constitute a "public offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations, including as follows:

- (a) a Saudi Investor (referred to as a **transferor**) who has acquired Certificates pursuant to a private placement may not offer or sell Certificates to any person (referred to as a **transferee**) unless the offer or sale is made through an authorised person where one of the following requirements is met:
- (i) the price to be paid for the Certificates in any one transaction is equal to or exceeds Saudi Riyals one million or an equivalent amount;
 - (ii) the Certificates are offered or sold to a sophisticated investor; or
 - (iii) the Certificates are being offered or sold in such other circumstances as the CMA may prescribe for these purposes;
- (b) if the requirement of paragraph (a)(i) above cannot be fulfilled because the price of the Certificates being offered or sold to the transferee has declined since the date of the original private placement, the transferor may offer or sell the Certificates to the transferee if their purchase price during the period of the original private placement was equal to or exceeded Saudi Riyals 1 million or an equivalent amount;
- (c) if the requirement in paragraph (b) above cannot be fulfilled, the transferor may offer or sell Certificates if he/she sells his/her entire holding of Certificates to one transferee; and
- (d) the provisions of paragraphs (a), (b) and (c) (inclusive) above shall apply to all subsequent transferees of the Certificates.

State of Qatar

Each Manager has represented and agreed that it has not offered, delivered or sold, and will not offer or sell or deliver, directly or indirectly, any Certificates in the State of Qatar including the Qatar Financial Centre, except: (i) in compliance with all applicable laws and regulations of the State of Qatar including the Qatar Financial Centre; and (ii) through persons or corporate entities authorised and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in the State of Qatar.

United Arab Emirates (excluding the Dubai International Financial Centre)

Each Manager has represented and agreed that the Certificates have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

Dubai International Financial Centre

Each Manager has represented and agreed that it has not offered and will not offer the Certificates to any person in the Dubai International Financial Centre unless such offer is:

- (a) an "Exempt Offer" in accordance with the Markets Rules (MKT module) of the Dubai Financial Services Authority (the **DFSA**) Rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.

Hong Kong

Each Manager has represented and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong by means of any document, any Certificates other than: (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the **SFO**) and any rules made under the SFO; or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to any Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Malaysia

Each Manager has represented and agreed that:

- (a) this Private Placement Memorandum has not been registered as a prospectus with the SC under the CMSA; and
- (b) accordingly, the Certificates have not been and will not be offered or sold, and no invitation to subscribe for or purchase the Certificates has been or will be made, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within any one of the categories of persons specified under Schedule 6 or Section 229(1)(b) and Schedule 7 or Section 230(1)(b) and Schedule 8 or Section 257(3), read together with Schedule 9 or Section 257(3) of the CMSA, subject to any law, order, regulation or official directive of the Central Bank of Malaysia, the SC and/or any other regulatory authority from time to time.

Residents of Malaysia may be required to obtain relevant regulatory approvals including approval from the Controller of Foreign Exchange to purchase the Certificates. The onus is on the Malaysian residents concerned to obtain such regulatory approvals and none of the Managers is responsible for any invitation, offer, sale or purchase of the Certificates as aforesaid without the necessary approvals being in place.

Singapore

Each Manager has acknowledged that this Private Placement Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**). Accordingly, each Manager has represented and agreed that it has not offered or sold and will not offer or sell any Certificates or cause such Certificates to be made the subject of an invitation for subscription or purchase, nor will it circulate or distribute this Private Placement Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Certificates, whether directly or indirectly, to any person in Singapore other than: (a) to an institutional investor pursuant to Section 274 of the SFA, (b) to a relevant person, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Certificates are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Certificates pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the Securities and futures (Offer or Investments) (Shares and Debentures) Regulations 2005 of Singapore.

General

Each Manager has agreed that it will comply to the best of its knowledge and belief with all applicable laws and regulations in force in any jurisdiction in which it acquires, offers, sells or delivers Certificates or has in its possession or distributes this Private Placement Memorandum (in preliminary, proof or final form) or any other offering or publicity material relating to the Certificates and will obtain any consent, approval or permission required by it for the acquisition, offer, sale or delivery by it of any Certificates under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes such acquisition, offer, sale or delivery and none of the Issuer, the Trustee, IFFIm, the Delegate or any of the other Managers shall have any responsibility therefor.

None of the Issuer, the Trustee, IFFIm, the Delegate or any Manager has made any representation that any action will be taken in any jurisdiction by the Managers or the Issuer, the Trustee, IFFIm or the Delegate that would permit a public offering of the Certificates, or possession or distribution of this Private Placement Memorandum (in preliminary, proof or final form) or any other offering or publicity material relating to the Certificates, in any country or jurisdiction where action for that purpose is required.

GENERAL INFORMATION

Authorisation

The issue of the Certificates has been duly authorised by a resolution of the Board of Directors of the Issuer dated 27 November 2014. The Issuer has obtained all necessary consents, approvals and authorisations in the Cayman Islands in connection with the issue and performance of the Certificates and the execution and performance of the Transaction Documents.

IFFIm has obtained all necessary consents, approvals and authorisations in the United Kingdom in connection with the Transaction Documents; and the entry into and performance of the Transaction Documents to which IFFIm is a party was duly authorised by a resolution of the board of directors of IFFIm passed on 9 October 2014 and by a resolution of the board of directors of IFFIm passed on 20 November 2014.

Documents Available

For so long as any Certificates remain outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection by Certificateholders at the offices of the Principal Paying Agent and the Delegate:

- (a) the Transaction Documents;
- (b) the Finance Framework Agreement as amended from time to time;
- (c) each Grant Agreement as amended from time to time;
- (d) the Treasury Management Agreement as amended from time to time;
- (e) the Memorandum and Articles of Association of the Issuer;
- (f) the Memorandum and Articles of Association of IFFIm;
- (g) the report of the trustees for the years ended 31 December 2013 and 31 December 2012 and the audited financial statements of IFFIm in respect of the years ended 31 December 2013 and 31 December 2012 (including the comparative information for the year ended 2011); and
- (h) a copy of this Private Placement Memorandum.

Clearing Systems

The Certificates have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The ISIN for the Certificates is XS1143356654. The Common Code for the Certificates is 114335665.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Significant or Material Change

There has been no significant change in the financial position of the Issuer and no material adverse change in the financial position or prospects of the Issuer, in each case, since the date of its incorporation.

There has been no significant change in the financial position of IFFIm since 31 December 2013 and there has been no material adverse change in the financial position or prospects of IFFIm since 31 December 2013.

Litigation

The Issuer is not involved in any governmental, legal or arbitration proceedings that may have, or have had since the date of its incorporation, a significant effect on its financial position or profitability nor is the Issuer aware that any such proceedings are pending or threatened.

IFFIm is not involved in any governmental, legal or arbitration proceedings that may have, or have had during the 12 months preceding the date of this document, a significant effect on its financial position or profitability nor is IFFIm aware that any such proceedings are pending or threatened.

Auditors

Since the date of its incorporation, no financial statements of the Issuer have been prepared. The Issuer has no subsidiaries. The Issuer is not required by Cayman Islands law, and does not intend, to publish audited financial statements or appoint any auditors.

The auditors of IFFIm are KPMG LLP (**KPMG**) and their business address is 15 Canada Square, Canary Wharf, London, E14 5GL, United Kingdom.

The financial statements of IFFIm for each of the years ended 31 December 2013 and 31 December 2012 (including the comparative information for the year ended 31 December 2011) have been audited in accordance with UK Generally Accepted Accounting Practice by KPMG, independent auditors, as stated in their reports appearing herein.

Managers Transacting with IFFIm

Certain of the Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to IFFIm and its affiliates in the ordinary course of business for which they may receive fees. They have received, or may in the future receive, customary fees and commission for these transactions. In particular, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of IFFIm and its affiliates. Certain of the Managers or their affiliates that have a lending relationship with IFFIm and its affiliates routinely hedge their credit exposure to IFFIm and its affiliates consistent with their customary risk management policies.

Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Certificates to be issued. Any such short positions could adversely affect future trading prices of Certificates to be issued. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

GLOSSARY OF DEFINED TERMS

Accession Date has the meaning given to it in Schedule 1 to the Finance Framework Agreement.

Additional Grantor means any person who has become vested with all the authority, rights, powers, duties and obligations arising after the Accession Date as if originally named as an Initial Grantor under the Finance Framework Agreement pursuant to Clause 17 of the Finance Framework Agreement.

Applicable Rating Agencies means each of Fitch, Moody's and S&P.

Approved Programme means any programme which is proposed by the GAVI Alliance under a GAVI Alliance Programme Approval and Request for Funding and which is approved by IFFIm in accordance with the procedures set out in the Procedures Memorandum and the Finance Framework Agreement, as such procedures are from time to time amended.

Companies Act means the Companies Act 1985 (as amended by the Companies Act 2006 and as further amended from time to time).

Deed of Assignment means a deed between The GAVI Fund Affiliate (or, if entered into after 8 February 2013, the GAVI Alliance) and IFFIm pursuant to which The GAVI Fund Affiliate (or the GAVI Alliance, as applicable) assigned or transferred (or shall assign or transfer, as applicable) to IFFIm its rights, title, benefit, interest and obligations under one or more Grant Agreements including with respect to Grant Payments thereunder.

Deed of Novation means the Deed of Novation Amendment and Restatement entered into on 17 December 2009 between, *inter alios*, the GAVI Alliance, The GAVI Fund Affiliate, IFFIm and IBRD.

Derivatives Transactions means any derivatives transactions entered into by IFFIm (having regard to advice given by the Treasury Manager) for the purpose of hedging any currency, interest rate, basis risk or other exposure in relation to its present and future assets and/or liabilities as described in the IFFIm Risk Management Strategy.

Disbursement Request means a duly completed disbursement request from the GAVI Alliance to IFFIm requesting an IFFIm Disbursement in respect of an Approved Programme, substantially in the form set out in Schedule 4 to the Finance Framework Agreement.

Eligible Country means a country with a gross national income per capita equal to or less than the threshold set in the GAVI Alliance Country Eligibility Policy as updated from time to time.

Finance Framework Agreement means the Finance Framework Agreement relating to the International Finance Facility for Immunisation dated 28 September 2006 as amended and restated pursuant to the Deed of Novation and the Second Deed of Novation (and as further supplemented, varied, amended and/or substituted from time to time) and entered into between, *inter alios*, the Grantors, the Issuer, the GAVI Alliance and the Treasury Manager and to which Additional Grantors may accede from time to time.

Fitch means Fitch Ratings Limited or any successor to the rating agency business of Fitch Ratings Limited.

GAVI Alliance means a charitable entity organised as a foundation under the laws of Switzerland (Federal Number CH-660-1699006-1) with registered address at Chemin des Mines 2, Ch-1202, Geneva, Switzerland.

GAVI Alliance Country Eligibility Policy means GAVI Alliance's prevailing policy from time to time on the financial eligibility criteria for Eligible Countries.

GAVI Alliance Programme Approval and Request for Funding means an application from the GAVI Alliance addressed to IFFIm substantially in the form set out in the Procedures Memorandum as amended from time to time.

Grant Agreement means, in relation to each Grantor, any grant agreement entered into by such Grantor with The GAVI Fund Affiliate (or, in respect of any grant agreement entered into after 8 February 2013, with the GAVI Alliance).

Grant Payment Administration Agreement means the agreement entered into between a Grantor, IFFIm and the Treasury Manager setting out the procedures for payment of amounts payable in connection with a Grantor's Grant Agreement, account information details, as well as the other administrative and logistical information.

Grant Payment Amount means, in respect of any Grant Payment Date and a Grantor, the amount of the Grant Payment due in accordance with that Grantor's Grant Agreement on such date as set out in its Grant Payment Schedule.

Grant Payment Condition means the condition to payment set out in Clause 2.2 (Condition to Payment) of each Grant Agreement.

Grant Payment Date means, in relation to a Grant Payment of a Grantor the date on which that Grant Payment becomes due and payable, in accordance with its Grant Agreement, as set out in each Grant Payment Schedule.

Grant Payment Schedule means, in relation to a Grantor, the schedule annexed to its Grant Agreement specifying the amount of each of its Grant Payments and the Grant Payment Date of each such Grant Payment.

Grant Payments means, in relation to a Grantor, the payments which that Grantor undertakes to make to the Beneficiary (as defined in its Grant Agreement), in the amounts set out in Schedule 1 to its Grant Agreement.

Grantors means the Initial Grantors together with any Additional Grantors, and "Grantor" means any one of them.

IBRD means the International Bank for Reconstruction and Development.

IBRD Business Day means a day (other than a Saturday or Sunday) on which the International Bank for Reconstruction and Development is open for general business.

IFFIm means International Finance Facility for Immunisation Company, a company incorporated under the laws of England and Wales with registered number 5857343 and charity number 1115413 whose registered address is at 2 Lambs Passage, London EC1Y 8BB, United Kingdom.

IFFIm Account means the account in the name of IFFIm maintained with the Treasury Manager pursuant to the Treasury Management Agreement or any other replacement account opened and maintained with another bank in accordance with the Treasury Management Agreement.

IFFIm Aggregate Available Funds means, in respect of any Relevant Funding Period, the aggregate funds available to IFFIm to meet IFFIm Financial Requirements during that Relevant Funding Period determined by the Treasury Manager in accordance with Clause 6 of the Finance Framework Agreement.

IFFIm Disbursements means funds disbursed by IFFIm to the GAVI Alliance for Approved Programmes.

IFFIm Financial Requirements has the meaning given to it in Clause 6.3 of the Finance Framework Agreement.

IFFIm Gearing Ratio Limit means, from time to time, the limit (agreed by the board of directors of IFFIm, having regard to the advice of the Treasury Manager) on the maximum amount of net financial obligations of IFFIm (including in respect of Notes, Loans and Derivatives Transactions executed to hedge the Notes and Loans) less cash and liquid assets as a percentage of the net present value of IFFIm's financial assets, taking into consideration the net present value of scheduled Grant Payments due from Grantors which have been assigned to IFFIm and the net present value of the Derivatives Transactions executed to hedge Grant Payments.

IFFIm Indicative Funding Confirmation means a notice from IFFIm substantially in the form set out in the Procedures Memorandum.

IFFIm Programme Capacity has the meaning given to it in Clause 5.4 of the Finance Framework Agreement.

IFFIm Required Funding has the meaning given to it in Clause 6.5 of the Finance Framework Agreement.

IFFIm Risk Management Strategy means at any time the then current risk management strategy of IFFIm as agreed between IFFIm and the Treasury Manager in accordance with Part 6 of the Treasury Management Agreement.

IFFIm Transaction Documents means each of the Finance Framework Agreement, the Prospectus, each Loan Agreement, the Note Trust Deed, the Notes, each Deed of Assignment, the Agency Agreement, the Dealer Agreement, any agreement concluded by IFFIm with any counterparty in respect of a Derivatives Transaction, any Note Issue Agreement, each Grant Agreement, each Grant Payment Administration Agreement, the Treasury Management Agreement and any other document so designated by the Treasury Manager and "IFFIm Transaction Document" means any one of them.

IMF means the International Monetary Fund.

IMF Financial Obligation means any obligation of a Specified Country to make a payment of principal or interest due and payable to the IMF pursuant to any loan agreement or similar arrangement entered into by that Specified Country with the IMF.

Indebtedness for Borrowed Money means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any (i) notes, bonds, debentures, debenture stock, loan stock or other securities; (ii) borrowed money; or (iii) any liability under or in respect of any acceptance or acceptance credit.

Initial Grantors means the Grantors whose names appear on page 1 of the Finance Framework Agreement dated 28 September 2006.

IRC means Independent Review Committee.

Lenders has the meaning given to it in a Loan Agreement.

Loan Agreement means a loan facility agreement between the relevant lenders and IFFIm as contemplated by the Finance Framework Agreement.

Loan Facility means a loan facility made available under a Loan Agreement.

Loans means Loans made under a Loan Facility.

Majority Grantors means a majority of the Grantors, representing three-quarters majority of the total Grant Payments (both paid and payable) as calculated by the Treasury Manager (as soon as reasonably practicable after request by any party) by reference to the aggregate Grant Payments (both paid and payable) for each Grantor in its USD equivalent value as of (i) for the Initial Grantors, the effective date of each respective Grant Agreement; and (ii) for any Additional Grantors, the date each Additional Grantor becomes a party to the Finance Framework Agreement pursuant to Clause 17 thereof.

Memorandum and Articles of Association means the memorandum and articles of association of a company registered in England and Wales.

Moody's means Moody's Investors Service, Inc., or any successor to the rating agency business of Moody's Investors Service, Inc..

Multilateral Development Bank means an international financial institution established by international treaty whose members are sovereign governments.

Non-Country Specific Application has the meaning given to it in Section 2 of Part 2 of the Procedures Memorandum.

Note means a debt security issued by IFFIm under the Programme.

Noteholder means the holder of a Note.

Note Issue Agreement means the Note Trust Deed or such other agreement or agreements to which IFFIm is a party providing for the issue of Notes.

Note Trust Deed means a trust deed dated 3 November 2006 (as supplemented by the First Supplemental Note Trust Deed dated 17 December 2007, the Second Supplemental Note Trust Deed dated 4 August 2008 and the Third Supplemental Note Trust Deed dated 28 August 2012 and as further amended or supplemented from time to time) and made between IFFIm and the Note Trustee (which expression shall include all persons for the time being the trustee or trustees thereunder) as trustee for the holders of the Notes.

Note Trustee means Citicorp Trustee Company Limited as trustee for the holders of the Notes.

Notice of GAVI Alliance Programme Approval and Request for Funding means a notice from the GAVI Alliance addressed to IFFIm, substantially in the form set out in the Procedures Memorandum.

Other Debt Instruments means other debt instruments under other debt issuance programmes established or to be established by IFFIm.

Procedures Memorandum means the procedures memorandum contained in a schedule to the Finance Framework Agreement setting out the administrative procedures and guidelines relating to (*inter alia*) the approval of Eligible Country Applications and Non-Country Specific Applications, and the Ongoing Programme Monitoring Procedures, as such document may be varied from time to time in accordance with Clause 26.2 of the Finance Framework Agreement.

Programme means the Global Debt Issuance Programme established by IFFIm.

Programme Agency Agreement means an agency agreement dated 3 November 2006 (as amended on 17 December 2007 and further amended or supplemented from time to time) and made between IFFIm, the Note Trustee, Citibank, N.A., London Branch as initial principal paying and transfer agent and the other agents named in it.

Prospectus means the final prospectus dated 19 August 2014 prepared in connection with the Programme.

Protracted Arrears means the failure by a Specified Country to meet any IMF Financial Obligation where such failure has continued for a period of six calendar months or more from the date upon which the relevant amount which is the subject of such IMF Financial Obligation was originally due and payable.

Reduction Amount means, in relation to any Grant Payment on any Grant Payment Date, the amount with respect to each relevant Specified Country determined by the Treasury Manager in accordance with the Reduction Amount Formula.

Reduction Amount Formula means the formula set out in Schedule 3 of each Grant Agreement.

Reference Portfolio means the portfolio of Specified Countries as set out in Schedule 2 to each Grant Agreement, as such schedule may be updated from time to time pursuant to Clause 26.5 of the Finance Framework Agreement.

Relevant Date means, in respect of a Grant Payment, the date falling 25 IBRD Business Days prior to the Grant Payment Date for that Grant Payment.

Relevant Event has the meaning given in Clause 14.1 of the Finance Framework Agreement.

Relevant Funding Period means each calendar quarter, provided that the first Relevant Funding Period shall be as agreed between the Treasury Manager and IFFIm.

Risk Management Buffer means the percentage that will be deducted from the IFFIm Gearing Ratio Limit from time to time to manage the exposure of IBRD under the derivative transactions entered into between IFFIm and IBRD.

S&P means Standard and Poor's Rating Services, a division of the McGraw Hill Companies Inc., or any successor to the rating agency business of S&P.

Second Deed of Novation means the Deed of Novation, Amendment and Restatement entered into on 8 February 2013 between, *inter alios*, the Grantors, the GAVI Alliance, The GAVI Fund Affiliate, IFFIm and IBRD.

Specified Country means any country forming part of the Reference Portfolio as set out in Schedule 2 to each Grant Agreement as such schedule may be updated from time to time in accordance with Clause 26.5 of the Finance Framework Agreement to take into account any secession from, consolidation of, or any other relevant change in status of such countries provided that any successor states are also members of the IMF.

The GAVI Fund Affiliate means the company which was incorporated under the laws of England and Wales with registered number 5830438 and charity number 1115297 whose registered address was at The Broadgate Tower, Third Floor, 20 Primrose Street, London EC2A 2RS, United Kingdom.

Treasury Management Agreement means the agreement dated 29 September 2006 (as supplemented, varied, amended and/or substituted from time to time) for the provision of treasury management services entered into between the Treasury Manager and IFFIm.

Treasury Management Services has the meaning given to it in the Treasury Management Agreement.

Treasury Manager means the IBRD in its capacity as such, pursuant to the provisions of the Treasury Management Agreement, or any successor or replacement Multilateral Development Bank with a similar rating as the IBRD which has the ability to perform the Treasury Management Services under the Treasury Management Agreement as such successor or replacement may from time to time be appointed in accordance with the provisions of the Treasury Management Agreement.

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