

# The Depository Trust Company

# **IMPORTANT**

**B#:** 1282-07

**DATE:** 03-30-07

**TO:** All Participants

**CATEGORY:** Settlement/Underwriting

**FROM:** Robin Bainlardi, Director, Underwriting Department

**ATTENTION:** Managing Partner/Officer; Operations, Underwriting

**SUBJECT:** Section 3 (c)(7) restrictions for  
PASA Funding 2007, Ltd.

(A) CUSIP No. [\_70217Q\_] (Class A-1A Notes)

CUSIP No. [\_70217R 70217S\_] (CP Notes)

(B) Security Description

- U.S.\$1,000,000 Class A-1A Floating Rate Extendible Notes
- Up to U.S.\$2,810,000,000 Discounted Commercial Paper Notes with Maturities up to 270 days

1. Offer Amount: See (B) above

(C) Placement Agents Banc of America Securities LLC, Lehman Brothers Inc. and Citigroup Global Markets Inc.

(D) Paying Agent JPMorgan Chase Bank, National Association

(E) Closing Date March 29, 2007

**Special Instructions: See Attached Important Instructions from the Issuer.**

PASA FUNDING 2007, LTD.

**TITLE OF SECURITY**

Class A-1A Notes

CP Notes

**CUSIP NO.**

[\_70217Q\_\_\_\_\_]

[\_70217R 70217S\_\_\_\_\_]

The Issuer and the Placement Agents are putting Participants on notice that they are required to follow these purchase and transfer restrictions with regard to the above-referenced security.

In order to qualify for the exemption provided by Section 3(c)(7) under the Investment Company Act of 1940, as amended (the "Investment Company Act"), and the exemption provided by Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), offers, sales and resales of the Class A-1A Floating Rate Extendible Notes (the "Class A-1A Notes"), and the Discounted Commercial Paper Notes with Maturities up to 270 days (the "CP Notes" and together with the Class A-1A Notes, the "Securities") within the United States or to U.S. Persons may only be made in minimum denominations of \$500,000 (or other applicable minimum denomination pursuant to the Issuing and Paying Agency Agreement, dated as of March 29, 2007, between the Issuer and JPMorgan Chase Bank, National Association) to "qualified institutional buyers" ("QIBs") within the meaning of Rule 144A that are also "qualified purchasers" ("QPs") within the meaning of Section 2(a)(51)(A) of the Investment Company Act. Each purchaser of Securities (1) represents to and agrees with the Issuer and the Placement Agents that (A) (i) the purchaser is a QIB who is a QP (a "QIB/QP"); (ii) the purchaser is not a broker-dealer which owns and invests on a discretionary basis less than \$25 million in securities of unaffiliated issuers; (iii) the purchaser is not a participant-directed employee plan, such as a 401(k) plan; (iv) the QIB/QP is acting for its own account, or the account of another QIB/QP; (v) the purchaser is not formed for the purpose of investing in the Issuer; (vi) the purchaser, and each account for which it is purchasing, will hold and transfer at least the minimum denomination of Securities; (vii) the purchaser understands that the Issuer may receive a list of participants holding positions in its securities from one or more book-entry depositaries; and (viii) the purchaser will provide notice of the transfer restrictions to any subsequent transferees; or (B) it is not a U.S. Person and is purchasing the Securities outside the United States and (2) acknowledges that the Issuer has not been registered under the Investment Company Act and the Securities have not been registered under the Securities Act and represents to and agrees with the Issuer and the Placement Agents that, for so long as the Securities are outstanding, it will not offer, resell, pledge or otherwise transfer the Securities in the United States or to a U.S. Person except to a QIB that is also a QP in a transaction meeting the requirements of Rule 144A. Each purchaser further understands that the Securities will bear a legend with respect to such transfer restrictions. See "Transfer Restrictions" in the PASA Funding 2007, Ltd. Offering Circular (for the Class A-1A Notes) and Private Placement Memorandum (for the CP Notes).

The charter, bylaws, organizational documents or securities issuance documents of the Issuer provide that the Issuer will have the right to require any holder of Securities that is a U.S. Person who is determined not to be both a QIB and a QP to sell the Securities to a QIB that is also a QP. In addition, the Issuer has the right to refuse to register or otherwise honor a transfer of Securities to a proposed transferee that is a U.S. Person who is not both a QIB and a QP. As used herein, the terms "United States" and "U.S. Person" have the meanings given such terms in Regulation S under the Securities Act.

The restrictions on transfer required by the Issuer (outlined above) will be reflected under the notation “3c7” in DTC’s User Manuals and DTC’s Reference Directory.

Any questions or comments regarding this subject may be directed to JPMorgan Chase Bank, National Association, 420 W. VanBuren, 5th Floor, Mail Code IL 1-0114, Chicago, Illinois, 60606.