

THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF BONDHOLDERS. IF BONDHOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK THEIR OWN FINANCIAL AND LEGAL ADVICE IMMEDIATELY FROM THEIR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL OR LEGAL ADVISER.

ARM ASSET BACKED SECURITIES SA (the Issuer)
(a Société Anonyme incorporated under the laws of the Grand Duchy of Luxembourg)

The Issuer is a securitisation undertaking organised under Luxembourg law, which commenced issuing bonds in 2006. As such a securitisation vehicle, the Issuer was required to be authorized and supervised by the Commission de Surveillance du Secteur Financier (CSSF). In August 2011, the CSSF declined to grant a license to the Issuer, thereby requiring the Issuer to suspend payments and prevent it from taking any action, other than protective measures, unless authorized by the CSSF acting as Supervisory Commissioner. Thereafter, a Luxembourg district court appointed Ernst & Young, represented by Jean-Michel Pacaud, as the Supervisory Commissioner.

On 8 October 2013, the Issuer, acting through its directors Timothy Roberts, Ross Carr and Ronan Collins, filed a petition for the winding up of the Issuer in the Chancery Division of the High Court of Justice of England & Wales. Subsequently, on 9 October 2013, Mark James Shaw and Malcolm Cohen of BDO LLP, 55 Baker Street, London W1U 7EU were appointed as Provisional Liquidators of the Issuer by order of Mr Justice David Richards in the Chancery Division of the High Court of Justice of England & Wales.

This document is published by the Provisional Liquidators on behalf of the Issuer. The Provisional Liquidators act as agents of the Issuer and without personal liability.

NOTICE to the holders of all bonds presently outstanding as issued by the Issuer and listed on the Irish Stock Exchange, whether under the Base Prospectus dated 18 September 2009 for a US\$1,000,000,000 asset-backed securitisation bond program or otherwise (the Bondholders and the Bonds, respectively).

The second hearing pertaining to the Luxembourg liquidation application took place on 22 May 2014. The Issuer was represented by Bonn & Schmitt, the Provisional Liquidators' Luxembourg counsel and Mark Shaw attended in person. A copy of the order made by the English Court in response to the Provisional Liquidators' application for declaratory relief had previously been provided to the Luxembourg Public Prosecutor, the CSSF and the Luxembourg court.

The position taken by the Public Prosecutor and the CSSF at the hearing remained consistent with their initial position, such that liquidation proceedings should be opened in Luxembourg, albeit that they should be stayed until the English provisional liquidation and any subsequent process has been concluded. The Provisional Liquidators' counsel repeated the arguments previously made, and reference was made to the order of the English court supporting the Provisional Liquidators' position.

The Luxembourg court considered the arguments put forward at the hearing, and was due to hand down its judgment on 26 June 2014.

The written judgement of the Luxembourg court was provided to us on the afternoon of Friday 27 June 2014.

Its key points are:

- The Luxembourg court declined to make an order liquidating the Issuer in Luxembourg under the Securitisation Law of 2004 as requested by the Luxembourg Public Prosecutor, at the instance of the CSSF.

- The Luxembourg court has, in effect, deferred such a decision until after the completion of the English insolvency proceedings.
- This means that the Issuer's affairs will be dealt with exclusively in England by the Provisional Liquidators and its assets will be realised and distributed by the English Provisional Liquidators.
- The Luxembourg liquidation may, therefore, in effect be used solely to dissolve the Issuer in Luxembourg after its affairs would have been wound up in England.
- The Luxembourg court confirmed the broad and exclusive powers which the English Provisional Liquidators have in relation to dealing with the Issuer's affairs.

Bondholders who wish to obtain further information in relation to the provisional liquidation may contact them directly as follows:

Post: BDO LLP, 55 Baker Street, London W1U 7EU
(quoting "ARM ABS SA" in the reference)

Email: ARM.ABS.SA@bdo.co.uk

Web: www.bdo.co.uk/arm-abs-sa

This Notice is given by the Provisional Liquidators of the Issuer on 30 June 2014.

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