

Base Prospectus

Arion Securities Limited *(incorporated as a limited liability company in Jersey)*

Limited Recourse Secured Note Programme

This Base Prospectus gives information on Arion Securities Limited (the **"Issuer"**) and on the Issuer's programme (the **"Programme"**) for the issuance of secured notes (**"Notes"**). The Issuer has established the Programme by entering into a programme deed (the **"Programme Deed"**). Under the Programme, the Issuer may from time to time issue series (each, a **"Series"**) of Notes in one or more tranches (each, a **"Tranche"**), on the terms set out in this Base Prospectus, as completed by the final terms in respect of the relevant Notes (the **"Final Terms"**) or the pricing supplement in respect of the relevant Notes (the **"Pricing Supplement"**).

This Base Prospectus has been approved by the Central Bank of Ireland (the **"Central Bank"**), as competent authority for the purposes of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU) (the **"Prospectus Directive"**). The Central Bank only approves this Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application will be made to The Irish Stock Exchange plc (the **"Irish Stock Exchange"**) for Notes issued under the Programme within 12 months after the date of this Base Prospectus to be admitted to the Official List of the Irish Stock Exchange (the **"Official List"**) and trading on its regulated market (the **"Main Securities Market"**). References in this Base Prospectus to Notes being **"listed"** (and all related references) shall, except where the context requires otherwise, mean that such Notes have been issued by way of Final Terms and have been admitted to trading on the Main Securities Market and admitted to the Official List. The Main Securities Market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. Such approval by the Central Bank relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC.

However, unlisted Notes may also be issued pursuant to the Programme by way of Pricing Supplement. In respect of the issue of any Notes, the Final Terms will specify whether such Notes will be listed on the Official List and admitted to trading on the Main Securities Market or listed and admitted to trading at any other regulated market, or, as the case may be, the Pricing Supplement will specify whether such Notes will be listed and admitted to trading at any other market or unlisted.

Notes to be issued under the Programme may be rated by Moody's Investors Service Ltd. (**"Moody's"**), or may be unrated, as specified in the applicable Final Terms or Pricing Supplement. If rated, such rating will address the Issuer's ability to perform its obligations under the terms of the Notes. Where the amount of the obligation is determined by reference to a market-dependent index, the ratings do not currently address the likelihood that payments will be due under the terms of the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by Moody's. A suspension, reduction or withdrawal of the rating assigned to the Notes may adversely affect the market price of the Notes. Moody's is established in the European Union and registered under the Regulation (EC) No1060/2009 (the **"CRA Regulation"**).

Prospective investors should have regard to the factors described under the section of this Base Prospectus headed "Risk Factors" and, in particular, to the limited recourse nature of the Notes and the fact that the Issuer is a special purpose vehicle. This Base Prospectus does not describe all of the risks of an investment in the Notes.

Readers of this Base Prospectus should have regard to the definitions set out in the "Master Conditions" herein. Unless otherwise defined elsewhere in this Base Prospectus, capitalised terms used in this Base Prospectus shall have the meaning given to them in the "Master Conditions".

Arranger and Dealer



The date of this Base Prospectus is 23 December 2014.

This Base Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive and for the purpose of giving information with regard to the Issuer and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the Issuer's knowledge (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes to the public. Accordingly, any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes to the public in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus and the applicable Final Terms or Pricing Supplement in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (as defined in "*Overview of the Programme*"). Neither the delivery of this Base Prospectus nor any sale of Notes made in connection therewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date of this Base Prospectus or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date of this Base Prospectus or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area, the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and include Notes in bearer form that are subject to U.S. tax law requirements. Notes may not be offered, sold or, in the case of Notes in bearer form, delivered at any time within the United States (as defined in Regulation S of the Securities Act ("**Regulation S**")) or to any person who is (a) a U.S. person (as defined in Regulation S) or (b) not a Non-United States person (as defined in Rule 4.7 under the United States Commodity Exchange Act, but excluding, for the purposes of subsection (D) thereof, the exception to the extent that it would apply to persons who are not Non-United

States persons) (“**CFTC Rule 4.7**”). For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see “*Subscription and Sale*”. The Issuer has the right, at its option, to refuse to recognise any such transfer or to compel any legal or beneficial owner of the Notes who contravenes such prohibition to void the transfer of such Notes to such legal or beneficial owner or to redeem any such Notes held by such legal or beneficial owner. Transfers may be voided by the Issuer by compelling a sale by such legal or beneficial owner or by the Issuer selling such Notes on behalf of such legal or beneficial owner at the lesser of the purchase price therefor or the value per Note prevailing at the time such transfer is voided.

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

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Arranger or the Dealers to subscribe for, or purchase, any Notes.

The Arranger, the Trustee, the Agents and the Dealers have not separately verified the information contained in this Base Prospectus. None of the Trustee, the Agents, the Dealers or the Arranger makes any representation, express or implied, or, to the fullest extent permitted by law, accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus or for any other statement made or purported to be made by the Arranger, the Trustee, the Agents or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. Each Arranger and Dealer 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 Base Prospectus or any such statement.

Prospective purchasers of Notes should have regard to the factors described under the section headed “*Risk Factors*” in this Base Prospectus. This Base Prospectus does not describe all of the risks of an investment in the Notes. Neither this Base Prospectus nor any financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes.

Prospective purchasers of Notes should conduct such independent investigation and analysis regarding the Issuer, the security arrangements and the Notes as they deem appropriate to evaluate the merits and risks of an investment in the Notes. Prospective purchasers of Notes should have sufficient knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in this Base Prospectus and the applicable Final Terms or Pricing Supplement and the merits and risks of investing in the Notes in the context of their financial position and circumstances. None of the Dealers, the Trustee, the Agents or the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus or during the term of any Notes issued nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers, the Trustee, the Agents or the Arranger. The risk factors identified in this Base Prospectus are provided as general information only and the Dealers, the Trustee, the Agents and the Arranger disclaim any responsibility to advise purchasers of Notes of the risks and investment considerations associated therewith as they may exist at the date of this Base Prospectus or as they may from time to time alter.

In connection with the issue of any Tranche (as defined in “*Overview of the Programme – Method of Issue*”), the Dealer or Dealers (if any) named as the stabilising manager(s) (the “**Stabilising Manager(s)**”) (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms or Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no

assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment shall be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

A copy of this document has been delivered to the registrar of companies in Jersey (the "**Jersey Registrar**") in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002, as amended, and the Jersey Registrar has given, and has not withdrawn, his consent to its circulation. The Jersey Financial Services Commission (the "**Commission**") has given, and has not withdrawn, or will have given prior to the issue of the Notes and not withdrawn, its consent under Article 4 of the Control of Borrowing (Jersey) Order 1958 to the issue of the Notes.

The Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law. It must be distinctly understood that, in giving these consents, neither the Jersey Registrar nor the Commission takes any responsibility for the financial soundness of the Issuer or for the correctness of any statements made, or opinions expressed, with regard to it.

If you are in any doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. It should be remembered that the price of securities and the income from them can go down as well as up.

The investments described in this document do not constitute a collective investment fund for the purpose of the Collective Investment Funds (Jersey) Law 1988, as amended, on the basis that they are investment products designed for financially sophisticated investors with specialist knowledge of, and experience of investing in, such investments, who are capable of fully evaluating the risks involved in making such investments and who have an asset base sufficiently substantial as to enable them to sustain any loss that they might suffer as a result of making such investments. These investments are not regarded by the Commission as suitable investments for any other type of investor.

Any individual intending to invest in any investment described in this document should consult his or her professional adviser and ensure that he or she fully understands all the risks associated with making such an investment and has sufficient financial resources to sustain any loss that may arise from it.

SUPPLEMENTARY PROSPECTUS

If at any time the Issuer shall be required to prepare a supplementary prospectus pursuant to Article 16 of the Prospectus Directive, the Issuer will prepare and make available a supplement to this Base Prospectus.

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OVERVIEW OF THE PROGRAMME

The following is an overview of the Programme pursuant to which the Issuer may issue Notes. This Base Prospectus gives information solely in relation to the Issuer and its respective Notes. This overview is qualified in its entirety by the remainder of this Base Prospectus.

PARTIES

Issuer:	Arion Securities Limited, a limited liability company incorporated in Jersey. Information relating to the Issuer is contained in the section of this Base Prospectus headed “ <i>Description of the Issuer</i> ”.
Arranger:	Lloyds Bank plc.
Dealer:	Lloyds Bank plc. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Series or Tranches or in respect of the whole Programme.
Trustee:	BNY Mellon Corporate Trustee Services Limited
Issuing and Paying Agent and Transfer Agent:	The Bank of New York Mellon, London Branch
Custodian:	The Bank of New York Mellon, London Branch
Registrar and Transfer Agent:	The Bank of New York Mellon (Luxembourg) S.A.
Note Swap Counterparty:	Unless otherwise specified in the applicable Pricing Supplement, the Note Swap Counterparty (if any) in respect of any Note Swap Agreement in respect of a Series of Notes will be Lloyds Bank plc.
Note Repo Counterparty:	Unless otherwise specified in the applicable Pricing Supplement, the Note Repo Counterparty (if any) in respect of any Note Repo Agreement in respect of a Series of Notes will be Lloyds Bank plc.
Disposal Agent:	Lloyds Bank plc.
Calculation Agent:	Lloyds Bank plc or The Bank of New York Mellon, London Branch, as specified in the applicable Final Terms or Pricing Supplement.

CHARACTERISTICS OF THE NOTES

Status of Notes:	The Notes will be secured, limited recourse obligations of the Issuer ranking <i>pari passu</i> without any preference among themselves and secured in the manner described in General Condition 4 (<i>Security</i>). Recourse in respect of any Series will be limited to the Mortgaged Property for that Series. Claims of the Trustee, the Noteholders, the Note Swap Counterparty, the Note Repo Counterparty, the Custodian, the Issuing and Paying Agent and any other Secured Creditor shall rank in accordance with the priorities specified in General Condition 15 (<i>Application of Available Proceeds</i>) as it may be amended by the relevant Supplemental Trust Deed.
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Restrictions:

So long as any Note remains outstanding, the Issuer will not, without the consent of the Trustee, the Note Swap Counterparty and the Note Repo Counterparty, engage in any business other than the issuance or entry into of bonds, notes or other securities or the entry into of loans or other agreements for the payment or repayment of borrowed money, provided always that (i) such obligations are entered into on a limited recourse and non-petition basis, (ii) such obligations are secured on assets of the Issuer other than (a) the Issuer's share capital, (b) any fees paid to the Issuer in connection with the Notes or Other Obligations and (c) those assets securing any Other Obligations of the Issuer and (iii) the Issuer may, without the consent of the Trustee, enter into any agreement (a "**Regulatory Agreement**") that in the reasonable opinion of the Issuer (a) is necessary in order to comply with any mandatory regulatory obligations to which it is subject, or any agreement necessary in order to perform its obligations under any such Regulatory Agreement and (b) does not impose new and/or additional obligations on and/or release or decrease the rights or protections of the Trustee, the Agents or the Custodian. In addition, the Issuer will be subject to certain other restrictions including, but not limited to, that it will not, without the consent of the Trustee and the Note Swap Counterparty and the Note Repo Counterparty, declare any dividends except for those amounts declared, made or paid to the shareholders of the Issuer with funds received by the Issuer by way of any annual transactional fees or other funds so received (such dividends not to exceed £2,000 per annum), have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property, consolidate or merge with any other person, sell, transfer or otherwise dispose of any of the Mortgaged Property or any right or interest therein or create any mortgage, charge or other security or right of recourse in respect thereof (other than as contemplated by the Conditions) or issue any shares (other than such shares as were in issue on the date of this Base Prospectus).

Form of Notes:

The Notes may be issued in bearer form only ("**Bearer Notes**") or in registered form only ("**Registered Notes**"). Each Tranche of Bearer Notes will be represented on issue by a temporary global note (a "**Temporary Global Note**") if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in "*U.S. TEFRA Compliance*" below), otherwise such Tranche will be represented by a permanent global note (a "**Permanent Global Note**").

Registered Notes will be represented by certificates (each a "**Certificate**"), one Certificate being issued in respect of each

Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as "**Global Certificates**".

Note Swap Agreement:

In respect of any Series of Notes, the Issuer may enter into a swap agreement on the terms described in the section of this Base Prospectus headed "*The Note Swap Agreement*" (a "**Note Swap Agreement**"). A Note Swap Agreement may, if so specified in the applicable Final Terms or Pricing Supplement, provide for collateralisation by way of a credit support annex by either or both of the Issuer and the Note Swap Counterparty of their respective obligations under the Note Swap Agreement. Where no Note Swap Agreement is entered into in relation to a Series of Notes, references in this Base Prospectus to Note Swap Agreement and Note Swap Counterparty shall not be applicable.

Note Repo Agreement:

In respect of any Series of Notes, the Issuer may enter into a repurchase agreement on the terms described in the section of this Base Prospectus headed "*The Note Repo Agreement*" (a "**Note Repo Agreement**"). Where no Note Repo Agreement is entered into in relation to a Series of Notes, references in this Base Prospectus to Note Repo Agreement and Note Repo Counterparty shall not be applicable.

Limited Recourse and Non-Petition:

The Notes comprise secured, limited recourse obligations of the Issuer.

In respect of a Series, the Note Transaction Parties, the Noteholders and the Couponholders shall have recourse only to the Mortgaged Property in respect of such Series, subject always to the Security, and not to any other assets of the Issuer.

If, after (i) the Mortgaged Property in respect of such Series is exhausted, whether following Liquidation or enforcement of the Security, and (ii) application of the proceeds derived from the Mortgaged Property as provided in General Condition 15 (*Application of Available Proceeds*), any outstanding claim, debt or liability against the Issuer in relation to the Notes of such Series or Note Transaction Documents relating to the Notes of such Series remains unpaid, then such outstanding claim, debt or liability, as the case may be, shall be extinguished in accordance with General Condition 18 (*Limited Recourse and Non-Petition*) and no debt shall be owed by the Issuer in respect thereof.

Following extinguishment in accordance with General Condition 18 (*Limited Recourse and Non-Petition*), none of the Note Transaction Parties (save for the Trustee who may lodge a claim in the liquidation of the Issuer which is initiated by another party or take proceedings to obtain a declaration or judgment as to the obligations of the Issuer), the Noteholders, the Couponholders or any other person acting

on behalf of any of them shall be entitled to take any further steps against the Issuer or any of its officers, shareholders, members, incorporators, corporate service providers or directors to recover any further sum in respect of the extinguished claim, debt or liability and the Issuer shall have no obligation to any such persons in respect of such further sum in respect of such Series.

None of the Note Transaction Parties, the Noteholders, the Couponholders or any other person acting on behalf of any of them may, at any time, institute or join with any other person in bringing, instituting or joining, insolvency, administration, bankruptcy, winding-up, examinership or any other similar proceedings (whether court-based or otherwise) in relation to the Issuer or any of its officers, shareholders, members, incorporators, corporate service providers or directors or any of its assets, and none of them shall have any claim arising with respect to the assets or property attributable to any other notes issued by the Issuer or Other Obligations of the Issuer.

Such limited recourse and non-petition provisions shall survive maturity of the Notes and the expiration or termination of the Note Transaction Documents.

TERMS OF THE NOTES

Mortgaged Property:

The Notes of each Series will be secured in the manner set out in General Condition 4 (*Security*), including a charge over the Collateral and an assignment of the Issuer's rights, title and/or interest relating to the Collateral and against the Custodian to the extent they relate to the Collateral, and a charge over all sums held from time to time by the Custodian and the Issuing and Paying Agent insofar as such sums relate to that Series, together with an assignment of the Issuer's rights, title and/or interest under the Note Swap Agreement and the Note Repo Agreement in each case, relating to that Series. Each Series may also be secured on such additional security as may be described in the applicable Pricing Supplement. References in this Base Prospectus to "Security" are to the security constituted by the Trust Deed for the relevant Series and/or constituted by any other security documents in respect of the relevant Series.

Initial Collateral:

Notes to be admitted to the Official List and to trading on the Main Securities Market may only be issued by way of applicable Final Terms under this Base Prospectus where the Initial Collateral is Approved Initial Collateral (as defined in the section of this Base Prospectus headed "*Initial Collateral*").

In all other cases, the Initial Collateral in respect of a Series of Notes will be as specified in the applicable Pricing Supplement.

Currencies:

Subject to compliance with all relevant laws, regulations and

	directives, Notes may be issued in any currency as agreed between the Issuer, the Issuing and Paying Agent and the relevant Dealers.
Specified Denomination:	Definitive Notes will be in such denominations as may be specified in the applicable Final Terms or Pricing Supplement in accordance with all relevant laws, regulations and directives, save that (i) in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in any state that is (a) a Member State, or (b) any other State which is a party to the agreement establishing the European Economic Area (signed at Oporto on 2 May 1992), the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes) and (ii) unless otherwise permitted by current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000 (“FSMA”) will have a minimum denomination of £100,000 (or its equivalent in other currencies).
Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity.
Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the applicable Final Terms or Pricing Supplement.
Floating Rate Notes:	Floating Rate Notes will bear interest determined separately for each Series and will be determined on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.
Structured Coupon Payment Notes:	Structured Coupon Payment Notes will bear interest at a rate calculated in accordance with the relevant Coupon Payout Condition specified as the Interest Basis in the applicable Final Terms or Pricing Supplement.
Zero Coupon Notes:	Zero Coupon Notes may be issued at their nominal amount or at a discount to their nominal amount and will not bear interest.
Interest Periods, Interest Accrual Periods and Rates of Interest:	The length of the interest periods for the Notes and the applicable rate of interest or its method of calculation may differ from time to time or be constant for any Series. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the applicable Final Terms or

Pricing Supplement.

Redemption:

The applicable Final Terms or Pricing Supplement will specify whether General Condition 7(a) (*Final Redemption*), General Condition 7(b) (*Redemption by Instalments*), Redemption Payout Condition 1 (*Inflation Linked Redemption*), Redemption Payout Condition 2 (*Long-dated Collateral Redemption*), Redemption Payout Condition 3 (*Long-dated Collateral and Swap Redemption*) or the Credit Linked Asset Conditions will provide the applicable basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies) per Note.

Redemption by Instalments:

The applicable Final Terms or Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

Credit Linked Notes:

Notes to be admitted to the Official List and to trading on the Main Securities Market may only be issued by way of applicable Final Terms under this Base Prospectus where the Reference Entity is an Approved Reference Entity (as defined in the section of this Base Prospectus headed “*Reference Entity*”).

In all other cases, the Reference Entity in respect of a Series of Notes will be as specified in the applicable Pricing Supplement.

Early Redemption for Events of Default, tax or other reasons:

The Notes may be redeemed prior to or following the Maturity Date upon the occurrence of certain tax events with respect to the Notes or the Initial Collateral, upon any of the Initial Collateral being called for redemption or repayment prior to its scheduled maturity date, upon the termination of the Note Swap Agreement or the Note Repo Agreement or upon it becoming unlawful for the Issuer to perform its role in respect of the Notes (any redemption following the Maturity Date would be as a result of a redemption being triggered prior to the Maturity Date but with the resultant liquidation process not being completed until after the Maturity Date). In addition, either the Noteholders and/or the Trustee (dependent on the relevant event and subject as specified in the Conditions) may have the right to direct a redemption of the Notes upon the occurrence of an Event of Default with respect to the Notes, the occurrence of certain default events relating to the Initial Collateral or upon the bankruptcy or certain other defaults of the Note Swap Counterparty or the Note Repo Counterparty.

In such circumstances, the Disposal Agent may be required to liquidate some or all of the Collateral and the Note Swap Agreement and the Note Repo Agreement will be terminated in accordance with their respective terms. The amount payable to Noteholders in such circumstances will be the Early Redemption Amount, being an amount per Note equal to that Note's *pro rata* share of (i) the proceeds of liquidation or realisation of the Collateral and any other assets in respect of the relevant Series available to the Issuer (other than payments from the Note Swap Counterparty in respect of the termination of the Note Swap Agreement and payments from the Note Repo Counterparty in respect of the termination of the Note Repo Agreement), plus (ii) any termination payment payable to the Issuer by the Note Swap Counterparty on the termination of the Note Swap Agreement and any termination payment payable to the Issuer by the Note Repo Counterparty on the termination of the Note Repo Agreement and minus (iii) any termination payment payable to the Note Swap Counterparty by the Issuer on the termination of the Note Swap Agreement and any termination payment payable to the Note Repo Counterparty by the Issuer on the termination of the Note Repo Agreement.

The Early Redemption Amount of a Note may be less than or may have a value of less than the Specified Denomination of that Note and may be zero.

In addition, on a redemption of the Notes other than on their final redemption on the Maturity Date, the Issuer or the Trustee (as the case may be) will apply available sums or assets in accordance with the order of priority set out in General Condition 15 (*Application of Available Proceeds*). Such sums or assets may not be sufficient to meet the claims of the Secured Creditors against the Issuer in respect of the Series and, accordingly, following application in accordance with the order of priority there may not be sufficient sums or assets available to satisfy the Issuer's obligation to pay the Early Redemption Amount in full or at all. See further the section of this Base Prospectus headed "*Overview of the Programme – Limited Recourse and Non-Petition*".

Without limiting the foregoing, the Note Swap Counterparty may terminate the Note Swap Agreement upon the occurrence of a mark-to-market trigger event or a regulatory trigger event (see the section of this Base Prospectus headed "*Note Swap Agreement*" for a description of when the Note Swap Counterparty is entitled to exercise these additional termination rights). The termination of the Note Swap Agreement may trigger the redemption of the Notes as described above.

Cross Default:

None.

Withholding Tax:

All payments in respect of the Notes will be made subject to

any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature that the Issuer or any Agent is required by applicable law, regulation or agreement with a relevant tax authority to make. In that event, the Issuer or such Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount(s) so required to be withheld or deducted. This may result in the early redemption of the Notes – see the section of this Base Prospectus headed “*Overview of the Programme – Early Redemption for Events of Default, tax or other reasons*”. Neither the Issuer nor any Agent will be obliged to make any additional payments to holders of Notes in respect of such withholding or deduction.

Further Issues:

The Issuer may from time to time issue further Notes of any Series on the same terms as existing Notes and such further Notes shall be consolidated and form a single Series with such existing Notes of the same Series, provided that, unless otherwise approved by an Extraordinary Resolution of Noteholders, the Issuer provides in accordance with General Condition 5 (*Restrictions*) additional assets as security for such further Notes.

Governing Law:

English.

ISSUANCE DETAILS

Method of Issue:

The Notes will be issued in Series, with the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in Tranches on the same or different issue date(s). The specific terms of each Tranche (which, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the applicable Final Terms or Pricing Supplement.

Listed Notes shall be issued by way of Final Terms. Unlisted Notes which are not offered to the public in any Member State of the European Economic Area or where there is an exemption to the requirement to publish a prospectus may be issued by way of Pricing Supplement.

Issue Price of the Notes:

Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.

Clearing Systems:

Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Issuing and Paying Agent, the Trustee and the relevant Dealer.

Initial Delivery of Notes:

On or before the issue date for each Tranche, if the relevant Global Note is a new global note (a “**NGN**”) or the relevant Global Certificate is held under the New Safekeeping

Structure (the “**NSS**”), the Global Note or Global Certificate will be delivered to a common safekeeper for Euroclear and Clearstream, Luxembourg (the “**Common Safekeeper**”). On or before the issue date for each Tranche, if the relevant Global Note is a classic global note (a “**CGN**”) or the relevant Global Certificate is not held under the NSS, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Global Notes or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Issuing and Paying Agent, the Trustee and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.

For the avoidance of doubt, under current regulations, Notes may only be held under the NSS if the Issuer is established in the European Economic Area.

Listing and Admission to Trading:

Application will be made to list Notes issued under the Programme on the Official List and to admit them to trading on the Main Securities Market or as otherwise specified in the applicable Final Terms and references to “listing” shall be construed accordingly. As specified in the applicable Pricing Supplement, a Series of Notes may be unlisted.

Rating:

The Programme is not rated but it is anticipated that certain Series of Notes may be rated by Moody’s Investors Service Ltd.

Where a Series or Tranche of Notes is to be rated, such rating will be specified in the applicable Final Terms or Pricing Supplement.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Selling Restrictions:

The United States, the Public Offer Selling Restriction under the Prospectus Directive, the United Kingdom, Jersey and any other jurisdiction relevant to any Series. See “*Subscription and Sale*”.

The Issuer is Category 2 for the purposes of Regulation S under the Securities Act, as amended.

U.S. TEFRA Compliance:

Notes in bearer form will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) unless (i) the applicable Final Terms or Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not

constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the applicable Final Terms or Pricing Supplement as a transaction to which TEFRA is not applicable.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. The Issuer is not in a position to express a view on the likelihood of any contingency highlighted by a risk factor occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes or the reduction of any such amounts may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and the applicable Final Terms or Pricing Supplement and reach their own views prior to making any investment decision.

The risk factors identified in this Base Prospectus are provided as general information only and the Arranger and the Dealers disclaim any responsibility to advise purchasers of Notes of the risk and investment considerations associated therewith as they may exist at the date hereof or as they may from time to time alter.

1 General

1.1 The Notes

The Notes are complex instruments that involve substantial risks and are suitable only for sophisticated investors who have sufficient knowledge and experience and access to such professional advisers as they shall consider necessary in order to make their own evaluation of the risks and the merits of such an investment (including, without limitation, the tax, accounting, credit, legal, regulatory and financial implications for them of such an investment) and who have considered the suitability of such Notes in light of their own circumstances and financial condition. Prospective investors should ensure that they understand the nature of the risks posed by an investment in the Notes, and the extent of their exposure as a result of such investment in the Notes and, before making their investment decision, should consider carefully all of the information set forth in this Base Prospectus and, in particular, the considerations set forth below. Owing to the structured nature of the Notes, their price may be more volatile than that of unstructured securities.

1.2 Investors

Each prospective investor in Notes should have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal and interest may reduce as a result of the occurrence of different events, whether related to the creditworthiness of any entity or otherwise, or changes in particular rates, prices or indices, or where the currency for principal or interest payments is different from the prospective investor's currency.

Investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult its professional advisers to determine whether and to what extent (i) the Notes are legal investments for it, and/or (ii) other restrictions apply to its purchase or, if relevant, pledge of any Notes. Financial institutions should consult their professional advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

For the purposes of these risk factors, references to “Noteholders” or “holders” of Notes should generally be read as including holders of beneficial interests in such Notes, except where the context otherwise requires.

1.3 No fiduciary role

None of the Issuer, the Arranger, the Dealers or any of the other Note Transaction Parties or any of their respective affiliates is acting as an investment adviser or as an adviser in any other capacity, and none of them (other than the Trustee under the Trust Deed) assumes any fiduciary obligation to any purchaser of Notes or any other party, including the Issuer.

None of the Issuer, the Arranger, the Dealers or any of the other Note Transaction Parties assumes any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of any issuer or obligor of any Collateral or the terms thereof or of any Note Swap Counterparty or the terms of the relevant Note Swap Agreement or of any Note Repo Counterparty or the terms of the relevant Note Repo Agreement.

Investors may not rely on the views of the Issuer, the Arranger, the Dealers or any of the other Note Transaction Parties for any information in relation to any person other than the entity giving the views.

1.4 No reliance

A prospective purchaser may not rely on the Issuer, the Arranger, the Dealers or any of the other Note Transaction Parties or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to any of the other matters referred to above.

1.5 No representations

None of the Issuer, the Arranger, the Dealers or any of the other Note Transaction Parties makes any representation or warranty, express or implied, in respect of any Collateral or any issuer or obligor of any Collateral or of any Note Swap Counterparty or in respect of the relevant Note Swap Agreement or of any Note Repo Counterparty or in respect of the relevant Note Repo Agreement or in respect of any information contained in any documents prepared, provided or filed by or on behalf of any such issuer or obligor or in respect of such Collateral or of any Note Swap Counterparty or in respect of the relevant Note Swap Agreement or of any Note Repo Counterparty or in respect of the relevant Note Repo Agreement with any exchange, governmental, supervisory or self regulatory authority or any other person.

None of the Issuer, the Arranger, the Dealers or any of the other Note Transaction Parties makes any representation or warranty in respect of the Collateral or in respect of any Note Swap Counterparty or any Note Repo Counterparty.

2 Risks relating to the Issuer

2.1 The Issuer is a special purpose vehicle

The Issuer's sole business is the raising of money by issuing Notes or entering into Other Obligations for the purposes of purchasing assets and entering into related derivatives and other contracts. The Issuer has covenanted (amongst other things) not, as long as any Note remains outstanding, without the consent of the Trustee and the Note Swap Counterparty and the Note Repo Counterparty, to engage in any business other than the issuance or entry into of bonds, notes or other securities or the entry into of loans or other agreements for the payment or repayment of borrowed money, and provided always that (i) such obligations are entered into on a limited recourse and non-petition basis, (ii) such obligations are secured on assets of the Issuer other than (a) the Issuer's share capital, (b) any fees paid to the Issuer in connection with the Notes or Other Obligations and (c) those assets securing any Other Obligations of the Issuer and (iii) the Issuer may, without the consent of the Trustee, enter into any Regulatory

Agreement that in the reasonable opinion of the Issuer (a) is necessary in order to comply with any mandatory regulatory obligations to which it is subject, or any agreement necessary in order to perform its obligations under any such Regulatory Agreement and (b) does not impose new and/or additional obligations on and/or release or decrease the rights or protections of the Trustee, the Agents or the Custodian. In addition, the Issuer will be subject to certain other restrictions including, but not limited to, that it will not, without the consent of the Trustee and the Note Swap Counterparty and the Note Repo Counterparty declare any dividends except for those amounts declared, made or paid to the shareholders of the Issuer with funds received by the Issuer by way of any annual transactional fees or other funds so received (such dividends not to exceed £2,000 per annum), have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property, consolidate or merge with any other person, sell, transfer or otherwise dispose of any of the Mortgaged Property or any right or interest therein or create any mortgage, charge or other security or right of recourse in respect thereof (other than as contemplated by the Conditions) or issue any shares (other than such shares as were in issue on the date of this Base Prospectus). As such, the Issuer has, and will have, no assets other than its issued and paid-up share capital, such fees (as agreed) payable to it in connection with the issue of Notes or entry into of Other Obligations from time to time and any Mortgaged Property and any other assets on which Notes or Other Obligations are secured. There is no day-to-day management of the business of the Issuer.

2.2 Regulation of the Issuer by any regulatory authority

Other than the consent to the circulation of this Base Prospectus given by the Jersey Registrar and consent to the issuance of the Notes given by the Commission, the Issuer is not required to be licensed, registered or authorised under any current securities, commodities, insurance or banking laws or regulations of its jurisdiction of incorporation. There is no assurance, however, that in the future such regulatory authorities would not take a contrary view regarding the applicability of any such laws or regulations to the Issuer. There is also no assurance that the regulatory authorities in other jurisdictions would not require the Issuer to be licensed or authorised under any securities, commodities, insurance or banking laws or regulations of those jurisdictions. Any requirement to be licensed or authorised could have an adverse effect on the Issuer and on the holders of the Notes.

2.3 Anti-money laundering

The Issuer may be subject to anti-money laundering legislation in its jurisdiction of incorporation. If the Issuer were determined by the relevant authorities to be in violation of any such legislation, it could become subject to substantial criminal penalties. Any such violation could materially and adversely affect the timing and amount of payments made by the Issuer to Noteholders in respect of the Issuer's Notes.

3 Risks relating to the Notes

3.1 Limited recourse obligations

The Notes are direct, secured, limited recourse obligations of the Issuer payable solely out of the Mortgaged Property over which security is given by the Issuer in favour of the Trustee on behalf of the Noteholders and other Secured Creditors. Payments due in respect of the Notes prior to redemption or acceleration thereof will be made solely out of amounts received by or on behalf of the Issuer in respect of the Mortgaged Property of that Series. The Issuer will have no other assets or sources of revenue available for payment of any of its obligations under the Notes. No assurance can be made that the proceeds available for and allocated to the repayment of the Notes at any particular time will be sufficient to cover all amounts that would otherwise be due and payable in respect of the Notes. If the proceeds of the realisation of the Security received by the Trustee for the benefit of the Noteholders prove insufficient to make payments on the Notes, no other assets will be available for payment of the shortfall, and, following distribution of the proceeds of such realisation, any outstanding claim against the Issuer in relation to the Notes shall be extinguished and no debt shall be owed by the Issuer in respect thereof.

Further, only the Trustee may pursue remedies against the Issuer for any breach by the Issuer of the terms of the Trust Deed, the Notes or the Coupons and no Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails to do so within a reasonable period and such failure is continuing. In addition, in respect of any failure by the Issuer to make payment of the Final Redemption Amount and/or any interest or Instalment Amount that became due and payable on the Maturity Date, the Trustee may not pursue any remedies against the Issuer for any breach by the Issuer of the terms of the Trust Deed, the Notes or the Coupons until the 15th Reference Business Day after the Maturity Date.

In addition, only the Trustee may enforce the Security over the Mortgaged Property in accordance with, and subject to, the terms of the Trust Deed.

No person other than the Issuer will be obliged to make payments on the Notes.

3.2 Meetings of Noteholders and written resolutions

The Trust Deed contains provisions for calling meetings of Noteholders to consider matters affecting their interests generally and to obtain written resolutions on matters relating to the Notes from Noteholders without calling a meeting. A written resolution signed by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes of the relevant Series then outstanding shall for all purposes be deemed to be an Extraordinary Resolution. In certain circumstances, where the Notes are held on behalf of a clearing system, the Issuer and the Trustee will be entitled to rely upon approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communication systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90 per cent. in aggregate nominal amount of the Notes of the relevant Series for the time being outstanding, and such electronic consents shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held.

A written resolution or an electronic consent described in the previous paragraph may be effected in connection with any matter affecting the interests of Noteholders, including the modification of the Conditions, that would otherwise be required to be passed at a meeting of Noteholders satisfying the special quorum in accordance with the provisions of the Trust Deed. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or in respect of the relevant resolution (or participate in the written resolution or electronic consent, as the case may be) and Noteholders who voted in a manner contrary to the majority (either in a meeting or by written resolution).

3.3 Trustee indemnity

In certain circumstances, the Noteholders may be dependent on the Trustee to take certain steps, actions or proceedings in respect of a Series of Notes, in particular if the Security in respect of such Series becomes enforceable under the Conditions. Prior to taking such steps, actions or proceedings the Trustee may require to be indemnified and/or secured and/or prefunded to its satisfaction. If the Trustee is not indemnified and/or secured and/or prefunded to its satisfaction, it may decide not to take such steps, actions or proceedings and such inaction will not constitute a breach by it of its obligations under the Trust Deed. Consequently, the Noteholders would have to either arrange for such indemnity and/or security and/or prefunding or accept the consequences of such inaction by the Trustee. Noteholders should be prepared to bear the costs associated with any such indemnity and/or security and/or prefunding and/or the consequences of any such inaction by the Trustee. Such inaction by the Trustee will not entitle Noteholders to take action directly against the Issuer to pursue remedies for any breach by the Issuer of the Trust Deed, the Notes or the Coupons (although the events giving rise to the need for Trustee action might also permit the Noteholders to exercise certain rights directly under the Conditions).

So long as any Note is outstanding, the Issuer shall pay the Trustee and Agents remuneration for their services. Unless alternative arrangements are in place to finance such remuneration, such remuneration may reduce the amount payable to Noteholders.

3.4 Priority of claims

During the term of the Notes, following a Liquidation and on an enforcement of the Security, the rights of the Noteholders to be paid amounts due under the Notes will be subordinated to (i) the payment of any taxes required to be paid in connection with the Liquidation and/or realisation of the Collateral and/or Security, (ii) the fees, costs, charges, expenses and liabilities due and payable to the Trustee including costs incurred in the enforcement of the Security (which may include for example, the fees of any receiver appointed by the Trustee) and the Trustee's remuneration, (iii) fees of, or other amounts owing to, the Disposal Agent, (iv) certain amounts owing to the Custodian and amounts owing to the Issuing and Paying Agent in respect of reimbursement for sums paid by them in advance of receipt by them of the funds to make such payment and in respect of the fees, costs, charges, expenses and liabilities (if any) then due and payable to the Custodian under the Custody Agreement and the Paying Agents, the Calculation Agent, the Registrar and the Transfer Agent under the Agency Agreement, (v) except where "Noteholder Priority" is specified to be applicable in the applicable Final Terms or Pricing Supplement, amounts owing to the Note Swap Counterparty under the Note Swap Agreement and the Note Repo Counterparty under the Note Repo Agreement and (vii) any other claims as specified in the Conditions, as may be amended by the Supplemental Trust Deed relating to the relevant Series, that rank in priority to the Notes.

3.5 No gross-up

In the event that any withholding tax or deduction for tax is imposed on payments on or in respect of the Notes (as a result of FATCA (as defined in the section of this Base Prospectus headed "*Master Conditions – General Conditions*") or otherwise), the Noteholders will not be entitled to receive grossed-up amounts to compensate for such withholding tax nor be reimbursed for the amount of any shortfall. In certain circumstances, the imposition of such taxes or deductions for tax will result in the Notes being redeemed early at their Early Redemption Amount (as further described below in the section of this Base Prospectus headed "*Early Redemption for Events of Default, tax or other reasons*").

3.6 Modification, waivers and substitution

The Trust Deed and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally (including amendments to the Conditions and/or the Trust Deed). These provisions permit defined majorities to bind all Noteholders of the relevant Series, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Trust Deed and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders, agree to (i) any modification of any of the Conditions or any of the provisions of the Note Transaction Documents that, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error, (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach of any of the Conditions or any provisions of the Note Transaction Documents that, in the opinion of the Trustee, is not materially prejudicial to the interest of the Noteholders or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuer subject to the prior written consent of the Note Swap Counterparty and the Note Repo Counterparty.

3.7 Early redemption for Events of Default, tax or other reasons

The Notes may be redeemed otherwise than on final redemption on the Maturity Date upon the occurrence of certain tax events with respect to the Notes or the Initial Collateral, upon any of the Initial

Collateral being called for redemption or repayment prior to its scheduled maturity date, upon the termination of the Note Swap Agreement or the Note Repo Agreement or upon it becoming unlawful for the Issuer to perform its role in respect of the Notes. In addition, either the Noteholders and/or the Trustee (dependent on the relevant event and as specified in the Conditions) may have the right to direct a redemption of the Notes upon the occurrence of an Event of Default with respect to the Notes, the occurrence of certain default events relating to the Initial Collateral or upon the bankruptcy or certain other defaults of the Note Swap Counterparty or the Note Repo Counterparty. In such circumstances, the Disposal Agent may be required to liquidate some or all of the Collateral and/or the Trustee may enforce the Security following the occurrence of an Enforcement Event (as the case may be) and any Note Swap Agreement and Note Repo Agreement may terminate in accordance with its terms.

Upon early termination of the Note Swap Agreement (if any), an early termination payment based on the losses or costs or, as the case may be, gains of the determining party in entering into a replacement transaction or its economic equivalent (or otherwise determined in accordance with the terms of such Note Swap Agreement) will be payable by the Issuer to the Note Swap Counterparty or (as the case may be) by the Note Swap Counterparty to the Issuer under the Note Swap Agreement. The determination of any such losses or costs or, as the case may be, gains will be dependent on a number of factors, including, without limitation, (i) the creditworthiness and liquidity of the assets underlying the swap payments, (ii) market perception, interest rates, yields and foreign exchange rates, (iii) the time remaining to the scheduled termination date of the Note Swap Transactions under the Note Swap Agreement and (iv) where a Credit Support Annex has been entered into as part of the Note Swap Agreement, the value of any collateral received by the Issuer, or collateral posted by the Issuer, thereunder.

Upon early termination of the Note Repo Agreement (if any), in certain circumstances in which such termination is due to the bankruptcy of, or default by, the Note Repo Counterparty, an early termination payment based on the market value of the Initial Collateral sold under the Note Repo Agreement, the market value of any collateral posted by the Issuer to the Note Repo Counterparty or vice versa under the Note Repo Agreement and the purchase price paid by the Note Repo Counterparty to the Issuer for the Initial Collateral, will be payable by the Issuer to the Note Repo Counterparty or (as the case may be) by the Note Repo Counterparty to the Issuer. In all other cases, the early termination of the Note Repo Agreement will result in the Note Repo Counterparty either, (at the option of the Note Repo Counterparty) paying an amount to the Issuer equal to the market value of the Initial Collateral purchased by the Note Repo Counterparty thereunder or delivering (as the case may be) securities equivalent to the Initial Collateral purchased by the Note Repo Counterparty thereunder together with any margin held by it in respect of the Note Repo Agreement, and the Issuer transferring all securities received by it from the Note Repo Counterparty under the Note Repo Agreement together with all margin held by it in respect of the Note Repo Agreement. The market value of the Initial Collateral and any collateral posted under the Note Repo Agreement will be dependent on a number of factors including, without limitation, (i) the creditworthiness and liquidity of the Initial Collateral and any such collateral posted under the Note Repo Agreement and (ii) market perception, interest rates, yields and foreign exchange rates.

The amount payable to a Noteholder on an early redemption will be an amount per Note equal to the Early Redemption Amount, being such Note's pro rata share of (a) the proceeds of liquidation or realisation of the Collateral and any other assets in respect of the relevant Series available to the Issuer plus (b) any early termination payment under the Note Swap Agreement payable by the Note Swap Counterparty to the Issuer and/or any early termination payment under the Note Repo Agreement payable by the Note Repo Counterparty to the Issuer minus (c) any early termination payment under the Note Swap Agreement payable by the Issuer to the Note Swap Counterparty and/or any early termination payment under the Note Repo Agreement payable by the Issuer to the Note Repo Counterparty.

The Noteholders will be paid such amounts after payment of any priority claims in accordance with the Conditions. There is no assurance that in such circumstances the proceeds available following payment of any such priority claims will be sufficient to pay in full the amounts that holders of the relevant Notes would expect to receive in the event that the Notes redeemed in accordance with their terms on their Maturity Date or that such holders will receive back the amount, or assets with a value equal to the amount, they originally invested.

The Noteholders will be exposed to the market value of the Collateral, the Note Swap Agreement and the Note Repo Agreement (for a consideration of factors that may impact such values see “*Risk Factors – Market Value of Notes*” below).

3.8 Market Value of Notes

For the purposes of this section, references to “Collateral” shall also include Initial Collateral to the extent that such Initial Collateral has been transferred to the Note Swap Counterparty or the Note Repo Counterparty under the Note Swap Agreement or the Note Repo Agreement as the case may be.

The market value of the Notes will be affected by a number of factors, including, but not limited to (i) the value and volatility of the Collateral and the creditworthiness of the issuers and obligors of any Collateral, (ii) the value and volatility of any index, securities, commodities or other obligations to which payments on the Notes may be linked, directly or indirectly, and the creditworthiness of the issuers or obligors in respect of any securities or other obligations to which payments on the Notes may be linked, directly or indirectly, (iii) market perception, interest rates, yields and foreign exchange rates, (iv) the time remaining to the Maturity Date, (v) the nature and liquidity of the Note Repo Agreement and (vi) the nature and liquidity of the Note Swap Agreement or any other derivative transaction entered into by the Issuer or embedded in the Notes or the Collateral. Any price at which Notes may be sold prior to the Maturity Date may be at a discount, which could be substantial, to the value at which the Notes were acquired on the Issue Date.

Prospective purchasers should be aware that not all market participants would determine prices in respect of the Notes in the same manner, and the variation between such prices may be substantial. Accordingly, any prices provided by a Dealer may not be representative of prices that may be provided by other market participants. For this reason, any price provided or quoted by a Dealer should not be viewed or relied upon by prospective purchasers as establishing, or constituting advice by that Dealer concerning, a mark-to-market value of the Notes. The price (if any) provided by a Dealer is at the absolute discretion of that Dealer and may be determined by reference to such factors as it sees fit. Any such price may take into account fees, commissions or arrangements entered into by that Dealer with a third party in respect of the Notes and that Dealer shall have no obligation to any Noteholder to disclose such arrangements. Any price given would be prepared as of a particular date and time and would not therefore reflect subsequent changes in market values or any other factors relevant to the determination of the price.

3.9 FATCA and the possibility of withholding tax on payments

Background

The foreign account tax compliance provisions of the Hiring Incentives to Restore Employment Act of 2010 (for purposes of this Section 3.9, “**FATCA**”) impose a withholding tax of 30 per cent. on (i) certain U.S. source payments and (ii) payments of gross proceeds from the disposition of assets that produce U.S. source dividends or interest, in either case made to persons that fail to meet certain certification or reporting requirements. To avoid withholding under FATCA, a non-U.S. financial institution (“**FFI**”) must enter into an agreement with the IRS (an “**IRS Agreement**”) (as described below) or otherwise be exempt from the requirements of FATCA. Non-U.S. financial institutions that enter into IRS Agreements or become subject to provisions of local law (“**IGA legislation**”) intended to implement an

intergovernmental agreement entered into pursuant to FATCA (“IGAs”), may be required to identify “financial accounts” held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime. In addition, in order (a) to obtain an exemption from FATCA withholding on payments it receives or (b) to comply with any applicable IGA legislation, a financial institution that enters into an IRS Agreement or is subject to IGA legislation may be required to (i) report certain information on its U.S. account holders to the government of the United States or another relevant jurisdiction and (ii) withhold 30 per cent. from all, or a portion of, certain payments made to persons that fail to provide the financial institution information, consents and forms or other documentation that may be necessary for such financial institution to determine whether such person is compliant with FATCA or otherwise exempt from FATCA withholding.

Under FATCA, withholding is required with respect to payments to persons that are not compliant with FATCA or that do not provide the necessary information, consents or documentation, where such payments are made on or after (i) 1 July 2014 in respect of certain U.S. source payments, (ii) 1 January 2017, in respect of payments of gross proceeds (including principal repayments) on certain assets that produce U.S. source interest or dividends and (iii) 1 January 2017 (at the earliest) in respect of “foreign passthru payments”, provided that for “obligations” that are not treated as equity for U.S. federal income tax purposes, a FATCA withholding will only apply to such obligations that are issued or materially modified on or after the date that is six months after the date on which the final regulations defining “foreign passthru payments” are filed with the Federal Register in the case of an obligation that would only be subject to FATCA withholding to the extent payments on such obligation were treated as “foreign passthru payments”.

The application of FATCA to interest, principal or other amounts paid with respect to the Notes, the Initial Collateral, the Note Swap Agreement and the Note Repo Agreement (in each case, if any) and the information reporting obligations of the Issuer and other entities in the payment chain is still developing. In particular, a number of jurisdictions (including Jersey) have entered into IGAs with the United States, which modify the way in which FATCA applies to their jurisdictions (in respect of Jersey, the “**Jersey IGA**”). The full impact of such IGAs and IGA legislation thereunder on reporting and withholding responsibilities under FATCA is unclear. The Issuer and other entities in the payment chain may be required to report certain information on their U.S. account holders to government authorities in their respective jurisdictions or the United States in order (i) to obtain an exemption from FATCA withholding on payments they receive or (ii) to comply with applicable law in their jurisdiction. It is not yet certain how withholding on “foreign passthru payments” will be dealt with under the IGAs or if such withholding will be required at all.

Possible impact on payments on Initial Collateral, Note Swap Agreement and Note Repo Agreement (in each case, if any)

If the Issuer fails to comply with its obligations under FATCA (including the Jersey IGA and any IGA legislation thereunder), it may be subject to FATCA withholding on all, or a portion of, payments it receives with respect to the Initial Collateral, the Note Swap Agreement or the Note Repo Agreement (in each case, if any). Any such withholding would, in turn, result in the Issuer having insufficient funds from which to make payments that would otherwise have become due in respect of the Notes, the Note Swap Agreement (if any) or the Note Repo Agreement (if any) with respect to a Series. No other funds will be available to the Issuer to make up any such shortfall and, as a result, the Issuer may not have sufficient funds to satisfy its payment obligations to Noteholders. Additionally, if payments to the Issuer in respect of its assets, including the Initial Collateral (if any), are, will become or are deemed on any test date to be subject to FATCA withholding, the Notes will be subject to early redemption (see “*Early redemption for Events of Default, tax or other reasons*” below). No assurance can be given that the Issuer can or will comply with its obligations under FATCA or that the Issuer will not be subject to FATCA withholding.

Possible impact on payments on the Notes

The Issuer expects to require (and expects other intermediaries through which Notes are held to require) each Noteholder to provide certifications and identifying information about itself and its owners (or beneficial owners) in order to enable the Issuer (or such an intermediary) to identify and report on the Noteholder and certain of the Noteholder's direct and indirect U.S. beneficial owners to the IRS or another applicable authority. The Issuer may also be required to withhold amounts from Noteholders (including intermediaries through which such Notes are held) that are FFIs that are not compliant with, or exempt from, FATCA or Noteholders that do not provide the information, documentation or certifications required for the Issuer to comply with its obligations under FATCA. Additionally, the Issuer is also permitted to make any amendments to the Notes, the Note Swap Agreement (if any) and the Note Repo Agreement (if any) as may be necessary to enable the Issuer to comply with its obligations under FATCA (including the Jersey IGA) and any IGA legislation thereunder) and any such amendment will be binding on the Noteholders.

Neither a Noteholder nor a beneficial owner of Notes will be entitled to any additional amounts in the event a withholding tax is imposed pursuant to FATCA (including an IGA and any IGA legislation thereunder) on any payments on or with respect to the Notes. As a result, Noteholders may receive less interest or principal, as applicable, than expected.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER, THE NOTES AND NOTEHOLDERS IS SUBJECT TO CHANGE. EACH NOTEHOLDER SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW FATCA MIGHT AFFECT SUCH NOTEHOLDER IN LIGHT OF ITS PARTICULAR CIRCUMSTANCES.

3.10 Proposals to reform LIBOR and other benchmark indices

The London Inter-Bank Offered Rate ("**LIBOR**") is currently being reformed, including (i) the appointment of the ICE Benchmark Administration Limited as the new administrator, (ii) a reduction in the number of currencies and tenors for which LIBOR is calculated, and (iii) changes in the way that LIBOR is calculated, by compelling more banks to provide LIBOR submissions and basing these submissions on actual transactions data. Prospective investors should be aware that:

- (a) any of these changes or any other changes to LIBOR could affect the level of the published rate, including to cause it to be lower and/or more volatile than what it would otherwise be;
- (b) if the applicable rate of interest is calculated with reference to a currency or tenor which is discontinued, such rate of interest may then be determined by the Calculation Agent in its discretion; and
- (c) the administrator of LIBOR will not have any involvement in the Notes and may take any actions in respect of LIBOR without regard to the effect of such actions on the Notes.

Any of the above could have a material adverse effect on the value of, and the amount payable or deliverable under, any Notes which are linked to a LIBOR rate.

Prospective investors should also note that the Euro Interbank Offered Rate ("**EURIBOR**") and other so-called "benchmarks" have also been the subject of increased scrutiny and proposals for reform by a number of international authorities and other bodies. Whether any of these proposals will be implemented is currently unclear. However, as with changes to LIBOR, any significant changes to EURIBOR or other benchmarks could have a material adverse effect on the value of, and the amount payable or deliverable under, any Notes which are linked to a EURIBOR rate or other benchmark (as applicable).

3.11 Risks associated with Notes paying a floating rate of interest

In respect of any Notes for which the coupon payable by the Issuer is determined in part by reference to a benchmark (including Floating Rate Notes and Structured Coupon Payment Notes that pay a Floating Rate of Interest):

- (a) the interest rate payable pursuant to the Notes will vary in accordance with the level of the benchmark;
- (b) during the term of the Notes, the benchmark may be lower than it was as at the Issue Date; and
- (c) the benchmark may be negative, which means that the interest rate payable may be less than the margin stated to be payable pursuant to the Notes and could be zero.

3.12 Additional risks associated with Notes that are Inflation Linked Notes or Rate Linked Notes

Risks relating to Inflation Indexes (in the case of Inflation Linked Notes) and Underlying Rates (in the case of Rate Linked Notes)

Inflation Linked Notes and Rate Linked Notes involve a high degree of risk. Inflation Linked Notes and Rate Linked Notes provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the Inflation Index or Underlying Rate (as applicable) to which such Inflation Linked Notes and Rate Linked Notes relate.

Prospective investors in Inflation Linked Notes and Rate Linked Notes should understand the risks of transactions involving Inflation Linked Notes and Rate Linked Notes and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Inflation Linked Notes and Rate Linked Notes in light of their particular financial circumstances, the information set forth herein and the information regarding the Inflation Linked Notes and Rate Linked Notes and the particular Inflation Index or Underlying Rate to which the value of, or payments in respect of, the relevant Inflation Linked Notes and Rate Linked Notes may relate, as specified in the applicable Final Terms or Pricing Supplement.

As the Interest Amounts or other amounts payable periodically and/or the Final Redemption Amount may be linked to the performance of the relevant Inflation Index or Underlying Rate, an investor in Inflation Linked Notes or Rate Linked Notes must generally be knowledgeable as to, and take a view with respect to, the direction, timing and magnitude of an anticipated change in the value of the relevant Inflation Index or Underlying Rate.

Where the applicable Final Terms or Pricing Supplement specify one or more Inflation Indexes or Underlying Rates, the relevant Inflation Linked Notes and Rate Linked Notes will represent an investment linked to the economic performance of such Inflation Indexes or Underlying Rates (as applicable) and prospective investors should note that the return (if any) on their investment in Inflation Linked Notes and Rate Linked Notes will depend upon the performance of such Inflation Indexes or Underlying Rates (as applicable). Potential investors should also note that, whilst the market value of such Inflation Linked Notes and Rate Linked Notes is linked to such Inflation Indexes or Underlying Rates (as applicable) and will be influenced (positively or negatively) by such Inflation Indexes or Underlying Rates (as applicable), any change may not be comparable and may be disproportionate to the nominal amount or calculation amount of such Note, for example because of leveraging. It is impossible to predict how the level of the relevant Inflation Index or Underlying Rate will vary over time. In contrast to a direct investment in the relevant Inflation Index or Underlying Rate, Inflation Linked Notes and Rate Linked Notes represent the right to receive payment of the Final Redemption Amount, as well as periodic payments of interest (if specified in the applicable Final Terms or Pricing Supplement), all or some of which may be determined by reference to the performance of the relevant Inflation Index or Underlying Rate (as applicable). The

applicable Final Terms or Pricing Supplement will set out the provisions for the determination of the Final Redemption Amount and/or any periodic payments.

PROSPECTIVE INVESTORS MUST REVIEW THE APPLICABLE FINAL TERMS OR PRICING SUPPLEMENT TO ASCERTAIN WHAT THE RELEVANT INFLATION INDEXES OR UNDERLYING RATES ARE AND TO SEE HOW THE FINAL REDEMPTION AMOUNT AND/OR ANY PERIODIC PAYMENTS OF INTEREST OR OTHERWISE ARE DETERMINED AND WHEN ANY SUCH AMOUNTS ARE PAYABLE BEFORE MAKING ANY DECISION TO PURCHASE ANY INFLATION LINKED NOTES OR RATE LINKED NOTES.

Fluctuations in the value and/or volatility of the relevant Inflation Index or Underlying Rate may affect the value of the relevant Inflation Linked Notes and Rate Linked Notes. Investors in Inflation Linked Notes and Rate Linked Notes may risk losing their entire investment if the value of the relevant Inflation Index or Underlying Rate does not move in the anticipated direction.

With the exception of Inflation Linked Notes for which the Redemption/Payment basis is specified as “Inflation Linked Redemption”, where the Notes may provide a capital return (see “*Risk Factors – Additional risks associated with particular structured payments – Inflation Linked Redemption*” below), there is no return on Inflation Linked Notes and Rate Linked Notes other than the potential payment of any periodic interest payments.

Other factors which may influence the market value of Inflation Linked Notes and Rate Linked Notes include interest rates, changes in the method of calculating the level of the relevant Inflation Index or Underlying Rate from time to time and market expectations regarding the future performance of the relevant Inflation Index or Underlying Rate, its composition and such Inflation Linked Notes and Rate Linked Notes.

If any of the relevant Inflation Indexes or Underlying Rates is an index, the value of such Inflation Index or Underlying Rate (as applicable) on any day will reflect the value of its constituents on such day. Changes in the composition of such Inflation Index or Underlying Rate (as applicable) and factors (including those described above) which either affect or may affect the value of the constituents, will affect the value of such Inflation Index or Underlying Rate (as applicable) and therefore may affect the return on an investment in Inflation Linked Notes and Rate Linked Notes.

The Issuer may issue several issues of Inflation Linked Notes and Rate Linked Notes relating to a particular Inflation Index or Underlying Rate (as applicable). However, no assurance can be given that the Issuer will issue any Inflation Linked Notes and Rate Linked Notes other than the Inflation Linked Notes and Rate Linked Notes to which the applicable Final Terms or Pricing Supplement relate. At any given time, the number of Inflation Linked Notes and Rate Linked Notes outstanding may be substantial.

Certain considerations regarding hedging

Prospective purchasers intending to purchase Notes to hedge against the market risk associated with investing in any Inflation Index or Underlying Rate as may be specified in the applicable Final Terms or Pricing Supplement, should recognise the complexities of utilising Notes in this manner. For example, the value of the Notes may not exactly correlate with the value of the relevant Inflation Index or Underlying Rate. Due to fluctuating supply and demand for the Notes, there is no assurance that their value will correlate with movements of the relevant Inflation Index or Underlying Rate. For these reasons, among others, it may not be possible to purchase or liquidate securities in a portfolio at the prices used to calculate the value of any relevant Inflation Index or Underlying Rate.

The historical experience of the relevant Inflation Index or Underlying Rate should not be viewed as an indication of the future performance of such Inflation Index or Underlying Rate during the term of any Inflation Linked Notes and Rate Linked Notes. Accordingly, each potential investor should consult its own

financial and legal advisers about the risk entailed by an investment in any Inflation Linked Notes and Rate Linked Notes and the suitability of such Notes in light of its particular circumstances.

Risks particularly associated with Inflation Indexes

Inflation Linked Notes may be redeemed by the Issuer by reference to the level of an Inflation Index. Interest payable on Inflation Linked Notes may be calculated by reference to the level of an Inflation Index.

Where the Notes are Inflation Linked Notes and (i) there is a delay in publication of the level of an Inflation Index, the Calculation Agent shall determine the level of the Index for the affected Reference Month; (ii) the level of such Inflation Index ceases to be published, the Calculation Agent shall substitute such Inflation Index with an alternative index or the Issuer may elect to give notice to the Noteholders and redeem all, but not some only, of the Notes at the Early Redemption Amount; (iii) such Inflation Index is rebased, the Calculation Agent shall adjust previous levels of the Inflation Index to reflect such releasing; (iv) there is a material change to such index or there has been a manifest error in the publication of the level of such Inflation Index, the Calculation Agent shall make such adjustments to the Inflation Index as necessary.

Risks particularly associated with Underlying Rates

The performance of Rate Linked Notes is subject to the level of one or more interest rates, which will be subject to fluctuations over time. Such fluctuations could adversely affect the amount payable on, and the value of, the Notes.

Underlying Rates may be subject to fallbacks if the relevant rate is not published. Payment on the Notes may be delayed as a result.

3.13 General risks relating to Notes with structured payouts

The Issuer may issue Notes with principal or interest determined by reference to an Inflation Index or Underlying Rate (as applicable). Potential investors should be aware that:

- (a) the market price of any such Notes may be volatile;
- (b) they may receive no interest;
- (c) payment of principal or interest may occur at a different time or in a different currency than expected or may be subject to withholding or deduction for or on account of any taxes or other charges imposed by relevant governmental authorities or agencies;
- (d) the amount of principal payable at redemption or settlement may be less than the nominal amount of any such Notes or may be zero;
- (e) an Inflation Index or Underlying Rate (as applicable) may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (f) if an Inflation Index or Underlying Rate (as applicable) is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Inflation Index or Underlying Rate (as applicable) on principal or interest payable is likely to be magnified;
- (g) the timing of changes in the performance of an Inflation Index or Underlying Rate (as applicable) may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the performance of an Inflation Index or Underlying Rate (as applicable), the greater the effect on yield; and

- (h) calculation of the underlying rate(s) or index(es) may be subject to disruption events, which may result in the level of the relevant underlying rate or index being calculated in accordance with a fallback methodology and/or in related payments on the Notes being delayed (without additional interest for such delay).

3.14 Additional risks associated with particular structured payouts

(a) Structured Floating Rate Coupon

In calculating the Interest Amount for Notes in respect of which “Structured Floating Rate Coupon” is specified as the Interest Basis in the applicable Final Terms or Pricing Supplement, a leverage factor is applied to the Relevant Rate.

If the leverage factor is higher than 1 (or if a percentage is specified, 100 per cent.), the effect of a positive or negative Relevant Rate will be magnified. Accordingly, if the Relevant Rate is negative, the overall Interest Amount may be reduced to a greater extent than if no such leverage applied, possibly to zero.

If the leverage factor is lower than 1 (or if a percentage is specified, 100 per cent.), the investor’s exposure to any negative Relevant Rate will be scaled down, but correspondingly the investor will not benefit from the full extent of any positive Relevant Rate.

If a “Cap” applies, the extent of a positive Relevant Rate (as leveraged) will be limited by such cap. In any case, a Structured Floating Rate Coupon may be lower than market interest rates and lower than the rate of interest then payable by the Issuer on other floating rate securities.

(b) Spread Coupon

Notes in respect of which “Spread Coupon” is specified as the Interest Basis in the applicable Final Terms or Pricing Supplement bear interest at a Variable Rate of Interest. The Variable Rate of Interest is calculated by reference to the difference between two rates (the “**Rate Difference**”). Investing in the Notes is not equivalent to investing in securities directly linked to the relevant rates. Instead, the applicable Variable Rate of Interest is determined by multiplying the (a) Leverage by (b) the Rate Difference, then adding any applicable Spread, and subject always to any applicable “Cap” or “Floor”. If the leveraged Rate Difference plus the Spread (if any) for any Interest Accrual Period is equal to or less than zero, investors will receive no interest payment on the related Interest Payment Date.

The positive or negative effect of the Relevant Rate from time to time will be magnified if the leverage factor applicable to the Relevant Rate is greater than 1 (or 100 per cent.) or reduced if the leverage factor is less than 1 (or 100 per cent.).

If a “Cap” applies, the extent of a positive Relevant Rate (as leveraged) will be limited by such cap. In any case, a Spread Coupon may be lower than market interest rates and lower than the rate of interest then payable by the Issuer on other floating rate securities.

(c) Variable Rate Step-up/Step-down Coupon

Notes in respect of which “Variable Rate Step-up/Step-down Coupon” is specified as the Interest Basis in the applicable Final Terms or Pricing Supplement bear interest at a Variable Rate of Interest. The Variable Rate of Interest is calculated by reference to a rate plus or minus any applicable Spread and subject always to any applicable “Cap” or “Floor”. If the Notes provide for the Variable Rate of Interest to decrease (or “step-down”) during the life of the Notes, investors are subject to the risk that the revised Rate of Interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the Rate of Interest on the Notes may be greater than any reduction in market interest rates.

If a “Cap” applies, the extent of a positive Relevant Rate (as leveraged) will be limited by such cap. In any case, a Variable Rate Step-up/Step-down Coupon may be lower than market interest rates and lower than the rate of interest then payable by the Issuer on other floating rate securities.

(d) Fixed Rate Step-up/Step-down Coupon

Notes in respect of which “Fixed Rate Step-up/Step-down Coupon” is specified as the Interest Basis in the applicable Final Terms or Pricing Supplement bear interest at a fixed Rate of Interest which varies periodically during the life of the Notes. If market interest rates increase during the life of the Notes this may adversely affect the value of the Notes. Notes that bear interest at a fixed Rate of Interest are subject to the risk that market interest rates increase (or fall insufficiently) during the life of the Notes with the consequence that the real return on the Notes, and the value of the Notes, may fall. Even if the Notes provide for the fixed Rate of Interest to increase (or “step-up”) during the life of the Notes, any periodic increases in the fixed Rate of Interest may not keep pace with any increase in market interest rates. If the Notes provide for the fixed Rate of Interest to decrease (or “step-down”) during the life of the Notes, investors are subject to the risk that the revised Rate of Interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the Rate of Interest on the Notes may be greater than any reduction in market interest rates.

(e) Fixed to Floating Coupon

Notes in respect of which “Fixed to Floating Coupon” is specified as the Interest Basis in the applicable Final Terms or Pricing Supplement bear interest at a rate that switches automatically from the Fixed Rate of Interest to the Floating Rate of Interest on the Coupon Flip Date. During the period when the Fixed Rate of Interest applies to the Notes any increases in market interest rates may adversely affect the value of the Notes. Notes that bear interest at a fixed Rate of Interest are subject to the risk that market interest rates increase (or fall insufficiently) during the life of the Notes with the consequence that the real return on the Notes, and the value of the Notes, may fall. Even if the Notes provide for the fixed Rate of Interest to increase during the life of the Notes, any periodic increases in the fixed Rate of Interest may not keep pace with any increase in market interest rates. If the Notes provide for the fixed Rate of Interest to decrease during the life of the Notes, investors are subject to the risk that the revised Rate of Interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the Rate of Interest on the Notes may be greater than any reduction in market interest rates.

In addition, when the interest rate on the Notes switches from the Fixed Rate of Interest to the Floating Rate of Interest on the Coupon Flip Date, (1) the Floating Rate of Interest may be lower than the Fixed Rate of Interest (with the result that the return on the Notes, and the value of the Notes, falls), (2) the spread on the Notes may be less favourable than the spread on other floating rate securities issued by the Issuer which are linked to the same reference rate and (3) if a “Cap” applies, the extent of a positive Relevant Rate (as leveraged) will be limited by such cap. In any case, a Fixed to Floating Coupon may be lower than market interest rates and lower than the rate of interest then payable by the Issuer on other floating rate securities.

The positive or negative effect of the Relevant Rate from time to time will be magnified if the leverage factor applicable to the Relevant Rate is greater than 1 (or 100 per cent.) or reduced if the leverage factor is less than 1 (or 100 per cent.).

(f) Floating to Fixed Coupon

Notes in respect of which “Floating to Fixed Coupon” is specified as the Interest Basis in the applicable Final Terms or Pricing Supplement bear interest at a rate that switches automatically from the Floating Rate of Interest to the Fixed Rate of Interest on the Coupon Flip Date. During the period when the Floating Rate of Interest applies to the Notes, if a “Cap” applies, the extent of a positive Relevant Rate (as leveraged) will be limited by such cap. In any case, a Floating to Fixed Coupon may be lower than market interest rates and lower than the rate of interest then payable by the Issuer on other floating rate securities.

In addition, when the interest rate on the Notes switches from the Floating Rate of Interest to the Fixed Rate of Interest on the Coupon Flip Date, (1) the Fixed Rate of Interest may be lower than the Floating Rate of Interest (with the result that the return on the Notes, and the value of the Notes, falls) and (2) any increases in market interest rates may adversely affect the value of the Notes. Notes that bear interest at a fixed Rate of Interest are subject to the risk that market interest rates increase (or fall insufficiently) during the life of the Notes with the consequence that the real return on the Notes, and the value of the Notes, may fall. Even if the Notes provide for the fixed Rate of Interest to increase during the life of the Notes, any periodic increases in the fixed Rate of Interest may not keep pace with any increase in market interest rates. If the Notes provide for the fixed Rate of Interest to decrease during the life of the Notes, investors are subject to the risk that the revised Rate of Interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the Rate of Interest on the Notes may be greater than any reduction in market interest rates.

The positive or negative effect of the Relevant Rate from time to time will be magnified if the leverage factor applicable to the Relevant Rate is greater than 1 (or 100 per cent.) or reduced if the leverage factor is less than 1 (or 100 per cent.).

(g) Fixed to Floating Switchable Coupon

The Issuer may elect to switch the interest rate applicable to Notes in respect of which “Fixed to Floating Switchable Coupon” is specified to be the Interest Basis in the applicable Final Terms or Pricing Supplement from the Fixed Rate of Interest to the Floating Rate of Interest. The Issuer may (and is more likely to) switch the rate at a time when it is likely to produce a lower return for investors. Notes that bear interest at a fixed Rate of Interest are subject to the risk that market interest rates increase (or fall insufficiently) during the life of the Notes with the consequence that the real return on the Notes, and the value of the Notes, may fall. Even if the Notes provide for the fixed Rate of Interest to increase during the life of the Notes, any periodic increases in the fixed Rate of Interest may not keep pace with any increase in market interest rates. If the Notes provide for the fixed Rate of Interest to decrease during the life of the Notes, investors are subject to the risk that the revised Rate of Interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the Rate of Interest on the Notes may be greater than any reduction in market interest rates.

In addition, if the interest rate on the Notes switches from the Fixed Rate of Interest to the Floating Rate of Interest, (1) the Floating Rate of Interest may be lower than the Fixed Rate of Interest (with the result that the return on the Notes, and the value of the Notes, falls), (2) the spread on the Notes may be less favourable than the spread on other floating rate securities issued by the Issuer which are linked to the same reference rate and (3) if a “Cap” applies, the extent of a positive Relevant Rate (as leveraged) will be limited by such cap. In any case, a Fixed to Floating Switchable Coupon may be lower than market interest rates and lower than the rate of interest then payable by the Issuer on other floating rate securities.

The positive or negative effect of the Relevant Rate from time to time will be magnified if the leverage factor applicable to the Relevant Rate is greater than 1 (or 100 per cent.) or reduced if the leverage factor is less than 1 (or 100 per cent.).

(h) Floating to Fixed Switchable Coupon

The Issuer may elect to switch the interest rate applicable to Notes in respect of which “Floating to Fixed Switchable Coupon” is specified to be the Interest Basis in the applicable Final Terms or Pricing Supplement to be applicable from the Floating Rate of Interest to the Fixed Rate of Interest. The Issuer may (and is more likely to) switch the rate at a time when it is likely to produce a lower return for investors. During the period when the Floating Rate of Interest applies to the Notes, if a “Cap” applies, the extent of a positive Relevant Rate (as leveraged) will be limited by such cap. In any case, a Floating to Fixed Switchable Coupon may be lower than market interest rates and lower than the rate of interest then payable by the Issuer on other floating rate securities.

In addition, if the interest rate on the Notes switches from the Floating Rate of Interest to the Fixed Rate of Interest, (1) the Fixed Rate of Interest may be lower than the Floating Rate of Interest (with the result that the return on the Notes, and the value of the Notes, falls) and (2) any increases in market interest rates may adversely affect the value of the Notes. Notes that bear interest at a fixed Rate of Interest are subject to the risk that market interest rates increase (or fall insufficiently) during the life of the Notes with the consequence that the real return on the Notes, and the value of the Notes, may fall. Even if the Notes provide for the fixed Rate of Interest to increase during the life of the Notes, any periodic increases in the fixed Rate of Interest may not keep pace with any increase in market interest rates. If the Notes provide for the fixed Rate of Interest to decrease during the life of the Notes, investors are subject to the risk that the revised Rate of Interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the Rate of Interest on the Notes may be greater than any reduction in market interest rates.

The positive or negative effect of the Relevant Rate from time to time will be magnified if the leverage factor applicable to the Relevant Rate is greater than 1 (or 100 per cent.) or reduced if the leverage factor is less than 1 (or 100 per cent.).

(i) Fixed Rate Range Accrual Coupon

Notes in respect of which “Fixed Rate Range Accrual Coupon” is specified to be the Interest Basis in the applicable Final Terms or Pricing Supplement bear interest at an Initial Fixed Rate of Interest during any Interest Accrual Period falling within the Initial Fixed Rate Period (if any). Notes that bear interest at a fixed Rate of Interest are subject to the risk that market interest rates increase (or fall insufficiently) during the life of the Notes with the consequence that the real return on the Notes, and the value of the Notes, may fall. Even if the Notes provide for the fixed Rate of Interest to increase during the life of the Notes, any periodic increases in the fixed Rate of Interest may not keep pace with any increase in market interest rates. If the Notes provide for the fixed Rate of Interest to decrease during the life of the Notes, investors are subject to the risk that the revised Rate of Interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the Rate of Interest on the Notes may be greater than any reduction in market interest rates.

The Rate of Interest applicable to these Notes for any Range Accrual Fixed Rate Interest Accrual Period is linked to the number of Range Accrual Observation Dates in the Range Accrual Observation Period relating to such Range Accrual Fixed Rate Interest Accrual Period that the observed level of the relevant Underlying Rate (the Coupon Valuation Price) meets the Lower Barrier Criteria with respect to the Lower Barrier (if specified as applicable in the applicable Final

Terms or Pricing Supplement) and the Upper Barrier Criteria with respect to the Upper Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement). Such number of Range Accrual Observation Dates (n) is divided by the total number of Range Accrual Observation Dates in the Range Accrual Observation Period (N) and the resultant figure is multiplied by a fixed rate of interest to give the Rate of Interest. If the Coupon Valuation Price does not meet the Lower Barrier Criteria with respect to the Lower Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement) and the Upper Barrier Criteria with respect to the Upper Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement) on the relevant observation date(s), n will be zero. Consequently, the multiplier (n/N) will be zero and the Interest Amount for that Range Accrual Fixed Rate Interest Accrual Period will be zero.

(j) Floating Rate Range Accrual Coupon

Notes in respect of which “Floating Rate Range Accrual Coupon” is specified to be the Interest Basis in the applicable Final Terms or Pricing Supplement bear interest at a Fixed Rate of Interest during any Interest Accrual Period falling within the Fixed Rate Period (if any). Notes that bear interest at a fixed Rate of Interest are subject to the risk that market interest rates increase (or fall insufficiently) during the life of the Notes with the consequence that the real return on the Notes, and the value of the Notes, may fall. Even if the Notes provide for the fixed Rate of Interest to increase during the life of the Notes, any periodic increases in the fixed Rate of Interest may not keep pace with any increase in market interest rates. If the Notes provide for the fixed Rate of Interest to decrease during the life of the Notes, investors are subject to the risk that the revised Rate of Interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the Rate of Interest on the Notes may be greater than any reduction in market interest rates.

The Rate of Interest applicable to these Notes for any Floating Rate Interest Accrual Period is linked to the number of Range Accrual Observation Dates in the Range Accrual Observation Period relating to such Floating Rate Interest Accrual Period that the observed level of the relevant Underlying Rate (Coupon Valuation Price) meets the Lower Barrier Criteria with respect to the Lower Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement) and the Upper Barrier Criteria with respect to the Upper Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement). Such number of Range Accrual Observation Dates (n) is divided by the total number of Range Accrual Observation Dates in the Range Accrual Observation Period (N) and the resultant figure is multiplied by the Floating Rate of Interest to give the Rate of Interest. If the Coupon Valuation Price does not meet the Lower Barrier Criteria with respect to the Lower Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement) and the Upper Barrier Criteria with respect to the Upper Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement) on the relevant observation date(s), n will be zero. Consequently, the multiplier (n/N) will be zero and the Interest Amount for that Floating Rate Interest Accrual Period will be zero.

If a “Cap” applies, the extent of a positive Relevant Rate (as leveraged) will be limited by such cap. In any case, a Floating Rate Range Accrual Coupon may be lower than market interest rates and lower than the rate of interest then payable by the Issuer on other floating rate securities.

The positive or negative effect of the Relevant Rate from time to time will be magnified if the leverage factor applicable to the Relevant Rate is greater than 1 (or 100 per cent.) or reduced if the leverage factor is less than 1 (or 100 per cent.).

(k) Fixed Rate Spread Range Accrual Coupon

Notes in respect of which “Fixed Rate Spread Range Accrual Coupon” is specified to be the Interest Basis in the applicable Final Terms or Pricing Supplement bear interest at an Initial Fixed

Rate of Interest during any Interest Accrual Period falling within the Initial Fixed Rate Period (if any). Notes that bear interest at a fixed Rate of Interest are subject to the risk that market interest rates increase (or fall insufficiently) during the life of the Notes with the consequence that the real return on the Notes, and the value of the Notes, may fall. Even if the Notes provide for the fixed Rate of Interest to increase during the life of the Notes, any periodic increases in the fixed Rate of Interest may not keep pace with any increase in market interest rates. If the Notes provide for the fixed Rate of Interest to decrease during the life of the Notes, investors are subject to the risk that the revised Rate of Interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the Rate of Interest on the Notes may be greater than any reduction in market interest rates.

The Rate of Interest applicable to these Notes for any Range Accrual Fixed Rate Interest Accrual Period is linked to the number of Range Accrual Observation Dates in the Range Accrual Observation Period relating to such Range Accrual Fixed Rate Interest Accrual Period that the observed level of the relevant Underlying Rate (the Coupon Valuation Price) meets the Lower Barrier Criteria with respect to the Lower Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement) and the Upper Barrier Criteria with respect to the Upper Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement). Such number of Range Accrual Observation Dates (n) is divided by the total number of Range Accrual Observation Dates in the Range Accrual Observation Period (N) and the resultant figure is multiplied by a fixed rate of interest to give the Rate of Interest. If the Coupon Valuation Price does not meet the Lower Barrier Criteria with respect to the Lower Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement) and the Upper Barrier Criteria with respect to the Upper Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement) on the relevant observation date(s), n will be zero. Consequently, the multiplier (n/N) will be zero and the Interest Amount for that Range Accrual Fixed Rate Interest Accrual Period will be zero.

The Range Accrual Fixed Rate of Interest is calculated by reference to the difference between two rates (the “**Rate Difference**”). Investing in the Notes is not equivalent to investing in securities directly linked to the relevant rates. If the Rate Difference for any Range Accrual Fixed Rate Interest Accrual Period is equal to or less than zero, investors will receive no interest payment on the related Interest Payment Date.

(l) Floating Rate Spread Range Accrual Coupon

Notes in respect of which “Floating Rate Spread Range Accrual Coupon” is specified to be the Interest Basis in the applicable Final Terms or Pricing Supplement bear interest at a Fixed Rate of Interest during any Interest Accrual Period falling within the Fixed Rate Period (if any). Notes that bear interest at a fixed Rate of Interest are subject to the risk that market interest rates increase (or fall insufficiently) during the life of the Notes with the consequence that the real return on the Notes, and the value of the Notes, may fall. Even if the Notes provide for the fixed Rate of Interest to increase during the life of the Notes, any periodic increases in the fixed Rate of Interest may not keep pace with any increase in market interest rates. If the Notes provide for the fixed Rate of Interest to decrease during the life of the Notes, investors are subject to the risk that the revised Rate of Interest will be below then current market interest rates and, even where market interest rates are falling, the reduction in the Rate of Interest on the Notes may be greater than any reduction in market interest rates.

The Rate of Interest applicable to these Notes for any Floating Rate Interest Accrual Period is linked to the number of Range Accrual Observation Dates in the Range Accrual Observation Period relating to such Floating Rate Interest Accrual Period that the observed level of the relevant Underlying Rate (Coupon Valuation Price) meets the Lower Barrier Criteria with respect to the Lower Barrier (if specified as applicable in the applicable Final Terms or Pricing

Supplement) and the Upper Barrier Criteria with respect to the Upper Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement). Such number of Range Accrual Observation Dates (n) is divided by the total number of Range Accrual Observation Dates in the Range Accrual Observation Period (N) and the resultant figure is multiplied by the Floating Rate of Interest to give the Rate of Interest. If the Coupon Valuation Price does not meet the Lower Barrier Criteria with respect to the Lower Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement) and the Upper Barrier Criteria with respect to the Upper Barrier (if specified as applicable in the applicable Final Terms or Pricing Supplement) on the relevant observation date(s), n will be zero. Consequently, the multiplier (n/N) will be zero and the Interest Amount for that Floating Rate Interest Accrual Period will be zero.

The Range Accrual Floating Rate of Interest is calculated by reference to the difference between two rates (the “**Rate Difference**”). Investing in the Notes is not equivalent to investing in securities directly linked to the relevant rates. Instead, the applicable Range Accrual Floating Rate of Interest is determined by multiplying the (a) Leverage by (b) the Rate Difference, then adding any applicable Spread, and subject always to any applicable “Cap” or “Floor”. If the leveraged Rate Difference plus the Spread (if any) for any Floating Rate Interest Accrual Period is equal to or less than zero, investors will receive no interest payment on the related Interest Payment Date.

If a “Cap” applies, the extent of a positive Relevant Rate (as leveraged) will be limited by such cap. In any case, a Floating Rate Spread Range Accrual Coupon may be lower than market interest rates and lower than the rate of interest then payable by the Issuer on other floating rate securities.

The positive or negative effect of the Relevant Rate from time to time will be magnified if the leverage factor applicable to the Relevant Rate is greater than 1 (or 100 per cent.) or reduced if the leverage factor is less than 1 (or 100 per cent.).

(m) Inflation Linked Coupon

The Rate of Interest applicable to Notes in respect of which “Inflation Linked Coupon” is specified as the Interest Basis in the applicable Final Terms or Pricing Supplement for any Interest Accrual Period is linked to the performance of the Inflation Index, and in particular, whether the Relevant Level in respect of the Reference Month relating to such Interest Accrual Period (after deducting a specified target amount) is higher than or equal to, or lower than, the Relevant Level in respect of the immediately preceding Reference Month. If lower, the Rate of Interest payable on the Notes will decrease (and it is possible that no interest is payable on the Notes).

If a “Cap” applies, the extent of a positive Relevant Rate (as leveraged) will be limited by such cap. In any case, an Inflation Linked Coupon may be lower than market interest rates and lower than the rate of interest then payable by the Issuer on other floating rate securities.

The positive or negative effect of the Inflation Performance from time to time will be magnified if the leverage factor applicable to the Inflation Performance is greater than 1 (or 100 per cent.) or reduced if the leverage factor is less than 1 (or 100 per cent.).

(n) Inflation Linked Redemption

The Redemption Calculation Amount applicable to Notes in respect of which “Inflation Linked Redemption” is specified as the Redemption/Payment Basis in the applicable Final Terms or Pricing Supplement is linked to the performance of the Inflation Index. In particular, investors will only be entitled to the return of all of the nominal amount of their investment (plus, depending on the performance of the Inflation Index, a premium) if the Relevant Level_(Final) is higher than or equal to the Strike Price. If the Relevant Level_(Final) is lower than the Strike Price, investors will lose some or possibly all of their investment.

If a “Cap” applies, the extent of any premium payable will be limited by such cap.

The positive or negative effect of the Inflation Performance from time to time will be magnified if the leverage factor applicable to the Inflation Performance is greater than 1 (or 100 per cent.) or reduced if the leverage factor is less than 1 (or 100 per cent.).

(o) Long-dated Collateral Redemption

The Final Redemption Amount for Notes in respect of which “Long-dated Collateral Redemption” is specified as the Redemption/Payment Basis in the applicable Final Terms or Pricing Supplement is linked to the market value of the Initial Collateral (which will have a term that is longer than the term of such Notes). In particular, Noteholders will only be entitled to the return of all of the nominal amount of the Notes plus a premium (if any) if the market value of the Initial Collateral is higher than or equal to the nominal amount of the Notes. If the market value of the Initial Collateral is lower than the nominal amount of the Notes, investors will lose some or possibly all of their investment.

No assurance can be given as to the amount of proceeds of any sale or Liquidation of such Initial Collateral at that time since the market value of such Initial Collateral will be affected by a number of factors including, but not limited to, (i) the creditworthiness of the issuers and obligors of the Initial Collateral, (ii) market perception, interest rates, yields and foreign exchange rates, (iii) the time remaining to the scheduled maturity of the Initial Collateral and (iv) the liquidity of the Initial Collateral. Accordingly, the price at which such Initial Collateral is sold or Liquidated may be at a discount, which could be substantial, to the market value of the Initial Collateral on the Issue Date and the proceeds of any such sale or Liquidation may not equal the outstanding nominal amount of the Notes.

There is no certainty as to the final redemption amount payable under the Notes because the price obtained from the disposal of the Initial Collateral (namely the market value) may be higher or lower than its face value.

(p) Long-dated Collateral and Swap Redemption

The Final Redemption Amount for Notes in respect of which “Long-dated Collateral and Swap Redemption” is specified as the Redemption/Payment Basis in the applicable Final Terms or Pricing Supplement is linked to (i) the market value of the Initial Collateral and (ii) the mark-to-market value of the relevant Note Swap Transaction (which will have a term equal to the term of the Initial Collateral notwithstanding that this is longer than the term of such Notes). In particular, Noteholders will only be entitled to the return of all of the nominal amount of the Notes plus a premium (if any) if the market value of the Initial Collateral plus any mark-to-market value of the Note Swap Transaction that is in favour of the Issuer or minus any mark-to-market value of the Note Swap Transaction that is in favour of the Note Swap Counterparty is higher than or equal to the nominal amount of the Notes. If the market value of the Initial Collateral plus or minus (as the case may be) the mark-to-market value of the Note Swap Transaction is lower than the nominal amount of the Notes, investors will lose some or possibly all of their investment.

No assurance can be given as to the amount of proceeds of any sale or Liquidation of such Initial Collateral at that time since the market value of such Initial Collateral will be affected by a number of factors including, but not limited to, (i) the creditworthiness of the issuers and obligors of the Initial Collateral, (ii) market perception, interest rates, yields and foreign exchange rates, (iii) the time remaining to the scheduled maturity of the Initial Collateral and (iv) the liquidity of the Initial Collateral. Accordingly, the price at which such Initial Collateral is sold or Liquidated may be at a discount, which could be substantial, to the market value of the Initial Collateral on the Issue Date and the proceeds of any such sale or Liquidation, when taken together with the mark-to-market

amount payable pursuant to the relevant Note Swap Transaction, may not equal the outstanding nominal amount of the Notes.

There is no certainty as to the final redemption amount payable under the Notes because (i) the price obtained from the disposal of the Initial Collateral (namely the market value) may be higher or lower than its face value and (ii) the mark-to-market value of the Note Swap Transaction will fluctuate throughout the term of the Notes.

3.15 Credit Linked Notes

Risks relating to Credit Events

In the event of the occurrence of certain circumstances (which may include, amongst other things, Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring or Governmental Intervention, as each such term is defined in the Credit Linked Asset Conditions) in relation to a Reference Entity or Reference Entities, in each case, as specified in the applicable Final Terms or Pricing Supplement, the Issuer's obligation to pay principal or perform other obligations under the Notes may be replaced by an obligation to pay other amounts calculated by reference to the price (as determined herein) of the Reference Obligation(s) and/or to deliver the Physical Redemption Assets. In addition, interest bearing Credit Linked Notes may cease to bear interest on or prior to the date of occurrence of such circumstances. Prospective purchasers who consider purchasing the Notes should reach an investment decision only after carefully considering the suitability of the Notes in light of their particular circumstances, particularly the risks associated with the Reference Entity.

The Issuer's obligations in respect of Credit Linked Notes are irrespective of the existence or amount of the Issuer's credit exposure to a Reference Entity and the Issuer need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

Volatility risks

Credit Linked Notes are complex financial instruments and are linked to the credit of the Reference Entities. Therefore changes in the market value of the Notes could be greater than the change in the market value of any obligations issued by the underlying Reference Entity, and the market value of the Notes is subject to (amongst others) credit risk. The market value of the Notes (whether indicative or actionable) will vary over time and may be significantly less than the aggregate nominal amount (or even zero) in certain circumstances.

Risks relating to the CDS

Entry into a CDS by the Issuer with the Note Swap Counterparty in relation to the Notes presents risks in addition to those that would result from a direct purchase of the Reference Obligation by the Issuer. The Issuer will have a contractual relationship only with the Note Swap Counterparty and not with the Reference Entity. Under the CDS, none of the Issuer, the Trustee, the Noteholders or any other entity will have any rights to acquire from the Note Swap Counterparty (or to require the Swap Counterparty to transfer, assign or otherwise dispose of) any interest in the Reference Obligation. Consequently, the CDS does not constitute a purchase or other acquisition or assignment of any interest in the Reference Obligation.

The Issuer will therefore have rights solely against the Note Swap Counterparty in accordance with the CDS and will have no recourse to the Reference Entity. None of the Issuer, the Trustee or the Noteholders will have any rights directly to enforce compliance by the Reference Entity in respect of the Reference Obligation, will have any rights of set-off against the Reference Entity, will have any voting rights with respect to the Reference Obligation, will directly benefit from any collateral supporting the Reference Obligation or will have the benefit of the remedies that would normally be available to a holder

of such Reference Obligation. The Note Swap Counterparty will not, at any time, grant to the Issuer any security interests over the Reference Obligation. In addition, in the event of the insolvency of the Note Swap Counterparty, the Issuer will be treated as a general creditor of the Note Swap Counterparty and will not have any claim with respect to the Reference Obligation.

Risks relating to the Note Swap Counterparty

The Note Swap Counterparty is not required to retain any legal, equitable or economic interest in the Reference Obligation at any time and there is no restriction whatsoever on the Note Swap Counterparty's ability to retain, hedge, sell or otherwise dispose of any legal, equitable or economic interest in the Reference Obligation.

Selection and valuation of reference obligations

The entity responsible for selecting the obligation(s) of the Reference Entity or Reference Entities to be delivered to Noteholders (in the case of a physically-settled Credit Linked Note) or to be valued in order to determine the payments due on the Notes (in the case of a cash-settled Credit Linked Note to which "Auction Redemption" does not apply or to which "Auction Redemption" does apply but no auction has been held) will be the Note Swap Counterparty or an Affiliate thereof. Such entity will be under no obligation to the Noteholders or any other person and, provided that the obligation selected meets the applicable criteria set out in the relevant documentation, is entitled, and indeed will endeavour, to select obligations which will result in the greatest loss or, as the case may be, smallest profit for Noteholders, and which will correspondingly maximise the economic benefit for the Note Swap Counterparty. The entity making such selection will not be liable to account to the Noteholders, the Couponholders or any other person for any profit or other benefit to it or any of its Affiliates which may result directly or indirectly from any such selection. In addition, in the case of cash-settled Credit Linked Notes to which "Auction Redemption" does not apply or to which "Auction Redemption" does apply but no auction has been held (and unless expressly provided otherwise in the relevant documentation relating to those Notes), the Note Swap Counterparty and/or any of its Affiliates may provide bid quotations for the selected obligations which may be used in determining the market sale price of obligations following the relevant credit event and, therefore, the redemption amount of a cash-settled Credit Linked Note.

Limited information

None of the Issuer, the Trustee, the Note Swap Counterparty, the Custodian or any Agent, or any Affiliate of any of them (including any directors, officers, partners, members or employees thereof) shall be obliged to make any investigation or enquiry into any credit event and/or the basis of any determination and/or notice with respect to such credit event.

None of the Noteholders, the Issuer, the Trustee, the Note Swap Counterparty, the Custodian or any other Agent, or any Affiliate of any of them (including any directors, officers or employees thereof) will have the right to receive any information regarding any Reference Entity or any obligation of any Reference Entity or to inspect any records of the Note Swap Counterparty or the Calculation Agent, and none of the Note Swap Counterparty or the Calculation Agent will be under any obligation to disclose any information or evidence regarding the existence or terms of any obligation of any Reference Entity or the basis on which any determination that a credit event has occurred or exists, or might have occurred or is likely to occur, has been made.

Exposure to credit events that occur prior to the Trade Date

The Notes will be exposed to the occurrence of credit events up to 60 days prior to the Trade Date. Noteholders should conduct their own review of any recent developments with respect to the Reference Entity or Reference Entities by consulting publicly available information. If a DC Credit Event Question has been delivered prior to the Trade Date, details of such request may be found on the website of ISDA. If a Credit Event Resolution Request Date has not occurred as of the Trade Date, one may still occur

after the Trade Date in respect of an event that has occurred up to 60 days before the date of such Credit Event Resolution Request Date.

Credit Linked Asset Conditions

The terms and conditions of the Credit Linked Notes do not incorporate by reference the definitions and provisions of the ISDA Credit Derivatives Definitions, as such definitions may be amended by the supplements thereto and there may be differences between the definitions used in the Conditions of the Credit Linked Notes and the ISDA Credit Derivatives Definitions. Consequently, investing in Credit Linked Notes is not exactly the same as entering into a credit default swap that incorporates the ISDA Credit Derivatives Definitions.

While ISDA has published the ISDA Credit Derivatives Definitions in order to facilitate transactions and promote uniformity in the credit derivatives market, the credit derivatives market is expected to continue to evolve and change. Consequently, the ISDA Credit Derivatives Definitions and the terms applied to credit derivatives, including Credit Linked Notes, are subject to interpretation and further evolution. Past events have shown that the views of market participants may differ as to how the ISDA Credit Derivatives Definitions operate or should operate. As a result of the continued evolution in the market, interpretation of the Credit Linked Notes may differ in the future because of future market standards. Such a result may have a negative impact on the Credit Linked Notes.

There can be no assurances that changes to the terms applicable to credit derivatives generally will be predictable or favourable to the Issuer or Noteholders. Future amendments or supplements to the terms applicable to credit derivatives generally will only apply to Credit Linked Notes that have already been issued if the Issuer and the Noteholders agree to amend the Credit Linked Notes to incorporate such amendments or supplements and other conditions to amending the Credit Linked Notes have been met.

The ISDA Credit Derivatives Definitions introduce new “Asset Package Delivery” provisions which enable an Asset Package to be the subject of an Auction held to determine the Auction Final Price for a Reference Entity following the occurrence of an Asset Package Credit Event. As at the date of this Base Prospectus, the Credit Derivatives Auction Settlement Terms have not been updated to reflect such Asset Package Delivery provisions. The Calculation Agent has discretion to adjust the Auction Final Price for any Asset Package if it determines that the Auction Final Price does not reflect the price for the entire Asset Package and in doing so the Calculation Agent may, but is not obliged to, have regard to any Credit Derivatives Auction Settlement Terms published by ISDA to settle credit derivatives transactions following an Asset Package Credit Event.

Risks relating to determinations made by ISDA and/or Credit Derivatives Determination Committees

Under the Credit Linked Asset Conditions, certain determinations in respect of Credit Linked Notes may be made by reference to announcements, determinations and Resolutions made by ISDA and/or Credit Derivatives Determinations Committees. Such announcements, determinations and Resolutions could affect the redemption and settlement of the Credit Linked Notes (including the quantum and timing of payments and/or deliveries on redemption). For the avoidance of doubt, neither the Issuer nor the Calculation Agent shall have any liability to any person for any determinations, redemption, calculations and/or delay or suspension of payments and/or redemption of Credit Linked Notes resulting from or relating to announcements, publications, determinations and Resolutions made by ISDA and/or any Credit Derivatives Determinations Committees.

Noteholders will have no role in the composition of the Credit Derivatives Determinations Committees

Separate criteria will apply to the selection of dealer and non-dealer institutions to serve on the Credit Derivatives Determinations Committees, and Noteholders will have no role in establishing such criteria. In addition, the composition of the Credit Derivatives Determinations Committees will change from time to time, as the term of a member institution may expire or a member institution may be required to be

replaced. Noteholders will have no control over the process for selecting institutions to participate on the Credit Derivatives Determinations Committees and, to the extent provided for in the Notes, will be subject to the determinations made by such selected institutions.

Noteholders will have no recourse against either the institutions serving on the Credit Derivatives Determinations Committees or the external reviewers

Institutions serving on the Credit Derivatives Determinations Committees and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under any applicable rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the member institutions of the Credit Derivatives Determinations Committees from time to time will not owe any duty to the Noteholders, and the Noteholders will be prevented from pursuing legal claims with respect to actions taken by such member institutions under such rules.

Noteholders should also be aware that member institutions of the Credit Derivatives Determinations Committees have no duty to research or verify the veracity of information on which a specific determination is based. In addition, the Credit Derivatives Determinations Committees are not obligated to follow previous determinations and, therefore, could reach a conflicting determination for a similar set of facts.

Noteholders will be responsible for obtaining information relating to deliberations of the Credit Derivatives Determinations Committees

Notices of questions referred to the Credit Derivatives Determinations Committees, meetings convened to deliberate such questions and the results of binding votes of the Credit Derivatives Determinations Committees will be published on the website of ISDA and none of the Issuer, the Note Swap Counterparty or the Calculation Agent or any of their respective Affiliates shall be obliged to inform Noteholders of such information, other than as expressly provided in the terms of the Notes. Any failure by Noteholders to be aware of information relating to determinations of a Credit Derivatives Determinations Committee will have no effect under the Notes and Noteholders are solely responsible for obtaining any such information.

4 Risks relating to the Collateral

4.1 No investigations

No investigations, searches or other enquiries have been or will be made by or on behalf of the Issuer or the Trustee in respect of the Collateral or the issuers and obligors of the Collateral. No representations or warranties, express or implied, have been given by the Issuer, the Arranger, the Dealers, the Trustee or any other person on their behalf in respect of the Collateral or the issuers and obligors of the Collateral.

4.2 Collateral

The Collateral relating to any Notes will be subject to credit, liquidity and interest rate risks. In the event of an insolvency of an issuer or obligor in respect of any Collateral, various insolvency and related laws applicable to such issuer or obligor may (directly or indirectly) limit the amount the Issuer or the Trustee may recover in respect of such Collateral.

If the Issuer has entered into a Note Repo Agreement or a Credit Support Annex as part of its Note Swap Agreement, by virtue of the collateral requirements applicable to any such arrangements, the Collateral held by the Issuer from time to time may comprise assets other than, or in addition to, the Initial Collateral, or may comprise less Initial Collateral than the amount held by it on the Issue Date. Where the Issuer holds other or additional assets, the types of assets that may comprise Collateral may be diverse and may be less liquid and more volatile than the Initial Collateral.

If Notes redeem other than on a final redemption on the Maturity Date, the Collateral relating thereto will be sold or otherwise Liquidated (except where otherwise transferred in accordance with the Conditions). No assurance can be given as to the amount of proceeds of any sale or Liquidation of such Collateral at that time since the market value of such Collateral will be affected by a number of factors including, but not limited to, (i) the creditworthiness of the issuers and obligors of the Collateral, (ii) market perception, interest rates, yields and foreign exchange rates, (iii) the time remaining to the scheduled maturity of the Collateral and (iv) the liquidity of the Collateral. Accordingly, the price at which such Collateral is sold or Liquidated may be at a discount, which could be substantial, to the market value of the Collateral on the Issue Date and the proceeds of any such sale or Liquidation when taken together with the proceeds of termination of any related Note Swap Agreement and Note Repo Agreement and any other assets available to the Issuer that relate to the relevant Series of Notes may not be sufficient to repay the full amount of principal of and interest on the relevant Notes that the holders of such Notes would expect to receive in the event that the Notes were redeemed in accordance with their terms on their Maturity Date.

The Arranger and the Dealers may have acquired, or during the terms of the Notes may acquire, confidential information or enter into transactions with respect to any Collateral and they shall not be under any duty to disclose such confidential information to any Noteholder, the Issuer, the Trustee or any of the Note Transaction Parties.

4.3 Short-dated Initial Collateral and consequential credit risk of Note Swap Counterparty

If the Initial Collateral relating to any Notes has a shorter maturity than that of the Notes, following the maturity of the Initial Collateral, the redemption proceeds of such Initial Collateral will be paid to the Note Swap Counterparty. The ability of the Issuer to meet its payments (including payments of principal) under the relevant Notes for the period following maturity of the Initial Collateral may depend entirely on the receipt by it of payments under the Note Swap Agreement. Further, the security held by the Trustee following maturity of the Initial Collateral will primarily be an assignment of the Issuer's rights against the Note Swap Counterparty pursuant to the Note Swap Agreement. Therefore, in such circumstances, Noteholders are exposed primarily to the credit risk of the Note Swap Counterparty.

5 Risks relating to the Note Swap Counterparty and the Note Swap Agreement

Credit risk of Note Swap Counterparty

The ability of the Issuer to meet its obligations under the Notes may depend on the receipt by it of payments under the Note Swap Agreement (if any). Consequently, the Issuer is exposed not only to the occurrence of an Initial Collateral Default in relation to the Initial Collateral, the volatility in the market value of the Collateral and the occurrence of a default by the Note Repo Counterparty under the Note Repo Agreement, but also to the ability of the Note Swap Counterparty to perform its obligations under the Note Swap Agreement. Default by the Note Swap Counterparty may result in the termination of the Note Swap Agreement and, in such circumstance, any amount due to the Issuer upon such termination may not be paid in full.

The receipt by the Issuer of payments and/or deliveries under the Note Swap Agreement is also dependent on the timely payment and/or delivery by the Issuer of its obligations under the Note Swap Agreement. The ability of the Issuer to make timely payment and/or delivery of its obligations under the Note Swap Agreement depends on receipt by it of the scheduled payments and/or deliveries under the Initial Collateral and under any Note Repo Agreement entered into by it in connection with the Notes. Consequently, the Issuer is also exposed to the ability of the issuers and guarantors of the Initial Collateral to perform their respective payment and/or obligations and the ability of the Note Repo Counterparty to perform its obligations under any such Note Repo Agreement.

Termination of the Note Swap Agreement

In the circumstances specified in any Note Swap Agreement entered into by the Issuer in connection with the Notes, the Issuer or the Note Swap Counterparty may terminate all outstanding Note Swap Transactions under the Note Swap Agreement in full, as described in the section of this Base Prospectus headed “*The Note Swap Agreement*”. Any termination of the Note Swap Transactions under a Note Swap Agreement will result in a redemption in full of the relevant Series of Notes at their Early Redemption Amount. Upon any such redemption, the amount paid or delivered to Noteholders to redeem such Notes may be significantly less than the Noteholder’s original investment in such Notes and may be zero.

Mark-to-market Trigger Event

In particular, if “Swap MTM Trigger” and/or “Collateral MTM Trigger” is specified as applicable in the applicable Final Terms or Pricing Supplement, the Note Swap Counterparty will determine, among other things, whether a mark-to-market trigger event has occurred. Such event will occur where (i) the current market value of the Initial Collateral minus the mark-to-market value of the Note Swap Agreement (disregarding any collateral posted under a Credit Support Annex) (expressed as a positive if the Issuer is out-of-the-money or a negative if the Issuer is in-the-money) is less than a pre-determined percentage of the nominal amount of the Notes then outstanding (referred to as the “Swap MTM Trigger” in the applicable Final Terms or Pricing Supplement); and/or (ii) the current market value of the Initial Collateral is less than a pre-determined percentage of the nominal amount of the Initial Collateral (referred to as the “Collateral MTM Trigger” in the applicable Final Terms or Pricing Supplement). If a mark-to-market event has occurred, the Note Swap Counterparty may elect to terminate the Note Swap Agreement. The termination of the Note Swap Agreement will cause the Notes to redeem at their Early Redemption Amount, which may be less than the nominal amount of the Notes and could be zero. The Note Swap Counterparty will exercise its rights under the Note Swap Agreement in its own interests and will not consider the interests of the Noteholders when exercising such rights. See “*Risk Factors - Conflicts of Interest - The Note Swap Counterparty and the Note Repo Counterparty*” below.

Regulatory Trigger Event

In addition to the above, the Note Swap Counterparty may elect to terminate the Note Swap Agreement should (i) the Issuer’s classification for the purposes of EMIR change such that it is subject to increased regulatory requirements and it fails to notify the Note Swap Counterparty, (ii) the Issuer does so notify but is nonetheless subject to clearing obligations pursuant to EMIR, (iii) the Note Swap Counterparty is subject to increased regulatory requirements and the parties fail to amend the Note Swap Agreement to take account of such changes, or (iv) the parties do so amend the Note Swap Agreement but the Note Swap Counterparty is nonetheless subject to an adverse change in its regulatory treatment. The Note Swap Counterparty will exercise its rights under the Note Swap Agreement in its own interests and will not consider the interests of the Noteholders when exercising such rights. See “*Risk Factors - Conflicts of Interest - The Note Swap Counterparty and the Note Repo Counterparty*” below.

“EMIR” means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.

Credit Support Annex

If specified in the applicable Final Terms or Pricing Supplement, the Issuer will also enter into a Credit Support Annex with the Note Swap Counterparty in respect of the Notes. Such Credit Support Annex may provide for credit support to be provided by the Issuer to the Note Swap Counterparty, by the Note Swap Counterparty to the Issuer or by both, as specified in the applicable Final Terms or Pricing Supplement. Where a Credit Support Annex is entered into it shall form part of the Note Swap Agreement.

If the Credit Support Annex provides for credit support to be provided by the Issuer to the Note Swap Counterparty, the Issuer may have to post Collateral ("**Issuer Posted Collateral**") to the Note Swap Counterparty from time to time if the value of the Note Swap Transaction to the Issuer is negative. Any Issuer Posted Collateral posted to the Note Swap Counterparty will be taken from the Collateral, and will therefore reduce the overall pool of Collateral securing the Issuer's obligations under the Notes. The maximum amount that the Issuer is required to post to the Note Swap Counterparty at any time is limited to the Value (as determined under the terms of the Credit Support Annex) of the Collateral.

If the Credit Support Annex specifies that credit support is to be provided by the Note Swap Counterparty to the Issuer, the Note Swap Counterparty may have to post collateral ("**CSA Posted Collateral**") to the Issuer from time to time if the value of the Note Swap Transaction to the Issuer is positive. CSA Posted Collateral transferred to the Issuer under the Credit Support Annex may be subject to volatility in their prices and subject to credit and liquidity risks. No investigations, searches or other enquiries will be made by or on behalf of the Issuer in respect of the CSA Posted Collateral and no representations or warranties, express or implied, are or will be given by the Issuer or any other person to Noteholders in relation to any CSA Posted Collateral.

Due to fluctuations in the value of the Note Swap Transaction and of the value of any CSA Posted Collateral or Issuer Posted Collateral and to the thresholds and minimum transfer amounts in the Credit Support Annex, the value of the CSA Posted Collateral at any time may not be sufficient to cover the amount that would otherwise be payable by the Note Swap Counterparty on termination of the Note Swap Agreement. Similarly, the value of the Issuer Posted Collateral at any time could exceed the amount that the Issuer would otherwise owe to the Note Swap Counterparty on termination of the Note Swap Agreement. On any Early Termination Date being designated or deemed to occur under the Note Swap Agreement, the party to whom collateral has been posted shall not be obliged to return such collateral or equivalent collateral but instead the value of such collateral shall be deemed to be owed to the transferor for the purposes of calculating the termination payment. This means that in the case where the value of the Issuer Posted Collateral is greater than the amount owed by the Issuer to the Note Swap Counterparty then a net amount would be payable from the Note Swap Counterparty to the Issuer, but if the Note Swap Counterparty were insolvent, such amount would rank as an unsecured claim against the Note Swap Counterparty. By way of example, if the termination amount under the Note Swap Agreement would be U.S.\$10,000,000 payable by the Issuer to the Note Swap Counterparty but the Issuer had transferred Issuer Posted Collateral to the Note Swap Counterparty worth U.S.\$12,000,000 then on a termination the Note Swap Counterparty would only owe the net sum of U.S.\$2,000,000 to the Issuer and the Issuer would be an unsecured creditor of the Note Swap Counterparty for that amount.

The Issuer is exposed to movements in the value of the Note Swap Transaction, the Issuer Posted Collateral or the CSA Posted Collateral (as the case may be), and to the creditworthiness of the Note Swap Counterparty and any obligor of Eligible Credit Support.

The value of the Note Swap Transaction to the Issuer and the value of the related Issuer Posted Collateral or the CSA Posted Collateral (as the case may be) may increase or decrease from time to time during the term of the Notes. If the value of the Note Swap Transaction to the Issuer increases and/or the value of the CSA Posted Collateral decreases, the Issuer may demand the transfer to it of additional Eligible Credit Support. In such circumstances there may be a period prior to the transfer of the additional Eligible Credit Support in which the value of the assets transferred to the Issuer under the Credit Support Annex is less than the amount that would be payable by the Note Swap Counterparty to the Issuer if the Note Swap Agreement were to terminate. The value of the assets transferred to the Issuer under the Credit Support Annex may also be less than the Issuer's exposure to the Note Swap Counterparty if the additional Eligible Credit Support is not transferred to the Issuer when required. If the value of the Note Swap Transaction to the Issuer decreases and/or the value of the Issuer Posted Collateral decreases, the Note Swap Counterparty may demand the transfer to it of additional Eligible Credit Support. In such

circumstances there may be a further reduction in the overall pool of Collateral securing the Issuer's obligations under the Notes.

Investing in the Notes will not make an investor the owner of any cash or securities comprising the CSA Posted Collateral. Any amounts payable on the Notes will be made in cash and the holders of the Notes will have no right to receive delivery of any securities comprising the CSA Posted Collateral.

6 Risks relating to the Note Repo Counterparty and the Note Repo Agreement

The ability of the Issuer to meet its obligations under the Notes may depend on the receipt by it of payments or deliveries under the Note Repo Agreement (if any). Consequently, the Issuer is exposed not only to the occurrence of an Initial Collateral Default in relation to the Initial Collateral, the volatility in the market value of the Collateral and the occurrence of a default by the Note Swap Counterparty under the Note Swap Agreement, but also to the ability of the Note Repo Counterparty to perform its obligations under the Note Repo Agreement. Default by the Note Repo Counterparty may result in the termination of the Note Repo Agreement and, in such circumstance, any amount due to the Issuer upon such termination may not be paid in full.

If upon the termination of the Note Repo Agreement an amount is payable by the Note Repo Counterparty to the Issuer (for the avoidance of doubt, taking into account and including any collateral posted between the parties pursuant to the terms of the Note Repo Agreement and any requirement to re-transfer such collateral), then the Issuer shall have an unsecured claim against the Note Repo Counterparty for such amount.

The receipt by the Issuer of payments and/or deliveries under the Note Repo Agreement is also dependent on the timely payment and/or deliveries by the Issuer of its obligations under the Note Repo Agreement. The ability of the Issuer to make timely payment and/or deliveries of its obligations under the Note Repo Agreement depends on receipt by it of the scheduled payments and/or deliveries under the Initial Collateral and under any Note Swap Agreement entered into by it in connection with the Notes. Consequently, the Issuer is also exposed to the ability of the issuers and guarantors of the Initial Collateral to perform their respective payment and/or delivery obligations and the ability of the Note Repo Counterparty to perform its obligations under any such Note Repo Agreement.

In the circumstances specified in any Note Repo Agreement entered into by the Issuer in connection with the Notes, the Issuer or the Note Repo Counterparty may terminate all outstanding Note Repo Transactions under the Note Repo Agreement in full, as described in the section of this Base Prospectus headed "*The Note Repo Agreement*". Any termination of the Note Repo Transactions under a Note Repo Agreement will result in a redemption in full of the relevant Series of Notes at their Early Redemption Amount. Upon any such redemption, the amount paid or delivered to Noteholders to redeem such Notes may be significantly less than the Noteholder's original investment in such Notes and may be zero.

7 Risks relating to the Custodian

7.1 Custodian risk

Collateral in the form of cash or transferable securities will be held in an account of, and in the name of, the Custodian. Where the Collateral consists of assets other than cash or transferable securities, it may be held in the name of or under the control of the Custodian or in such other manner as is approved by the Trustee.

The ability of the Issuer to meet its obligations with respect to the Notes will be dependent upon receipt by the Issuer of payments from the Custodian under the Custody Agreement for the Notes (if the Collateral is so held). Consequently, the Noteholders are relying not only on the creditworthiness of the Collateral, but also on the creditworthiness of the Custodian in respect of the performance of its obligations under the Agency Agreement for such Notes.

Any cash deposited with the Custodian by the Issuer and any cash received by the Custodian for the account of the Issuer in relation to a Series will be held by the Custodian as banker and not as trustee and will be a bank deposit. Accordingly, such cash will not be held as client money and will represent only an unsecured claim against the Custodian's assets.

The Custodian may hold cash in a cash account or, where required under applicable local law, rule or practices, arrange to have cash directly held by a depository. Where cash is on deposit with the Custodian or a depository, it will be subject to the terms of the Custody Agreement. For the avoidance of doubt, the rate of interest in respect of money held from time to time may be positive or negative.

7.2 Depositaries and Clearing Systems

Credit risk

Under the Custody Agreement, the Issuer authorises the Custodian to hold the Collateral in the Custodian's account or accounts with any securities depository or at such other account keeper or clearing system as the Custodian deems to be appropriate for the type of instruments which comprise the Collateral. The Custodian may not hold the Collateral through sub-custodians (unless otherwise agreed to in writing by the Issuer (following consultation with the Arranger)). Where the Collateral is held with a securities depository, clearing system or sub-custodian (if applicable), the ability of the Issuer to meet its obligations with respect to the Notes will be dependent upon receipt by the Issuer of payments from the Custodian under the Custody Agreement for the Notes (if the Collateral is so held) and, in turn, the Custodian will be dependent (in whole or in part) upon receipt of payments from such securities depository, clearing system or sub-custodian (if applicable). Consequently, the Noteholders are relying not only on the creditworthiness of the Collateral and the Custodian in respect of the performance of its obligations under the Custody Agreement for such Notes, but also on the creditworthiness of any securities depository, clearing system or sub-custodian (if applicable) holding the Collateral duly appointed by the Custodian.

Lien/Right of set-off

Pursuant to their terms of engagement, security depositaries or clearing systems may have liens or rights of set-off with respect to the Collateral held with them in relation to any of their fees and/or expenses. If, for whatever reason, the Custodian fails to pay such fees and/or expenses, the relevant security depository or clearing system may exercise such lien or right of set-off, which may result in the Issuer failing to receive any payments due to it in respect of the Collateral, and thereby adversely affecting the ability of the Issuer to meet its obligations with respect to the Notes.

Therefore, the ability of the Issuer to meet its obligations with respect to the Notes will not only be dependent upon receipt by the Issuer of payments from the Custodian under the Custody Agreement for the Notes (if the Collateral is so held) but will also be dependent on any security depository or clearing system not exercising any lien or right of set-off in respect of any Collateral that it holds. Consequently, the Noteholders are relying not only on the creditworthiness of the Collateral, but also on the creditworthiness of the Custodian in paying when due any fees or expenses of such security depository or clearing system (or the ability of the Issuer to pay such amounts due to the Custodian and/or the security depository or clearing system).

8 Risks relating to the Issuing and Paying Agent

Any payments made to Noteholders in accordance with the terms and conditions of the Notes will be made by the Issuing and Paying Agent on behalf of the Issuer. Pursuant to the Agency Agreement, the Issuer is to transfer to the Issuing and Paying Agent such amount as may be due under the Notes, on or before each date on which such payment in respect of the Notes becomes due.

If the Issuing and Paying Agent, while holding funds for payment to Noteholders in respect of the Notes, is declared insolvent, the Noteholders may not receive all (or any part) of any amounts due to them in respect of the Notes from the Issuing and Paying Agent. The Issuer will still be liable to Noteholders in respect of such unpaid amounts but the Issuer will have insufficient assets to make such payments (or any part thereof) and Noteholders may not receive all, or any part, of any amounts due to them. Consequently, the Noteholders are relying not only on the creditworthiness of the Collateral, but also on the creditworthiness of the Issuing and Paying Agent in respect of the performance of its obligations under the Agency Agreement to make or facilitate payments to Noteholders.

9 Risks relating to the Disposal Agent

9.1 Liquidation

Where the Notes are to be redeemed other than on the Maturity Date, the Disposal Agent is generally required to sell or otherwise Liquidate the Collateral. Except as otherwise set out in the Conditions, the Disposal Agent is permitted to sell all or any part of the Collateral at any time or at different times during the relevant period or in stages in respect of smaller portions, and will not have any liability for so doing if a higher price could have been obtained had such sale taken place at a different time during such specified period and/or had or had not been effected in stages in respect of smaller portions.

9.2 Replacement Disposal Agent

Upon the occurrence of a Disposal Agent Bankruptcy Event, the Disposal Agent's appointment will be automatically terminated and the Issuer will be required to appoint a replacement institution to take its place. Such replacement will be chosen either (i) by the Issuer, with the consent of the Trustee, the Note Swap Counterparty and the Note Repo Counterparty, provided that if either the Note Swap Counterparty or the Note Repo Counterparty are subject to a Counterparty Bankruptcy Event, Note Swap Counterparty Event or Note Repo Counterparty Event, as applicable, the approval of the party or parties so affected shall not be required, or (ii) by the Noteholders acting by Extraordinary Resolution or by a direction in writing by holders of at least 75 per cent. in nominal amount of the Notes then outstanding (subject to certain conditions set out in Condition 10(c)(ii) (*Appointment of Disposal Agent*)). Arranging for, and appointing any such replacement may delay any required Liquidation of the Collateral and related payments and/or deliveries on the Notes and there is no guarantee that any replacements will be found. Any delay or failure to appoint such a replacement may have adverse consequences for the Noteholders.

10 Risks relating to the Calculation Agent

Upon the occurrence of a Calculation Agent Bankruptcy Event, the Calculation Agent's appointment will be automatically terminated and the Issuer will be required to appoint a replacement institution to take its place. Such replacement will be chosen either (i) by the Noteholders acting by Extraordinary Resolution or by a direction in writing by holders of at least 75 per cent. in nominal amount of the Notes then outstanding (subject to certain conditions set out in Condition 10(b)(ii) (*Appointment of Calculation Agent*)), or (ii) by the Issuer with the consent of the Note Swap Counterparty, the Note Repo Counterparty and the Trustee, provided that if either the Note Swap Counterparty or Note Repo Counterparty are subject to a Counterparty Bankruptcy Event, Note Swap Counterparty Event or Note Repo Counterparty Event as applicable, the approval of the party or parties so affected shall not be required. Arranging for, and appointing any such replacement, may delay certain calculations and/or determinations and related payments and/or deliveries on the Notes and there is no guarantee that any replacements will be found. Any delay or failure to appoint such a replacement may have adverse consequences for the Noteholders.

11 Risks relating to the Trustee and all Agents

The application of FATCA (as defined in the section of this Base Prospectus headed "*Master Conditions – General Conditions*") withholding to interest, principal or other amounts payable under or in respect of

the Notes is not clear (see “*FATCA and the possibility of withholding tax on payments*” above). If an amount in respect of FATCA withholding were to be deducted or withheld from interest, principal or other payments payable under or in respect of the Notes, none of the Issuer, the Trustee, any Agent or any other person would, pursuant to the Conditions, be required to pay additional amounts as a result of such FATCA withholding. In such circumstances, Noteholders might receive less than otherwise expected

12 Conflicts of Interest

12.1 General

General conflicts of interest

For the purposes of this section, references to “Collateral” shall also include Initial Collateral to the extent that such Initial Collateral has been transferred to the Note Swap Counterparty or the Note Repo Counterparty under the Note Swap Agreement or the Note Repo Agreement, as the case may be.

Lloyds Bank plc and any of its affiliates may act in a number of capacities in connection with any issue of Notes. Lloyds Bank plc or any such affiliate, as the case may be, shall have only the duties and responsibilities expressly agreed to by such entity in the relevant capacity and shall not, by virtue of its or any affiliate acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a standard of care other than as expressly provided with respect to the relevant capacity. Lloyds Bank plc and any of its affiliates may enter into business dealings relating to the Notes or the Collateral or any asset to which the Notes or Collateral are exposed, including the acquisition of the Notes, from which they may derive revenues and profits in addition to any fees stated in the various documents, without any duty to account therefor.

Lloyds Bank plc and any of its affiliates may from time to time be in possession of certain information (confidential or otherwise) and/or opinions with regard to the issuer or obligor of any Collateral which information and/or opinions might, if known by a Noteholder, affect decisions made by it with respect to its investment in the Notes. Notwithstanding this, none of Lloyds Bank plc or any of its affiliates shall have any duty or obligation to notify the Noteholders or the Issuer or any other Note Transaction Parties (including any directors, officers or employees thereof) of such information and/or opinions.

Lloyds Bank plc and any of its affiliates may deal in any obligation of the issuer or obligor of any Collateral and may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business transactions with, the issuer or obligor of any Collateral and may act with respect to such transactions in the same manner as if the relevant Note Swap Agreement, Note Repo Agreement and the Notes of the relevant Series did not exist and without regard to whether any such action might have an adverse effect on the issuer or obligor of any Collateral, the Issuer, the Note Swap Counterparty, the Note Repo Counterparty or the holders of the Notes of the relevant Series.

Lloyds Bank plc and any of its affiliates may at any time be active and significant participants in or act as market maker in relation to a wide range of markets for currencies, instruments relating to currencies, securities and derivatives. Activities undertaken by Lloyds Bank plc and any of its affiliates may be on such a scale as to affect, temporarily or on a long-term basis, the price of such currencies, instruments relating to currencies, securities and derivatives or securities and derivatives based on, or relating to the Notes or any Collateral. Notwithstanding this, none of Lloyds Bank plc or any of its affiliates shall have any duty or obligation to take into account the interests of any party in relation to any Notes when effecting transactions in such markets.

One or more of Lloyds Bank plc and its affiliates or any Note Transaction Party may:

- (i) have placed or underwritten, or acted as a financial arranger, structuring agent or adviser in connection with the original issuance of, or may act as a broker or dealer with respect to the Collateral;
- (ii) act as trustee, paying agent and in other capacities in connection with certain of the Collateral or other classes of securities issued by an issuer of, or obligor with respect to, the Collateral or an affiliate thereof;
- (iii) be a counterparty to issuers of, or obligors with respect to, certain of the Collateral under a swap or other derivative agreements;
- (iv) lend (on a secured or unsecured basis and whether under a repo agreement, or otherwise) to certain of the issuers of, or obligors with respect to, the Collateral or their respective affiliates or receive guarantees from such issuers, obligors or their respective affiliates;
- (v) provide other investment banking, asset management, commercial banking, financing or financial advisory services to the issuers of, or obligors with respect to, the Collateral or their respective affiliates; or
- (vi) have an equity interest, which may be a substantial equity interest, in certain issuers of, or obligors with respect to, the Collateral or their respective affiliates.

When acting as a trustee, paying agent or in other service capacities with respect to the Collateral, the Note Transaction Parties may be entitled to fees and expenses senior in priority to payments and/or deliveries on such Collateral. When acting as a trustee for other classes of securities issued by the issuer of any Collateral or an affiliate thereof, a Note Transaction Party will owe fiduciary duties to the holders of such other classes of securities, which classes of securities may have differing interests from the holders of the class of securities of which the relevant Collateral is a part, and may take actions that are adverse to the holders (including, where applicable, the Issuer) of the class of securities of which the relevant Collateral is a part. As a counterparty under swaps and other derivative agreements, a Note Transaction Party may take actions adverse to the interests of the Issuer, including, but not limited to, demanding collateralisation of its exposure under such agreements (if provided for thereunder) or terminating such swaps or agreements in accordance with the terms thereof. In making and administering loans and other obligations, a Note Transaction Party may take actions including, but not limited to, restructuring a loan, foreclosing on or exercising other remedies with respect to a loan, requiring additional collateral or other credit enhancement, charging significant fees and interest, placing the issuers of, or obligors with respect to, any Collateral in bankruptcy or demanding payment on a loan guarantee or under other credit enhancement. The Issuer's acquisition, holding and sale of the Collateral may enhance the profitability or value of investments made by a Note Transaction Party in the issuers thereof or obligors in respect thereof. As a result of all such transactions or arrangements between a Note Transaction Party and issuers of, and obligors with respect to, the Collateral or their respective affiliates, a Note Transaction Party may have interests that are contrary to the interests of the Issuer and the Noteholders.

Conflicts of interest in relation to Inflation Indexes and Underlying Rates

In the ordinary course of its business, including, without limitation, in connection with its market making activities, Lloyds Bank plc and/or any of its Affiliates may effect transactions for its own account or for the account of its customers and hold long or short positions in any Inflation Index or Underlying Rate or related derivatives. In addition, in connection with the offering of any Notes, Lloyds Bank plc and/or any of its Affiliates may enter into one or more hedging transactions with respect to any Inflation Index or Underlying Rate or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by Lloyds Bank plc and/or any of its Affiliates, Lloyds Bank plc and/or any of its Affiliates may enter into transactions in any Inflation Index or Underlying Rate

or related derivatives which may affect the market price, liquidity or value of the relevant Notes and which could be deemed to be adverse to the interests of the relevant Noteholders.

Potential conflicts of interest may exist between Lloyds Bank plc and Noteholders, including with respect to certain determinations and judgements that Lloyds Bank plc may make pursuant to the Conditions that may influence the amount receivable upon redemption of the Notes.

Lloyds Bank plc and/or any Dealer may at the date hereof or at any time hereafter be in possession of information in relation to one or more Inflation Index or Underlying Rate that is or may be material in the context of an issue of Notes and may or may not be publicly available to Noteholders. There is no obligation on Lloyds Bank plc or any Dealer to disclose to Noteholders any such information, except for Lloyds Bank plc's obligations to disclose inside information, regulated information and significant new factors in relation to the information contained in this Base Prospectus under the Disclosure and Transparency Rules, Listing Rules and Prospectus Rules (as set out in the FCA Handbook).

Lloyds Bank plc and/or any of its Affiliates may have existing or future business relationships with any Inflation Index or Underlying Rate or, if applicable, any of their subsidiaries or Affiliates or any other person or entity having obligations relating to any Inflation Index or Underlying Rate (including, but not limited to, dealing, lending, depositary, risk management, advisory and banking relationships), and will pursue actions and take steps that they or it deems necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder, regardless of whether any such action might have an adverse effect (including, without limitation, any action which might constitute or give rise to any breach, event of default, credit event or termination event) on any Inflation Index or Underlying Rate or any investor in Notes.

12.2 The Trustee

In connection with the exercise of its functions, the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders. In acting as Trustee under the Trust Deed, the Trustee shall not, in respect of Notes of any Series, assume any duty or responsibility to any of the Note Swap Counterparty, the Note Repo Counterparty, the Custodian, the Disposal Agent, the Issuing and Paying Agent or any other Secured Creditor or any other Note Transaction Party (other than to pay any such party any moneys received and payable to it and to act in accordance with the Conditions and the Trust Deed and other than in respect of any obligations it may have to Secured Creditors in respect of any enforcement of the Security) and shall have regard solely to the interests of the Noteholders and (save where expressly provided otherwise in the Note Transaction Documents to which the Trustee is a party) shall not be obliged to act on any directions of any Secured Creditor or Note Transaction Party if this would in the Trustee's opinion be contrary to the interests of the Noteholders.

12.3 The Note Swap Counterparty and the Note Repo Counterparty

Prospective investors should be aware that, where either the Note Swap Counterparty or Note Repo Counterparty is entitled to exercise its discretion or to undertake a decision in such capacity in respect of the Note Swap Agreement or Note Repo Agreement respectively (including any right to terminate the Note Swap Agreement or Note Repo Agreement), in respect of the terms and conditions or otherwise in respect of the Notes, then unless specified to the contrary therein, the Note Swap Counterparty or Note Repo Counterparty will be entitled to act in its absolute discretion and will be under no obligation to, and will not assume any fiduciary duty or responsibility for, the Noteholders or any other person. In exercising their respective discretions or deciding upon a course of action, prospective investors should expect and understand that the Note Swap Counterparty and the Note Repo Counterparty may attempt to maximise the beneficial outcome for themselves (that is maximise any payments due to them and minimise any

payments due from them) and will not be liable to account to the Noteholders or any other person for any profit or other benefit to them or any of their respective affiliates that may result directly or indirectly from any such selection.

13 Risks related to payment of Notes in an Alternative Currency

The Issuer's primary obligation is to make all payments of interest, principal and other amounts with respect to Notes in the relevant Specified Currency. However, if "Alternative Currency Equivalent" is specified as applicable in the applicable Final Terms or Pricing Supplement, if access to the Specified Currency becomes restricted (as determined by the Note Swap Counterparty in its capacity as calculation agent under the Note Swap Agreement), the Note Swap Counterparty may in its sole and absolute discretion determine that it shall (i) postpone the payment of any such amounts, (ii) make any such payment in the relevant Alternative Currency, (iii) postpone the payment and make such payment in the relevant Alternative Currency (in each of cases (i) to (iii), at the rates, and in the manner, set out in the Note Swap Agreement) or (iv) give notice to terminate the Note Swap Agreement. The Issuer shall then (i) make any payments under the Notes on the relevant postponed date and/or in the relevant Alternative Currency, in the manner set out in General Condition 17 (*Alternative Currency Equivalent Provisions*) and the applicable Final Terms or Pricing Supplement or (ii) redeem the Notes at their Early Redemption Amount, as applicable.

The value of the Notes could therefore be affected by fluctuations in the value of the Specified Currency as compared to the Alternative Currency. There is a risk that the exchange rate (or the exchange rates) used to determine the Alternative Currency amount of any payments in respect of the Notes may significantly change (including changes due to devaluation or revaluation of the Specified Currency) or that authorities with jurisdiction over such currencies could cause a decrease in (1) the Alternative Currency equivalent yield on the Notes, (2) the Alternative Currency equivalent value of the amount payable in respect of the relevant Final Redemption Amount of the Notes and (3) the Alternative Currency equivalent market value of the Notes. Therefore, there is a possibility that the Alternative Currency value of the Notes at the time of any sale or redemption, cancellation or exercise, as the case may be, of the Notes may be below the value of the investor's original investment in the Notes, depending on the exchange rate at the time of any such sale or redemption, cancellation or exercise, as the case may be.

(a) Factors affecting the relevant foreign exchange rate

The rate at which amounts will be converted into the Alternative Currency is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of a specified currency.

(b) The Note Swap Counterparty is a major foreign exchange dealer and is subject to conflicts of interest

Investors should note that certain affiliates of the Note Swap Counterparty are regular participants in the foreign exchange markets and in the ordinary course of their business may effect transactions for their own account or for the account of their customers and hold long and short positions in currencies and related derivatives, including in the Specified Currency and/or the

Alternative Currency. Such transactions may affect the relevant FX rate, the market price, liquidity or value of the Notes and could be adverse to the interests of Noteholders. No Affiliate of the Note Swap Counterparty has any duty to enter into such transactions in a manner which is favourable to Noteholders. See “*Risk Factors – Conflicts of Interest*” above.

- (c) Currencies of emerging markets jurisdictions pose particular risks

Notes denominated in emerging market currencies may experience greater volatility and less certainty as to the future levels of such emerging market currencies or their rate of exchange as against other currencies.

14 Risk Factors relating to the market

14.1 Limited liquidity of the Notes

Although application may be made to admit the Notes to the Official List and admit them to trading on the Main Securities Market, there is currently no secondary market for the Notes. There can be no assurance that a secondary market for any of the Notes will develop, or, if a secondary market does develop, that it will provide the holders of the Notes with liquidity or that it will continue for the life of the Notes.

Consequently, any investor of the Notes must be prepared to hold such Notes for an indefinite period of time or until redemption of the Notes. If Lloyds Bank plc begins making a market for the Notes, it is under no obligation to continue to do so and may stop making such a market at any time.

14.2 Credit ratings

Certain Series of Notes may be rated by Moody's. The applicable Final Terms or Pricing Supplement for any Notes will specify if such rating is a condition to issue of such Notes. The rating(s) will be on the basis of the assessment of Moody's of the ratings of the Collateral, the rating of the Note Swap Counterparty and the terms of the Notes. A credit rating is not a recommendation to buy, sell or hold any Notes, inasmuch as such rating does not comment as to market price or suitability for a particular purchaser. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by Moody's if, in its judgement, circumstances in the future so warrant. In the event that a rating initially assigned to any Notes is subsequently lowered for any reason, no person or entity is obliged to provide any additional support or credit enhancement with respect to such Notes or to make any change to the terms of the Notes or any Note Transaction Document and the market value of such Notes is likely to be adversely affected.

If the Notes are to be rated, agencies other than Moody's could seek to rate the Notes, and if such “unsolicited ratings” are lower than the comparable ratings assigned to the Notes, those unsolicited ratings could have an adverse effect on the value of the Notes.

Prospective investors should ensure they understand what any rating associated with the Notes (whether of the Notes themselves, of the obligor of any Collateral (or any guarantor or credit support provider in respect thereof), of the Note Swap Counterparty or of any other party or entity involved in or related to the Notes) means and what it addresses and what it does not address.

The assignment of a rating to the Notes should not be treated by a prospective investor as meaning that such investor does not need to make its own investigations into, and determinations of, the risks and merits of an investment in the Notes. A Noteholder should take such steps as it considers necessary to evaluate the on-going risks and merits of a continued investment in such Note. For example, market indicators (such as rising credit default spreads and yield spreads with respect to the relevant entity) often indicate significant credit issues.

14.3 Rating Agency Affirmation in relation to the Notes in respect of certain actions

Where the applicable Final Terms for any Notes specify that such Notes are to be rated by Moody's, in determining whether or not a proposed action will be materially prejudicial to the Noteholders, the Trustee may have regard to whether a Rating Agency Affirmation (on which it may rely) is received. A Rating Agency Affirmation that any action proposed to be taken will not have an adverse effect on the then current rating of the Notes does not, for example, confirm that such action (i) is permitted by the terms of the Note Transaction Documents or (ii) is in the best interests of, or not prejudicial to the Noteholders.

While entitled to have regard to the fact that Moody's may have confirmed that the then current rating of the relevant Series of Notes would not be adversely affected, the above does not impose or extend any actual or contingent liability on Moody's to the Secured Creditors (including the Noteholders), the Issuer, the Trustee, the other parties to the Note Transaction Documents or any other person or create any legal relationship between Moody's and the Secured Creditors (including the Noteholders), the Issuer, the Trustee, the other parties to the Note Transaction Documents or any other person whether by way of contract or otherwise.

Any such Rating Agency Affirmation may or may not be given at the sole discretion of Moody's. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that Moody's cannot provide a Rating Agency Affirmation in the time available or at all, and Moody's should not be responsible for the consequences thereof. A Rating Agency Affirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time. In circumstances where Moody's is not willing to issue a Rating Agency Affirmation due to its then prevailing policy regarding the issue of Rating Agency Affirmations, an authorised signatory of the Issuer (or the Note Swap Counterparty on its behalf) may certify in writing to the Trustee that, in its opinion (and where Moody's was prepared to consult with the Issuer (or the Note Swap Counterparty, as applicable) its opinion is based on consultation with Moody's), that the then current rating of the Notes would not be adversely affected or withdrawn as a result of such action being undertaken. To the extent that no written Rating Agency Affirmation can be obtained, whether or not a proposed action will ultimately take place will be determined in accordance with the provisions of the relevant Note Transaction Documents.

14.4 Risks relating to the Banking Act 2009

Under the Banking Act 2009 (the "**Banking Act**"), substantial powers have been granted to HM Treasury, the Bank of England and the UK Financial Conduct Authority (the "**FCA**" and, together with HM Treasury and the Bank of England, the "**Authorities**") as part of the special resolution regime (the "**SRR**"). These powers enable the Authorities to deal with and stabilise UK-incorporated institutions with permission to accept deposits pursuant to Part IV of the Financial Services and Markets Act 2000 (the "**FSMA**") (such as, among others, the Arranger, the Disposal Agent and the Note Swap Counterparty) (each a "**Relevant Entity**") that are failing or are likely to fail to satisfy the threshold conditions (within the meaning of section 41 of the FSMA). The SRR consists of three stabilisation options: (i) transfer of all or part of the business of the Relevant Entity or the shares of the Relevant Entity to a private sector purchaser; (ii) transfer of all or part of the business of the Relevant Entity to a "bridge bank" wholly-owned by the Bank of England; and (iii) temporary public ownership of the Relevant Entity. HM Treasury may also take a parent company of a Relevant Entity into temporary public ownership where certain conditions are met. The Banking Act also provides for two new insolvency and administration procedures for relevant entities. Certain ancillary powers include the power to modify certain contractual arrangements in certain circumstances. It is possible that one of the stabilisation options could be exercised prior to the point at which any application for an insolvency or administration order with respect to the Relevant Entity could be made.

In general, the Banking Act requires the Authorities to have regard to specified objectives in exercising the powers provided for by the Banking Act. One of the objectives (which is required to be balanced as appropriate with the other specified objectives) refers to the protection and enhancement of the stability of the financial system of the United Kingdom. The Banking Act includes provisions related to compensation in respect of transfer instruments and orders made under it. The Authorities are also empowered by order to amend the law for the purpose of enabling the powers under the special resolution regime to be used effectively. An order may make provision which has retrospective effect. In general, there is considerable uncertainty about the scope of the powers afforded to the Authorities under the Banking Act and how the Authorities may choose to exercise them.

If an instrument or order were to be made under the Banking Act in respect of a Relevant Entity, such instrument or order may (amongst other things) affect the ability of such entities to satisfy their obligations under the Note Transaction Documents and/or result in modifications to such documents. In particular, modifications may be made pursuant to powers permitting certain trust arrangements to be removed or modified and/or via powers which permit provision to be included in an instrument or order such that the relevant instrument or order (and certain related events) is required to be disregarded in determining whether certain widely defined “default events” have occurred (which events would include certain events included in the Note Transaction Documents in respect of the relevant entity, including termination events). As a result, the making of an instrument or order in respect of a Relevant Entity may affect the ability of the Issuer to meet its obligations in respect of the Notes. While there is provision for compensation in certain circumstances under the Banking Act, there can be no assurance that Noteholders would recover compensation promptly and equal to any loss actually incurred.

At present, the Authorities have not made an instrument or order under the Banking Act in respect of the Relevant Entities referred to above and there has been no indication that it will make any such instrument or order, but there can be no assurance that this will not change and/or that Noteholders will not be adversely affected by any such instrument or order if made.

15 Risks relating to global events

For the purposes of this section, references to “Collateral” shall also include Initial Collateral to the extent that such Initial Collateral has been transferred to either the Note Swap Counterparty or the Note Repo Counterparty under the Note Swap Agreement or the Note Repo Agreement, as the case may be.

15.1 General

Since mid-2007, the global economy and financial markets have experienced extreme levels of instability.

The initial trigger for the instability was a downturn in the U.S. housing market. By mid-2007, concerns about the value of mortgage assets held by global commercial banks, investment banks, government sponsored entities, hedge funds, structured investment vehicles and institutional investors led to a general tightening of available credit and liquidity in the global financial markets.

During 2008, the initial instability intensified into a severe global financial crisis.

In response to the crisis various governments and central banks took substantial measures to ease liquidity problems and enacted fiscal stimulus packages and measures to support certain entities affected by the crisis. Such measures included establishing special liquidity schemes and credit facilities, bank recapitalisation programmes and credit guarantee schemes.

In an attempt to counteract recessionary pressures, the central banks of the U.S., the U.K. and certain other countries and the European Central Bank also lowered interest rates, in some cases to record low levels.

No assurance can be given that any recovery will be sustained or that certain economies will not encounter a “double dip” recession. In particular, a number of countries have accumulated significant levels of public debt both absolutely and relative to GDP. This has led to international “bail-outs” of certain countries and resulted in general concerns about sovereign credit defaults which could undermine any recovery and could have the effect of taking the credit crisis into a new recessionary phase.

The above factors have also led to substantial volatility in markets across asset classes, including (without limitation) stock markets, foreign exchange markets, fixed income markets and credit markets.

There can be no assurance that any steps taken by governments or international or supra-national bodies to ameliorate the global financial crisis will be successful or that any recovery will continue. The structure, nature and regulation of financial markets in the future may be fundamentally altered as a consequence of the global financial crisis, possibly in unforeseen ways. There can be no assurance that similar or greater disruption may not occur in the future for similar or other reasons. In addition, the attempts being taken to reduce the high level of sovereign debt may themselves contribute to a further global recession. There can be no assurance as to how severe the global recession will be or as to how long it will last. There can be no assurance that government actions or the actions of international or supra-national bodies to limit the impact of the crisis will be successful and that they will not instead lead or contribute to a deeper and/or longer-lasting recession. Economic prospects are subject to considerable uncertainty.

Prospective investors should ensure that they have sufficient knowledge and awareness of the global financial crisis and the response thereto and of the economic situation and outlook as they consider necessary to enable them to make their own evaluation of the risks and merits of an investment in the Notes. In particular, prospective investors should take into account the considerable uncertainty as to how the global financial crisis and the wider economic situation will develop over time.

Any person who had held securities during the periods considered above, particularly structured securities, would be highly likely to have suffered significant adverse effects as a result of such holding, including, but not limited to, major reductions in the value of those securities and a lack of liquidity. Prospective investors should consider carefully whether they are prepared to take on similar risks by virtue of an investment in the Notes.

15.2 Impact on liquidity

The events outlined above have had an extremely negative effect on the liquidity of financial markets generally and in the markets in respect of certain financial assets or in the obligations of certain obligors. This has particularly been the case with respect to the market for structured assets and the obligations of financial institutions and certain sovereigns. Such assets may either not be saleable at all or may only be saleable at significant discounts to their estimated fair value or to the amount originally invested. No assurance can be given that liquidity in the market generally, or in the market for any particular asset class or in the obligations of any particular financial institution or sovereign, will improve or that it will not worsen in the future. Such limited liquidity may have a negative impact on the value of the Notes, the value of the Collateral, the value of the Note Swap Agreement or the value of the Note Repo Agreement, both in terms of the assets or indices referenced therein and in terms of the value of the obligations of the Note Swap Counterparty and/or the Note Repo Counterparty. In particular, should the Notes be redeemed early, Noteholders will be exposed to the realisation value of the Collateral and the termination value of the Note Swap Agreement and the Note Repo Agreement, which value might be affected (in some cases significantly) by such lack of liquidity.

Concerns about the creditworthiness of the Note Swap Counterparty, the Note Repo Counterparty, the Custodian, the Issuing and Paying Agent and the other Paying Agents may also impact the value of the Notes.

15.3 Impact on credit

The events outlined above have negatively affected the creditworthiness of a number of entities or governments, in some cases to the extent of collapse or requiring rescue from governments or international or supra-national bodies. Such credit deterioration has and may continue to be widespread. The value of the Notes or of the amount of payments and/or deliveries on them may be negatively affected by such widespread credit deterioration. Prospective investors should note that recoveries on assets of affected entities have in some cases been *de minimis* and that similarly low recovery levels may be experienced with respect to other entities or governments in the future which may include the obligors of the Collateral (or any guarantor or credit support provider in respect thereof), the Note Swap Counterparty and the Note Repo Counterparty. Prospective investors should also consider the impact of a default by a Custodian, Issuing and Paying Agent or Paying Agent and possible delays and costs in being able to access property held with a failed custodian, sub-custodian, security depository or clearing system.

15.4 Impact on valuations and calculations

Since 2007, actively traded markets for a number of asset classes and obligors have either ceased to exist or have reduced significantly. To the extent that valuations or calculations in respect of instruments related to those asset classes were based on quoted market prices or market inputs, the lack or limited availability of such market prices or inputs has significantly impaired the ability to make accurate valuations or calculations in respect of such instruments. No assurance can be given that similar impairment may not occur in the future.

Furthermore, in a number of asset classes, a significant reliance has historically been placed on valuations derived from models that use inputs that are not observable in the markets and/or that are based on historical data and trends. Such models often rely on certain assumptions about the values or behaviour of such unobservable inputs or about the behaviour of the markets generally or interpolate future outcomes from historical data. In a number of cases, the extent of the market volatility and disruption has resulted in the assumptions being incorrect to a significant degree or in extreme departures from historical trends. Where reliance is placed on historical data, in certain instances such data may only be available for relatively short time periods (for example, data with respect to prices in relatively new markets) and such data may not be as statistically representative as data for longer periods.

Prospective investors should be aware of the risks inherent in any valuation or calculation that is determined by reference to a model and that certain assumptions will be made in operating the model which may prove to be incorrect and give rise to significantly different outcomes to those predicted by the model.

15.5 Impact of increased regulation and nationalisation

Events since 2007 have seen increased involvement of governmental and regulatory authorities in the financial sector and in the operation of financial institutions. In particular, governmental and regulatory authorities in a number of jurisdictions have imposed stricter regulatory controls around certain financial activities and financial instruments (such as swaps) and/or have indicated that they intend to impose such controls in the future. The United States of America, the European Union and other jurisdictions are actively considering or are in the process of implementing various reform measures. Such regulatory changes and the method of their implementation may have a significant impact on the operation of the affected financial institutions, the financial markets and certain financial instruments (such as swaps). It is uncertain how a changed regulatory environment will affect the treatment of instruments such as the Notes and any Note Swap Agreement, or any of the Issuer, the Arranger, the Note Swap Counterparty, the Note Repo Counterparty and the other Note Transaction Parties. For example, notwithstanding the contractual restrictions that have been imposed by the Issuer such that it should fall outside the scope of

certain U.S. legislation, an investment vehicle such as the Issuer (or another person in respect thereof) may have to register with a regulator as a result of its swaps activity, undertake additional reporting and other requirements or register the Notes as a commodity pool and any Note Swap Agreement may be subject to mandatory execution, clearing, margin and documentation requirements. In some instances, it is presently unclear how an investment vehicle such as the Issuer could comply with certain of these requirements on an ongoing basis. Such additional regulations and such registrations may also result in extraordinary, non-recurring expenses of the Issuer thereby materially and adversely impacting a transaction's value. Any such additional registration requirements could result in one or more service providers or counterparties to the Issuer resigning, seeking to withdraw or renegotiating their relationship with the Issuer. To the extent any service providers resign, it may be difficult or impracticable to replace such service providers. In addition, governments have shown an increased willingness, wholly or partially to nationalise financial institutions, corporates and other entities in order to support the economy. Such nationalisation may impact adversely on the value of the stock or other obligations of any such entity (including things like the Notes or Note Swap Agreements). In addition, in order to effect such nationalisation, existing obligations or stock might have their terms mandatorily amended or be forcibly redeemed. To the extent that the obligors of the Collateral (or any guarantor or credit support provider in respect thereof), the Note Swap Counterparty, the Note Repo Counterparty, the Issuer or any other person or entity connected with the Notes is subject to nationalisation or other government intervention, it may have an adverse effect on a holder of a Note.

15.6 Systemic risk

Financial institutions and other significant participants in the financial markets that deal with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as "systemic risk". Financial institutions such as the Arranger, the Dealer(s), the Trustee, the Note Swap Counterparty, the Note Repo Counterparty, the Custodian and the Agents (or any affiliate of any of them) and any obligors of the Collateral (or any guarantor or credit support provider in respect thereof) that are financial institutions or are significant participants in the financial markets are likely routinely to execute a high volume of transactions with various types of counterparties, including brokers and dealers, commercial banks, investment banks, insurers, mutual and hedge funds and institutional clients. To the extent they do so, they are and will continue to be exposed to the risk of loss if counterparties fail or are otherwise unable to meet their obligations. In addition, a default by a financial institution or other significant participant in the financial markets, or concerns about the ability of a financial institution or other significant participant in the financial markets to meet its obligations, could lead to further significant systemic liquidity problems and other problems that could exacerbate the global financial crisis and as such have a material adverse impact on other entities.

MASTER CONDITIONS

*The following is the text of the master terms and conditions applicable to the Notes issued under the Programme (the “**Master Conditions**”). These Master Conditions comprise (i) the General Conditions, (ii) the Inflation Linked Asset Conditions, the Rate Linked Asset Conditions and the Credit Linked Asset Conditions and (iii) the Coupon Payout Conditions and the Redemption Payout Conditions (together, the “**Payout Conditions**”).*

The text of these Master Conditions, as completed in accordance with the provisions of the applicable Final Terms or as completed, supplemented and/or varied in accordance with the provisions of the applicable Pricing Supplement, shall be applicable to the Notes in definitive form (if any). Either (i) the full text of these Master Conditions together with the relevant provisions of Part A of the applicable Final Terms or Pricing Supplement or (ii) these Master Conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions) shall be endorsed on any Bearer Note or on any Certificate relating to a Registered Note issued under the Programme.

*In respect of the Notes, “**Conditions**” shall mean (i) to the extent that the Notes are in definitive form, the text of these Master Conditions, as completed by the provisions of Part A of the applicable Final Terms or as completed, supplemented and/or varied by the provisions of the applicable Pricing Supplement and (ii) to the extent that the Notes are represented by a Global Note or Global Certificate, as the case may be, these Master Conditions, as completed by the provisions of Part A of the applicable Final Terms and by the terms of the Global Note or Global Certificate or as completed, supplemented and/or varied by the provisions of the applicable Pricing Supplement and by the terms of the Global Note or Global Certificate.*

*In respect of the Notes, “**Final Terms**” means the applicable final terms issued specifying the relevant issue details of the Notes in the form agreed between the Issuer and the Arranger and “**Pricing Supplement**” means the applicable pricing supplement completed by the Issuer which specifies the issue details of the Notes in the form agreed between the Issuer and the Arranger.*

*References in the Conditions to “**Notes**” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are constituted and secured by a supplemental trust deed (the “**Supplemental Trust Deed**”) dated the issue date specified in the applicable Final Terms or Pricing Supplement (the “**Issue Date**”) and made between the Issuer, the Trustee and, if applicable, the other persons specified therein, supplemental to the Principal Trust Deed. The Principal Trust Deed and the Supplemental Trust Deed are referred to together as the “**Trust Deed**”. These Master Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below.

An Agency Agreement has been entered into in relation to the Notes between the Issuer, the Trustee and the other agents named in it.

A Custody Agreement has been entered into between the Issuer, the Trustee and the Custodian.

Copies of the Programme Deed, the execution of which constitutes the Principal Trust Deed, the Agency Agreement and the Custody Agreement, together with the applicable versions of the master terms documents incorporated into the Programme Deed, are available for inspection during usual business hours at the principal office of the Trustee (presently at One Canada Square, London E14 5AL) and at the Specified Offices of the Paying Agents and the Transfer Agents.

The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the

“Receipts”) relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them in the Agency Agreement.

All capitalised terms that are not defined in the Conditions will have the meanings given to them in the Trust Deed, the absence of any such meaning indicating that such term is not applicable to the Notes. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. In the event of any inconsistency between the terms of the Supplemental Trust Deed and the terms of the Principal Trust Deed, the terms of the Supplemental Trust Deed shall prevail. In the event of any inconsistency between the terms of the Principal Trust Deed, the terms of the relevant Supplemental Trust Deed and the terms of the applicable Final Terms or Pricing Supplement, the terms of the applicable Final Terms or Pricing Supplement shall prevail. In the event of any inconsistency between these Master Conditions and the terms of the applicable Final Terms or Pricing Supplement, the terms of the applicable Final Terms or Pricing Supplement shall prevail. References in the Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, the Final Redemption Amount, any Early Redemption Amount and all other amounts in the nature of principal payable pursuant to General Condition 7 (*Redemption and Purchase*) and (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to General Condition 6 (*Interest*).

The **“Principal Trust Deed”**, **“Agency Agreement”**, **“Custody Agreement”**, **“Dealer Agreement”**, **“Unrated Note Master Agreement”**, **“Rated Note Master Agreement”**, **“GMRA Master Agreement”** and **“Note Mandate Agreement”** were first entered into by the respective parties thereto executing a programme deed (the **“Programme Deed”**, which term shall include any supplements thereto). The Programme Deed or supplement, as applicable, specifies certain master trust terms, master agency terms, master custody terms, master dealer terms, master unrated swap terms, master rated swap terms, master repo terms and master mandate terms. By their execution of the relevant Programme Deed, the relevant parties have entered into a Principal Trust Deed, Agency Agreement, Custody Agreement, Dealer Agreement, Unrated Note Master Agreement, Rated Note Master Agreement, GMRA Master Agreement and Note Mandate Agreement in the form of the specified master trust terms, master agency terms, master custody terms, master dealer terms, master unrated swap terms (together with the 1992 ISDA Master Agreement (Multicurrency – Cross Border)), master rated swap terms (together with the 1992 ISDA Master Agreement (Multicurrency – Cross Border)), master repo terms (together with the TBMA/ISMA Global Master Repurchase Agreement (2000 Version)) and master mandate terms, subject in each case to such amendments or supplements to such master terms documents as are specified in the relevant Programme Deed the execution of which created such document(s). Notwithstanding the foregoing, any Credit Support Annex forming part of the Note Swap Agreement in respect of the Notes shall be separately executed. With respect to the Notes, references to the Principal Trust Deed, Agency Agreement, Custody Agreement, Dealer Agreement, Unrated Note Master Agreement, Rated Note Master Agreement, GMRA Master Agreement and Note Mandate Agreement are to those documents as amended, supplemented or replaced from time to time in relation to the Programme up to and including the Issue Date of the Notes (including any amendments, supplements or replacements made with respect only to that particular issue of Notes, whether in the Supplemental Trust Deed, in a supplemental programme deed or otherwise) and as they may then be subsequently amended, supplemented or replaced in respect of the Notes as permitted by the Conditions and the Trust Deed with respect to such Series.

A. GENERAL CONDITIONS

The following terms and conditions (the “**General Conditions**”) are the general terms and conditions that apply to the Notes. These General Conditions shall be supplemented by (i) the Inflation Linked Asset Conditions and the applicable Payout Condition(s) if the Notes are Inflation Linked Notes, (ii) the Rate Linked Asset Conditions and the applicable Payout Condition(s) if the Notes are Rate Linked Notes, (iii) the applicable Payout Condition(s) if the Notes are Long-dated Collateral Notes and (iv) the Credit Linked Asset Conditions if the Notes are Credit Linked Notes,

For the avoidance of doubt, a Note may be more than one of (or none of) an Inflation Linked Note, a Rate Linked Note, a Long-dated Collateral Note and a Credit Linked Note.

In the Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“**1998 ISDA FX Definitions**” means the 1998 ISDA FX and Currency Option Definitions, as published by the International Swaps and Derivatives Association, Inc., as amended and supplemented up to and including the Issue Date of the first Tranche of the Notes.

“**Actual Currency Proceeds**” means the Available Proceeds as of the Early Valuation Date (save that, for such purpose, Available Proceeds shall exclude any amount paid by the Note Swap Counterparty to the Issuer as a result of the termination of all outstanding Note Swap Transactions under the Note Swap Agreement relating to the Notes and any amount paid by the Note Repo Counterparty to the Issuer as a result of the termination of all outstanding Note Repo Transactions under the Note Repo Agreement relating to the Notes), provided that, if any Collateral has not been Liquidated by the Early Valuation Date, then the Actual Currency Proceeds shall be deemed to be the fair market value of the Collateral as of the Early Valuation Date (as determined by the Calculation Agent) net of any taxes, costs or charges that would be incurred on the sale of the Collateral.

“**Affiliate**” means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity, directly or indirectly, under common control with the person. For this purpose “control” means ownership of a majority of the voting power of the entity or person.

“**Agency Agreement**” has the meaning given to it in the recitals to these Master Conditions.

“**Agents**” means the Calculation Agent, the Disposal Agent, the Paying Agents and the Transfer Agents.

“**Alternative Currency**” means the currency specified as such in the applicable Final Terms or Pricing Supplement (or any lawful successor currency to that currency), or, if no Alternative Currency is specified in the applicable Final Terms or Pricing Supplement, U.S. dollars.

“**Alternative Currency Equivalent**” means, (i) where the Alternative Currency is U.S. dollars, in respect of an amount denominated in the Scheduled Payment Currency, such amount converted into the Alternative Currency using the Alternative Currency FX Rate for the relevant Rate Calculation Date, all as determined by the Calculation Agent, and (ii) where the Alternative Currency is a currency other than U.S. dollars, in respect of an amount denominated in the Scheduled Payment Currency, such amount converted into the Alternative Currency by (i) converting such amount into an amount expressed in U.S. dollars using the Alternative Currency FX Rate for the relevant Rate Calculation Date, and multiplying the resultant U.S. dollar amount by the Alternative Currency USD FX Rate for the relevant Rate Calculation Date, all as determined by the Calculation Agent.

“Alternative Currency FX Rate” means, either:

- (i) if “ISDA Determination” is specified to be applicable in the applicable Final Terms or Pricing Supplement, the Spot Rate or Settlement Rate (as applicable) that would be determined by the Calculation Agent under an FX Transaction governed by an ISDA Master Agreement which incorporates the 1998 ISDA FX Definitions and under which:
 - (a) the Settlement Rate Option is as specified in the applicable Final Terms or Pricing Supplement; and
 - (b) the Rate Calculation Date is the applicable Rate Calculation Date; or
- (ii) if “Calculation Agent Determination” is specified to be applicable in the applicable Final Terms or Pricing Supplement, such rate for the exchange of the Scheduled Payment Currency into U.S. dollars as determined by the Calculation Agent, taking into consideration all available information that it deems relevant.

For the purposes of this paragraph (x), **“FX Transaction”**, **“Settlement Rate”** and **“Spot Rate”** have the meanings given to them in the 1998 ISDA FX Definitions.

“Alternative Currency USD FX Rate” means, either:

- (i) if “ISDA Determination” is specified to be applicable in the applicable Final Terms or Pricing Supplement, the Spot Rate or Settlement Rate (as applicable) that would be determined by the Calculation Agent under an FX Transaction governed by an ISDA Master Agreement which incorporates the 1998 ISDA FX Definitions and under which:
 - (a) the Settlement Rate Option is as specified in the applicable Final Terms or Pricing Supplement; and
 - (b) the Rate Calculation Date is the applicable Rate Calculation Date; or
- (ii) if “Calculation Agent Determination” is specified to be applicable in the applicable Final Terms or Pricing Supplement, such rate for the exchange of a U.S. dollar amount into the Alternative Currency as determined by the Calculation Agent, taking into consideration all available information that it deems relevant.

“Available Proceeds” means, with respect to a Liquidation Event or Enforcement Event and as of a particular day:

- (i) all cash sums derived from any Liquidation of the Collateral for the Notes, any amount paid by the Note Swap Counterparty to the Issuer as a result of the termination of all outstanding Note Swap Transactions under the Note Swap Agreement relating to the Notes, any amount paid by the Note Repo Counterparty to the Issuer as a result of the termination of all outstanding Note Repo Transactions under the Note Repo Agreement, any amounts realised by the Trustee on enforcement of security and all other cash sums available to the Issuer or the Trustee, as the case may be, derived from the Mortgaged Property for such Series, less
- (ii) any cash sums which have already been applied by the Issuer pursuant to General Condition 15(a) (*Application of Available Proceeds of Liquidation*) on any Issuer Application Date or by the Trustee pursuant to General Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*) on any Trustee Application Date, as the case may be.

“Bankruptcy Credit Event” means the occurrence of a Credit Event as a result of Bankruptcy, and with each of **“Credit Event”** and **“Bankruptcy”** having the meaning given to them in the ISDA Credit Derivatives Definitions.

“Basic Terms Modification” means proposals (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) to vary any method of, or basis for, calculating the Final Redemption Amount or the Early Redemption Amount, (v) to vary the currency or currencies of payment or denomination of the Notes, (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, (vii) to modify the provisions of the Trust Deed concerning this exception, (viii) to modify General Condition 4(a) (*Security*), or to hold an Extraordinary Resolution for the purposes of General Condition 4(b) (*Substitution of Collateral*), (viii) to modify General Conditions 15 (*Application of Available Proceeds*) and 17 (*Limited Recourse and Non-Petition*), or (ix) to modify General Conditions 7(b) (*Redemptions by Instalments*) to 7(i) (*Redemption for an Illegality Event*) or General Condition 12 (*Events of Default*).

“Bearer Note” has the meaning given to it in General Condition 1 (*Form, Specified Denomination and Title*).

“Business Centre” means any business centre specified as such in the applicable Final Terms or Pricing Supplement.

“Business Day” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency;
- (ii) in the case of euro, a day on which the TARGET System is open for the settlement of payments in euro (a **“TARGET Business Day”**); or
- (iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in such Business Centres or, if no currency is indicated, generally in each of such Business Centres,

and in each case, a day on which commercial banks and foreign exchange markets settle payments in London.

“Business Day Convention” has the meaning given to it in General Condition 8(d) (*Business Day Convention*).

“Calculation Agent” means the calculation agent or any successor or replacement appointed in respect of the Notes.

“Calculation Agent Bankruptcy Event” means (i) the Calculation Agent becomes incapable of acting, is dissolved (other than pursuant to a consolidation, amalgamation or merger), is adjudged bankrupt or insolvent, files a voluntary petition in bankruptcy, makes a general assignment, arrangement or composition with or for the benefit of its creditors, consents to the appointment of a receiver, administrator, liquidator or other similar official of either the entity or all or substantially all of its assets or admits in writing its inability to pay or meet its debts as they mature or suspends payment thereof, or if a resolution is passed or an order made for the winding-up, official management, liquidation or dissolution of such entity (other than pursuant to a consolidation, amalgamation or merger), a receiver, administrator, liquidator or other similar official of either the entity or all or substantially all of its assets is appointed, a court order is entered approving a petition filed by or against it under applicable bankruptcy or insolvency law, or a public officer takes charge or control of the entity or its property or affairs for the

purpose of liquidation, (ii) a Credit Derivatives Determinations Committee has Resolved that a Bankruptcy Credit Event has occurred in respect of the Calculation Agent, or any analogous determination has been made by a committee or person under any definitions that replace the ISDA Credit Derivatives Definitions as the market standard terms for credit derivatives or under any amendment or supplement to the ISDA Credit Derivatives Definitions and/or (iii) the Calculation Agent is an Affiliate of the Note Swap Counterparty or the Note Repo Counterparty and a Counterparty Bankruptcy Event has occurred with respect to such Note Swap Counterparty or Note Repo Counterparty, as the case may be.

“Calculation Amount” means, in respect of a Note and an Interest Accrual Period, the amount specified in the applicable Final Terms or Pricing Supplement.

“Calculation Amount Factor” means, in respect of a Note, the number equal to the Specified Denomination of such Note divided by the Calculation Amount.

“Certificate” has the meaning given to it in General Condition 1 (*Form, Specified Denomination and Title*).

“Collateral” means, in connection with the issue of the Notes, the Issuer’s rights, title and/or interests in and to:

- (i) the Initial Collateral, other than any Initial Collateral that the Issuer may have sold, posted or otherwise disposed of under the terms of the Credit Support Annex and/or the Note Repo Agreement;
- (ii) from time to time, any CSA Posted Collateral or Note Repo Posted Collateral held by the Issuer; and/or
- (iii) any other securities, cash or other assets or property transferred or delivered to the Issuer pursuant to the Credit Support Annex and/or the Note Repo Agreement.

The term **“Collateral”** shall include the rights, title and/or interests in and to (x) any further Collateral acquired by the Issuer in connection with any further issue of notes that are to be consolidated and form a single series with the Notes, (y) any Collateral acquired by the Issuer by way of substitution or replacement of any Collateral previously held by it and (z) any asset or property (which may, for the avoidance of doubt, include the benefit of contractual rights) into which any of the Collateral is converted or exchanged or that is issued to the Issuer (or any relevant person holding such Collateral for or on behalf of the Issuer) by virtue of its holding thereof.

“Collateral Call” means notice is given that any of the Collateral, except for CSA Posted Collateral or Note Repo Posted Collateral (if any), is called for redemption or repayment (whether in whole or in part) prior to its scheduled maturity date.

“Collateral Early Payment Date” means, following the occurrence of a Collateral Call, the day on which the Collateral that is the subject of the Collateral Call is scheduled to redeem or repay early (and if any securities, loans, deposits, shares, partnership interests, units in unit trusts or any other assets forming part of the Collateral are scheduled to redeem or repay early on two or more days, the Collateral Early Payment Date shall be the last of such days to occur in time).

“Collateral Obligor” means any person that has an obligation or duty to the Issuer (or any relevant person holding such Collateral for or on behalf of the Issuer) in respect of the Collateral pursuant to the terms of such Collateral.

“Collateral Tax Event” has the meaning given to it in General Condition 7(d) (*Redemption for Taxation Reasons*).

“Conditions” has the meaning given to it in the recitals to these Master Conditions.

“Counterparty Bankruptcy Event” means a Credit Derivatives Determinations Committee has Resolved that a Bankruptcy Credit Event has occurred in respect of the Note Swap Counterparty or the Note Repo Counterparty, or any analogous determination has been made by a committee or person under any definitions that replace the ISDA Credit Derivatives Definitions as the market standard terms for credit derivatives or under any amendment or supplement to the ISDA Credit Derivatives Definitions.

“Coupon” has the meaning given to it in the recitals to these Master Conditions.

“Couponholder” has the meaning given to it in the recitals to these Master Conditions.

“Coupon Payout Conditions” has the meaning give to it in the recitals to Part B (*Coupon Payout Conditions*) of these Master Conditions.

“Credit Derivatives Determinations Committee” has the meaning given to it in the ISDA Credit Derivatives Definitions.

“Credit Linked Asset Conditions” has the meaning given to it in the recitals to Part F (*Credit Linked Asset Conditions*) of these Master Conditions.

“Credit Linked Notes” means Notes in respect of which the applicable Final Terms or Pricing Supplement specify that the Redemption/Payment Basis: is “Credit Linked Redemption”.

“Credit Support Annex” has the meaning given to it in General Condition 3(b) (*Collateral*).

“Credit Support Balance” has the meaning given to it in the Credit Support Annex.

“Credit Support Excess” means, in relation to any Early Termination Date that has been designated or deemed to occur in respect of the Note Swap Agreement, and where the Credit Support Balance of the Note Swap Counterparty is positive on the related Early Valuation Date, an amount in the Specified Currency (subject to a minimum of zero) equal to (i) the Value of the Note Swap Counterparty’s Credit Support Balance determined under Paragraph 6 of the Credit Support Annex with respect to the Early Valuation Date minus (ii) the amount, if any, payable in respect of the Early Termination Date pursuant to Section 6(e) of the Note Swap Agreement that would be payable by the Note Swap Counterparty to the Issuer if there were no Credit Support Annex in existence.

“CSA Posted Collateral” means any securities, cash or other assets or property transferred by the Note Swap Counterparty to the Issuer pursuant to the Credit Support Annex that are Eligible Credit Support comprising the Credit Support Balance of the Note Swap Counterparty (as such terms are defined in the Note Swap Agreement).

“Custodian” means the custodian or any successor or replacement appointed in respect of the Notes.

“Custody Agreement” has the meaning given to it in the recitals to these Master Conditions.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last day of such period) (whether or not constituting an Interest Period or an Interest Accrual Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual-ISDA”** is specified in the applicable Final Terms or Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if **“Actual/365 (Fixed)”** is specified in the applicable Final Terms or Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

- (iii) if “**Actual/360**” is specified in the applicable Final Terms or Pricing Supplement, the actual number of days in the Calculation Period divided by 360;
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Final Terms or Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCountFraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Final Terms or Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCountFraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

- (vi) if “**30E/360 (ISDA)**” is specified in the applicable Final Terms or Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCountFraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30; and

- (vii) if “**Actual/Actual-ICMA**” is specified in the applicable Final Terms or Pricing Supplement:
 - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (B) if the Calculation Period is longer than one Determination Period, the sum of:
 - (I) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (II) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year.

“**Dealer Agreement**” has the meaning given to it in the recitals to these Master Conditions.

“**Default Interest**” has the meaning given to it in General Condition 6(e) (*Accrual of Interest*).

“**Determination Date**” means the date specified as such in the applicable Final Terms or Pricing Supplement or, if none is so specified, the Interest Payment Date.

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date.

“**Direction in Writing**” means a direction in writing by holders of at least 75 per cent. in nominal amount of the Notes then outstanding, the holders thereof having provided evidence of their holdings to the satisfaction of the Trustee. A Direction in Writing shall be binding on all holders of the Notes then outstanding.

“**Director**” means a director of the Issuer.

“Disposal Agent” means the disposal agent or any successor or replacement appointed in respect of the Notes.

“Disposal Agent Bankruptcy Event” means (i) the Disposal Agent becomes incapable of acting, is dissolved (other than pursuant to a consolidation, amalgamation or merger), is adjudged bankrupt or insolvent, files a voluntary petition in bankruptcy, makes a general assignment, arrangement or composition with or for the benefit of its creditors, consents to the appointment of a receiver, administrator, liquidator or other similar official of either the entity or all or substantially all of its assets or admits in writing its inability to pay or meet its debts as they mature or suspends payment thereof, or if a resolution is passed or an order made for the winding-up, official management, liquidation or dissolution of such entity (other than pursuant to a consolidation, amalgamation or merger), a receiver, administrator, liquidator or other similar official of either the entity or all or substantially all of its assets is appointed, a court order is entered approving a petition filed by or against it under applicable bankruptcy or insolvency law, or a public officer takes charge or control of the entity or its property or affairs for the purpose of liquidation, (ii) a Credit Derivatives Determinations Committee has Resolved that a Bankruptcy Credit Event has occurred in respect of the Disposal Agent, or any analogous determination has been made by a committee or person under any definitions that replace the ISDA Credit Derivatives Definitions as the market standard terms for credit derivatives or under any amendment or supplement to the ISDA Credit Derivatives Definitions and/or (iii) the Disposal Agent is an Affiliate of the Note Swap Counterparty or the Note Repo Counterparty and a Counterparty Bankruptcy Event has occurred with respect to such Note Swap Counterparty or Note Repo Counterparty, as the case may be.

“Disposal Agent Fees” has the meaning given to it in the definition of “Liquidation Expenses” in these General Conditions.

“Early Redemption Amount” means, in respect of each Note outstanding on the relevant Early Redemption Date, the amount specified as such in the applicable Final Terms or Pricing Supplement or, if no such amount is specified in the applicable Final Terms or Pricing Supplement, an amount determined by the Calculation Agent to be an amount per Note equal to that Note’s *pro rata* share of:

- (i) the Specified Currency Proceeds as at the relevant Early Redemption Date; plus
- (ii) any Termination Payment in respect of the Note Swap Agreement that is payable to the Issuer (together, if applicable, with any interest payable thereon) and any Termination Payment in respect of the Note Repo Agreement that is payable to the Issuer (together, if applicable, with any interest payable thereon); minus
- (iii) any Termination Payment in respect of the Note Swap Agreement that is payable by the Issuer to the Note Swap Counterparty (together, if applicable, with any interest payable thereon) and any Termination Payment in respect of the Note Repo Agreement that is payable by the Issuer to the Note Repo Counterparty (together, if applicable, with any interest payable thereon).

“Early Redemption Date” means:

- (i) for the purposes of General Conditions 7(c) (*Redemption Upon Initial Collateral Default*), 7(d) (*Redemption for Taxation Reasons*), 7(f) (*Redemption for Termination of Note Swap Agreement*), 7(g) (*Redemption for Termination of Note Repo Agreement*), 7(h) (*Redemption for Counterparty Bankruptcy Event*) and 7(i) (*Redemption for an Illegality Event*) and 12 (*Events of Default*), the 15th Reference Business Day following the relevant Early Redemption Trigger Date;
- (ii) for the purposes of General Condition 7(e) (*Redemption for a Collateral Call*), the 15th Reference Business Day following the later of the Collateral Early Payment Date and the Early Redemption Trigger Date (provided that, if all the Collateral has been redeemed and/or Liquidated on or before the third Reference Business Day prior to such date, the Early Redemption Date shall be the third Reference Business Day after the later of (x) the Early Redemption Trigger Date and (y) the date

on which all proceeds of such redemption and/or Liquidation of Collateral have been received by or on behalf of the Issuer).

“Early Redemption Notice” means an irrevocable notice from the Issuer to Noteholders in accordance with General Condition 23 (*Notices*) (or, in the case of General Condition 12 (*Events of Default*), from the Trustee to the Issuer) that specifies that the Notes are to be redeemed pursuant to General Condition 7 (*Redemption and Purchase*) or General Condition 12 (*Events of Default*), as the case may be. An Early Redemption Notice must contain a description in reasonable detail of the facts relevant to the determination that the Notes are to be redeemed and must specify which of General Conditions 7(c) (*Redemption Upon Initial Collateral Default*) to (i) (*Redemption for an Illegality Event*) or General Conditions 12(a) to (c), as the case may be, are applicable. A copy of any Early Redemption Notice shall also be sent by the Issuer (when sent pursuant to General Condition 7 (*Redemption and Purchase*)) or the Trustee (when sent pursuant to General Condition 12 (*Events of Default*)) to all Note Transaction Parties, save that any failure to deliver a copy shall not invalidate the relevant Early Redemption Notice.

“Early Redemption Trigger Date” has the meaning given to it in General Condition 7(c) (*Redemption Upon Initial Collateral Default*), 7(d) (*Redemption for Taxation Reasons*), 7(e) (*Redemption for a Collateral Call*), 7(f) (*Redemption for Termination of Note Swap Agreement*), 7(g) (*Redemption for Termination of Note Repo Agreement*), 7(h) (*Redemption for Counterparty Bankruptcy Event*), 7(i) (*Redemption for an Illegality Event*) and General Condition 12 (*Events of Default*).

“Early Termination Date” means,

- (i) for the purposes of a Note Swap Agreement, the definition given to that term in the Note Swap Agreement; and
- (ii) for the purposes of a Note Repo Agreement, (a) the Repurchase Date that is deemed to occur pursuant to the occurrence of an Event of Default (as such term is defined in the Note Repo Agreement) in accordance with the provisions of paragraph 10(b) of the Note Repo Agreement or (b) the Repurchase Date that is elected as such pursuant to paragraph 11(c) of the Note Repo Agreement.

“Early Valuation Date” means the third Reference Business Day prior to the Early Redemption Date.

“Eligible Credit Support” has the meaning given to it in the Credit Support Annex.

“Enforcement Event” means the occurrence of one or more of the following events:

- (i) the Issuer fails to pay (a) the Final Redemption Amount and/or (b) any interest or Instalment Amount that has become due and payable on the Maturity Date, and, in each case, has not paid any such amount (together with any Default Interest accrued thereon) on or by the Relevant Payment Date;
- (ii) following the occurrence of an Early Redemption Trigger Date, payment in respect of the Early Redemption Amount in respect of the Notes is not made on the Early Redemption Date;
- (iii) following payment in full by the Issuer of any amount that has become due and payable to the Noteholders and the Couponholders (whether before or after the Maturity Date), the failure by the Issuer to pay any amount due and payable to the Note Swap Counterparty on the relevant due date for payment under the Note Swap Agreement; or
- (iv) following payment in full by the Issuer of any amount that has become due and payable to the Noteholders and the Couponholders (whether before or after the Maturity Date), the failure by the Issuer to pay any amount due and payable to the Note Repo Counterparty on the relevant due date for payment under the Note Repo Agreement.

“Enforcement Notice” has the meaning given to it in General Condition 14(b) (*Enforcement Notice*).

“Equivalent Obligations” means any Other Obligations that are issued in fungible form and that share common terms and conditions.

“euro”, “€” and “EUR” means the lawful currency of those Member States of the European Union that have adopted the single currency of the European Union.

“Eurozone” means the region comprising Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“Event of Default” has the meaning given to it in General Condition 12 (*Events of Default*).

“FATCA” means (i) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986, (ii) any similar or successor legislation to sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986, (iii) any agreement described in section 1471(b) of the U.S. Internal Revenue Code of 1986, (iv) any regulations or guidance pursuant to any of the foregoing, (v) any official interpretations of any of the foregoing, (vi) any intergovernmental agreement to facilitate the implementation of any of the foregoing (an **“IGA”**) or (vii) any law implementing an IGA.

“FATCA Withholding Tax” means any withholding imposed on any payments in respect of the Notes pursuant to FATCA.

“Final Redemption Amount” means in respect of a Note, an amount determined by the Calculation Agent equal to (i) the amount specified as such in the applicable Final Terms or Pricing Supplement, (ii) if “Inflation Redemption” is specified in the applicable Final Terms or Pricing Supplement to be the Redemption/Payment Basis, the amount determined in accordance with the Redemption Payout Condition 1 (*Inflation Linked Redemption*), (iii) “Long-dated Collateral Redemption” is specified in the applicable Final Terms or Pricing Supplement to be the Redemption/Payment Basis, the amount determined in accordance with Redemption Payout Condition 2 (*Long-dated Collateral Redemption*), (iv) if “Long-dated Collateral and Swap Redemption” is specified in the applicable Final Terms or Pricing Supplement to be the Redemption/Payment Basis, the amount determined in accordance with Redemption Payout Condition 3 (*Long-dated Collateral and Swap Redemption*) or (v) if no amount or Redemption Payout Condition is so specified, the outstanding nominal amount of such Note.

“Final Terms” has the meaning given to it in the recitals to these Master Conditions.

“Fixed Rate Note” has the meaning given to it in General Condition 6(a) (*Interest on Fixed Rate Notes*).

“Floating Rate Note” has the meaning given to it in General Condition 6(b) (*Interest on Floating Rate Notes*).

“General Conditions” has the meaning given to it in the recitals to Part A (*General Conditions*) of these Master Conditions.

“GMRA Master Agreement” has the meaning given to it in the recitals to these Master Conditions.

“Government” means any de facto or de jure government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of an Initial Collateral Obligor or of the jurisdiction of organisation of an Initial Collateral Obligor.

“Governmental Authority” means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of the Scheduled Payment Currency Jurisdiction.

An **“Illegality Event”** shall occur if, due to the adoption of, or any change in, any applicable law after the Issue Date, or due to the promulgation of, or any change in, the interpretation by any court, tribunal or

regulatory authority with competent jurisdiction of any applicable law after such date, it becomes unlawful for the Issuer (i) to perform any absolute or contingent obligation to make a payment or delivery in respect of the Notes, any Note Transaction Document or any other agreement entered into in connection with the Notes, (ii) to hold any Collateral or to receive a payment or delivery in respect of any Collateral or (iii) to comply with any other material provision of any agreement entered into in connection with the Notes.

“Illiquidity” means (i) in respect of any payment obligation of the Note Swap Counterparty under the Note Swap Agreement of any sum, foreign exchange markets for the Scheduled Payment Currency becoming illiquid (including, without limitation, the existence of any significant price distortion) or unavailable as a result of which it is impossible or, in the opinion of the Swap Calculation Agent, commercially impracticable for the Note Swap Counterparty and/or any of its Affiliates to obtain a sufficient amount of the Scheduled Payment Currency in order to satisfy any such obligation or (ii) it becomes impossible or impracticable to obtain a firm quote for exchange of the Scheduled Payment Currency into the Alternative Currency, in each case, as determined by the Swap Calculation Agent in its sole and absolute discretion.

“Inconvertibility” means, in respect of any payment or obligation of the Note Swap Counterparty under the Note Swap Agreement, the occurrence of any event that makes it impossible, illegal or, in the opinion of the Swap Calculation Agent, commercially impracticable for the Note Swap Counterparty and/or any of its Affiliates to convert any amount due by the Note Swap Counterparty under the Note Swap Agreement in the foreign exchange markets for the Scheduled Payment Currency (including, without limitation, any event that has the direct or indirect effect of hindering, limiting or restricting convertibility by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions on repatriation of one currency into another currency) other than where such impossibility or impracticability is due solely to the failure of the Note Swap Counterparty and/or any of its Affiliates to comply with any law, rule or regulation enacted by any relevant Governmental Authority (unless such law, rule or regulation becomes effective on or after the Trade Date and it is impossible or, in the opinion of the Swap Calculation Agent, commercially impracticable for the Note Swap Counterparty, due to an event beyond its control, to comply with such law, rule or regulation).

“Inflation Linked Asset Conditions” has the meaning given to it in the recitals to Part D (*Inflation Linked Asset Conditions*) of these Master Conditions.

“Inflation Linked Notes” means Notes in respect of which the Interest Basis is “Inflation Linked Coupon” and/or the Redemption/Payment Basis is “Inflation Redemption” as specified in the applicable Final Terms or Pricing Supplement.

“Initial Collateral” means, in connection with the issue of the Notes, one or more transferable securities specified in the applicable Final Terms or Pricing Supplement as forming part of the Initial Collateral and issued by or representing obligations of one or more persons.

The term **“Initial Collateral”** shall include (x) any further Initial Collateral acquired by the Issuer in connection with any further issue of notes that are to be consolidated and form a single series with the Notes, (y) any Initial Collateral acquired by the Issuer by way of substitution or replacement of any Initial Collateral previously held by it (except where such Initial Collateral has been substituted or replaced by CSA Posted Collateral or Note Repo Posted Collateral pursuant to the Credit Support Annex or the Note Repo Agreement, as the case may be) and (z) any asset or property (which may, for the avoidance of doubt, include the benefit of contractual rights) into which any of the Initial Collateral is converted or exchanged or that is issued to the Issuer (or any relevant person holding such Initial Collateral for or on behalf of the Issuer) by virtue of its holding thereof. For the avoidance of doubt Initial Collateral shall not include any CSA Posted Collateral or Note Repo Posted Collateral or any other securities, cash or other

assets or property transferred or delivered to the Issuer pursuant to the Credit Support Annex or the Note Repo Agreement.

"Identical Collateral" means, in respect of Initial Collateral in the form of securities, shares or any other assets which can be issued in fungible form, any such securities, shares or other assets that, immediately prior to the event in question, were part of the same issuance or series of fungible issuances of securities, shares or assets, shared common terms and conditions and ranked *pari passu* with such securities, shares or assets.

"Initial Collateral Conditions" means the terms and conditions of the Initial Collateral as at the Issue Date of the Notes.

"Initial Collateral Default" means any of the following events:

- (i) in respect of any Initial Collateral Obligor Obligation:
 - (A) an Initial Collateral Obligor Failure to Pay;
 - (B) an Initial Collateral Obligor Obligation Acceleration;
 - (C) an Initial Collateral Obligor Repudiation/Moratorium; and
 - (D) an Initial Collateral Obligor Restructuring;
- (ii) in respect of the Initial Collateral and/or any Identical Collateral, an Initial Collateral Obligor Obligation Default; or
- (iii) in respect of any Initial Collateral Obligor, an Initial Collateral Obligor Bankruptcy.

For the purposes of the definition of "Initial Collateral Default", the term "Initial Collateral" shall include any Initial Collateral that the Issuer may have sold, posted or otherwise disposed of under the terms of the Credit Support Annex and/or the Note Repo Agreement whether or not equivalent collateral has subsequently been transferred or delivered to the Issuer pursuant to the Credit Support Annex and/or the Note Repo Agreement.

"Initial Collateral Obligor" means any person that is an obligor in respect of the Initial Collateral pursuant to the Initial Collateral Conditions, including for the avoidance of doubt, the issuer of such Initial Collateral and any guarantor of the Initial Collateral.

"Initial Collateral Obligor Bankruptcy" means an Initial Collateral Obligor:

- (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (ii) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (iv) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition:
 - (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
 - (B) is not dismissed, discharged, stayed or restrained, in each case within 30 days of the institution or presentation thereof;

- (v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian, examiner or other similar official for it or for all or substantially all its assets;
- (vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; or
- (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (i) to (vii) above.

“Initial Collateral Obligor Default Requirement” means zero in respect of the Initial Collateral or any Identical Collateral, and in respect of any other Initial Collateral Obligor Obligations means U.S.\$10,000,000, or its equivalent in the currency or currencies in which the relevant Initial Collateral Obligor Obligation(s) are denominated as of the occurrence of the relevant Initial Collateral Default.

“Initial Collateral Obligor Failure to Pay” means:

- (i) in respect of any Initial Collateral or Identical Collateral, the failure by the relevant Initial Collateral Obligor to make, when and where due, any payments under one or more of such Initial Collateral or Identical Collateral, in accordance with the terms of such Initial Collateral or Identical Collateral in effect as of the later of (x) the Issue Date of the Notes to which such Initial Collateral or Identical Collateral relates, (y) the issue date of such Initial Collateral or Identical Collateral, and (z) the date on which such Initial Collateral or Identical Collateral was first acquired by the Issuer; and
- (ii) in respect of any other Initial Collateral Obligor Obligations, after the expiration of any applicable Initial Collateral Obligor Grace Period (after the satisfaction of any conditions precedent to the commencement of such Initial Collateral Obligor Grace Period), the failure by the relevant Initial Collateral Obligor to make, when and where due, any payments in an aggregate amount of not less than the Initial Collateral Obligor Payment Requirement under one or more of such Initial Collateral Obligor Obligations, in accordance with the terms of such Initial Collateral Obligor Obligations at the time of such failure.

“Initial Collateral Obligor Grace Period” shall not apply to the Initial Collateral or any Identical Collateral, and in respect of any other Initial Collateral Obligor Obligations means the greater of (i) the applicable grace period with respect to payments under the relevant Initial Collateral Obligor Obligation under the terms of such Initial Collateral Obligor Obligation in effect as of the later of the Issue Date and the date as of which such Initial Collateral Obligor Obligation is issued or incurred and (ii) three Initial Collateral Obligor Grace Period Business Days.

“Initial Collateral Obligor Grace Period Business Day” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose under the relevant Initial Collateral Obligor Obligation and if a place or places are not so specified, a Business Day for the currency or currencies in which the relevant Initial Collateral Obligor Obligation is denominated (but disregarding for such purpose paragraph (iii) of the definition of “Business Day”).

“Initial Collateral Obligor Obligation” means, in respect of an Initial Collateral Obligor, any Initial Collateral, any Identical Collateral or any other obligation of such Initial Collateral Obligor (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in

respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

“Initial Collateral Obligor Obligation Acceleration” means one or more Initial Collateral Obligor Obligations in an aggregate amount of not less than the Initial Collateral Obligor Default Requirement has become due and payable before it or they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of an Initial Collateral Obligor under one or more Initial Collateral Obligor Obligations.

“Initial Collateral Obligor Obligation Default” means one or more Initial Collateral Obligor Obligations forming part of the Initial Collateral and/or Identical Collateral has become capable of being declared due and payable before it or they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of an Initial Collateral Obligor under one or more Initial Collateral Obligor Obligations forming part of the Initial Collateral and/or Identical Collateral.

“Initial Collateral Obligor Payment Requirement” means, in respect of any Initial Collateral Obligor Obligation other than the Initial Collateral and any Identical Collateral, U.S.\$1,000,000 or its equivalent in the currency or currencies in which the relevant Initial Collateral Obligor Obligation is denominated as of the occurrence of the relevant Initial Collateral Default.

“Initial Collateral Obligor Repudiation/Moratorium” means the occurrence of both of the following events:

- (i) an authorised officer of a Initial Collateral Obligor or a Government:
 - (A) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Initial Collateral Obligor Obligations in an aggregate amount of not less than the Initial Collateral Obligor Default Requirement; or
 - (B) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Initial Collateral Obligor Obligations in an aggregate amount of not less than the Initial Collateral Obligor Default Requirement; and
- (ii) an Initial Collateral Obligor Failure to Pay, determined without regard to the Initial Collateral Obligor Payment Requirement, or an Initial Collateral Obligor Restructuring, determined without regard to the Initial Collateral Obligor Default Requirement, with respect to any such Initial Collateral Obligor Obligation occurs on or prior to the later of:
 - (A) the date that is 60 days after the occurrence of the relevant event described in paragraph (i) above; and
 - (B) where such Initial Collateral Obligor Obligation is in the form of, or represented by a bond, note, certificated debt security or other debt security issued by the Initial Collateral Obligor or a loan entered into by the Initial Collateral Obligor as borrower, the first payment date under such Initial Collateral Obligor Obligation after the occurrence of the relevant event described in paragraph (i) above (or, if later, the expiration date of any applicable Initial Collateral Obligor Grace Period in respect of such payment date).

“Initial Collateral Obligor Restructuring” means that, with respect to one or more Initial Collateral Obligor Obligations and in relation to an aggregate amount of not less than the Initial Collateral Obligor Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Initial Collateral Obligor Obligation, is agreed between the Initial Collateral Obligor or a Government and a sufficient number of holders of such Initial Collateral Obligor Obligation to bind all holders of the Initial Collateral Obligor Obligation or is announced (or otherwise decreed) by a Initial Collateral Obligor

or a Government in a form that binds all holders of such Initial Collateral Obligor Obligation, and such event is not expressly provided for under the terms of such Initial Collateral Obligor Obligation in effect as of the later of the Issue Date and the date as of which such Initial Collateral Obligor Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;
- (ii) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
- (iii) a postponement or other deferral of a date or dates for either:
 - (A) the payment or accrual of interest; or
 - (B) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Initial Collateral Obligor Obligation, causing the subordination of such Initial Collateral Obligor Obligation to any other Initial Collateral Obligor Obligation; or
- (v) any change in the currency or composition of any payment of interest or principal.

Notwithstanding the above, none of the following shall constitute an Initial Collateral Obligor Restructuring:

- (A) the payment in euro of interest or principal in relation to an Initial Collateral Obligor Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended;
- (B) the occurrence of, agreement to or announcement of any of the events described in paragraphs (i) to (v) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
- (C) the occurrence of, agreement to or announcement of any of the events described in paragraphs (i) to (v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Initial Collateral Obligor.

“Instalment Amount” means, in respect of a Note and an Instalment Date, an amount determined by the Calculation Agent equal to the amount specified as such in the applicable Final Terms or Pricing Supplement.

“Instalment Date” means in respect of a Note, each date specified as such in the applicable Final Terms or Pricing Supplement.

“Instalment Note” has the meaning given to it in General Condition 7(b) (*Redemption by Instalments*).

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the applicable Final Terms or Pricing Supplement, shall mean the Fixed Coupon

Amount or Broken Amount specified in the applicable Final Terms or Pricing Supplement as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified in the applicable Final Terms or Pricing Supplement.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Final Terms or Pricing Supplement or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

“Interest Payment Date” means:

- (i) in respect of Fixed Rate Notes, each date specified as an Interest Payment Date in the applicable Final Terms or Pricing Supplement; and
- (ii) in respect of all Notes other than Fixed Rate Notes:
 - (c) each date specified as a Specified Interest Payment Date in the applicable Final Terms or Pricing Supplement; or
 - (d) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms or Pricing Supplement, each date which falls the number of months or other period specified in the applicable Final Terms or Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

“Interest Period” means either (i) the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date or (ii) the period specified as such in the applicable Final Terms or Pricing Supplement.

“Interest Period Date” means each Interest Payment Date unless otherwise specified in the applicable Final Terms or Pricing Supplement.

“ISDA Credit Derivatives Definitions” means the 2014 ISDA Credit Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., and, in respect of each Series, as amended and supplemented up to and including the Issue Date of the first Tranche of such Series, unless otherwise specified in the applicable Final Terms or Pricing Supplement.

“ISDA Rate” has the meaning given to it in General Condition 6(b) (*Interest on Floating Rate Notes*).

“Issue Date” has the meaning given to it in the recitals to these Master Conditions.

“Issuer Application Date” means each of:

- (i) the Early Redemption Date or Relevant Payment Date, as applicable, or, if the Collateral has not been Liquidated in full by such date, the later of:

- (I) the date falling two Reference Business Days after all the Collateral has been liquidated in full and the cash proceeds have been received by or on behalf of the Issuer; and
- (II) the second Reference Business Day after the earliest date on which (x) the amount owing to or from the Note Swap Counterparty under the Note Swap Agreement, (y) the amount owing to or from the Note Repo Counterparty under the Note Repo Agreement and (z) the Early Redemption Amount or the Final Redemption Amount (and any interest or Instalment Amount that has become due and payable on the Maturity Date), as applicable, have been determined pursuant to the Conditions and/or the relevant Note Transaction Document(s), as applicable),

(the Issuer Application Date pursuant to this paragraph (i), the **"Initial Issuer Application Date"**); and

- (ii) in respect of each sum received by the Issuer from the Mortgaged Property that has not already been applied on the Initial Issuer Application Date, the date falling two Reference Business Days following receipt by the Issuer of such sum.

"Issuing and Paying Agent" means the issuing and paying agent or any successor or replacement appointed in respect of the Notes.

"Linear Interpolation" means the straight-line interpolation by reference to two rates based on the relevant ISDA Rate, one of which will be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the affected Interest Accrual Period and the other of which will be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of such Interest Accrual Period.

"Liquidation" means, in respect of any Collateral, the realisation of such Collateral for cash proceeds whether by way of sale, early redemption, early repayment or agreed termination or by such other means as the Disposal Agent determines appropriate and **"Liquidate"**, **"Liquidated"** and **"Liquidating"** shall be construed accordingly.

"Liquidation Commencement Notice" means a notice in writing to the Disposal Agent of the occurrence of a Liquidation Event from the Issuer. Any Early Redemption Notice given or copied to the Disposal Agent by the Issuer or the Trustee, as the case be, shall constitute a Liquidation Commencement Notice.

"Liquidation Event" means:

- (i) default is made by the Issuer in the payment of (a) the Final Redemption Amount and/or (b) any interest or Instalment Amount that becomes due and payable on the Maturity Date; or
- (ii) the occurrence of an Early Redemption Trigger Date.

"Liquidation Expenses" means (i) any taxes and (ii) any reasonable transaction fees or commissions applicable to such Liquidation, including any brokerage or exchange commissions, provided that such transaction fees or commissions are limited to and no higher than those that would necessarily and routinely be charged by the third party market participant to whom such fees or commissions are payable for a sale transaction of that type to third parties on an arm's length basis. Save for such reasonable transaction fees or commissions, Liquidation Expenses shall not include any fee charged by, or any other amounts owed to, the Disposal Agent for the performance of its duties specified in, or incidental to, the Conditions (the **"Disposal Agent Fees"**). Such Disposal Agent Fees shall be paid to the Disposal Agent in accordance with General Condition 15(a) (*Application of Available Proceeds of Liquidation*) or 15(b) (*Application of Available Proceeds of Enforcement of Security*).

“Long-dated Collateral Notes” means Notes in respect of which the Redemption/Payment Basis is “Long-dated Collateral Redemption” or “Long-dated Collateral and Swap Redemption” as specified in the applicable Final Terms or Pricing Supplement.

“Maturity Date” means in respect of a Note, the date specified as such in the applicable Final Terms or Pricing Supplement.

“Moody’s” means Moody’s Investors Service Ltd.

“Mortgaged Property” means, in respect of a Series:

- (i) the Collateral and all property, assets and sums derived therefrom;
- (ii) the rights and interest of the Issuer in and under the Note Swap Agreement and the rights, title and interest of the Issuer in all property, assets and sums derived from the Note Swap Agreement;
- (iii) the rights and interest of the Issuer in and under the Note Repo Agreement and the rights, title and interest of the Issuer in all property, assets and sums derived from the Note Repo Agreement;
- (iv) the rights and interest of the Issuer in and under the Agency Agreement, any other agreement entered into between the Issuer and the Disposal Agent and the Custody Agreement and the rights, title and interest of the Issuer in all property, assets and sums derived from such agreements, in each case, to the extent they relate to the Collateral and/or the Notes; and
- (v) the rights, title and interest of the Issuer in any other assets, property, income, rights and/or agreements of the Issuer (other than the Issuer’s share capital) from time to time charged or assigned or otherwise made subject to the security created by the Issuer in favour of the Trustee pursuant to the Note Security Documents, as the case may be,

in each case securing the Secured Payment Obligations and includes, where the context permits, any part of that Mortgaged Property.

“Non-Transferability” means, in respect of any payment obligation of the Note Swap Counterparty under the Note Swap Agreement, the occurrence of any event that makes it impossible or, in the opinion of the Swap Calculation Agent, commercially impracticable for the Note Swap Counterparty and/or any of its Affiliates to deliver the Scheduled Payment Currency in relation to any such payment obligation between accounts inside the Scheduled Payment Currency Jurisdiction or between an account inside the Scheduled Payment Currency Jurisdiction and an account outside the Scheduled Payment Currency Jurisdiction, other than where such impossibility or impracticability is due solely to the failure of the Note Swap Counterparty and/or any of its Affiliates to comply with any law, rule or regulation enacted by any relevant Governmental Authority (unless such law, rule or regulation becomes effective on or after the Trade Date and it is impossible or, in the opinion of the Swap Calculation Agent, commercially impracticable for the Note Swap Counterparty and/or any of its Affiliates, due to an event beyond its control, to comply with such law, rule or regulation).

“Noteholder” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be) and **“holder”** (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be).

“Note Mandate Agreement” has the meaning given to it in the recitals to these Master Conditions.

“Note Repo Agreement” has the meaning given to it in General Condition 3(b) (*Collateral*).

“Note Repo Counterparty” has the meaning given to it in General Condition 3(b) (*Collateral*).

A **“Note Repo Counterparty Event”** means, in accordance with the terms of the Note Repo Agreement, that an Event of Default (as defined in the Note Repo Agreement) has occurred with respect to the Note

Repo Counterparty where the Issuer has the right to designate an Early Termination Date in respect of all Note Repo Transactions under the Note Repo Agreement.

“Note Repo Posted Collateral” means securities, cash or other assets or property transferred by the Note Repo Counterparty to the Issuer pursuant to the Note Repo Agreement, but excluding any equivalent collateral being returned to the Issuer pursuant to the Note Repo Agreement.

“Note Repo Subordinated Amounts” shall mean any termination amount due and payable by the Issuer to the Note Repo Counterparty under the Note Repo Agreement as a result of termination thereof in circumstances where the Defaulting Party (as defined in the Note Repo Agreement) is the Note Repo Counterparty.

A **“Note Repo Termination Event”** means that an Early Termination Date in respect of all outstanding Note Repo Transactions has been designated or deemed to have been designated by the Issuer or the Note Repo Counterparty, as applicable, under the Note Repo Agreement for any reason other than as a result of the occurrence of an Early Redemption Trigger Date in respect of the Notes other than pursuant to General Condition 7(c) (*Redemption Upon Initial Collateral Default*), 7(d) (*Redemption for Taxation Reasons*), 7(e) (*Redemption for a Collateral Call*), 7(f) (*Redemption for Termination of Note Swap Agreement*), 7(h) (*Redemption for Counterparty Bankruptcy Event*), 7(i) (*Redemption for an Illegality Event*) or General Condition 12 (*Events of Default*).

“Note Repo Transaction” has the meaning given to it in General Condition 3(b) (*Collateral*).

“Notes” has the meaning given to it in the recitals to these Master Conditions.

“Note Security Document” means the Trust Deed or any other security document in respect of the Notes which creates or purports to create security in favour of the Trustee for the benefit of the Secured Creditors.

“Note Swap Agreement” has the meaning given to it in General Condition 3(b) (*Collateral*).

“Note Swap Counterparty” has the meaning given to it in General Condition 3(b) (*Collateral*).

“Note Swap Counterparty Event” means, in accordance with the terms of the Note Swap Agreement, that an Event of Default (as defined in the Note Swap Agreement) has occurred with respect to the Note Swap Counterparty or a Termination Event (as defined in the Note Swap Agreement) has occurred where the Issuer has the right to designate an Early Termination Date in respect of all outstanding Note Swap Transactions under the Note Swap Agreement.

“Note Swap Subordinated Amounts” shall mean any termination amount due and payable by the Issuer to the Note Swap Counterparty under the Note Swap Agreement as a result of termination thereof in circumstances where:

- (i) the Defaulting Party (as defined in the Note Swap Agreement) is the Note Swap Counterparty; and/or
- (ii) only if the Additional Ratings Provisions – Note Swap Subordinated Amounts are specified to be applicable in the applicable Final Terms or Pricing Supplement, an Additional Termination Event (as defined in the Note Swap Agreement) has occurred as a result of a failure by the Note Swap Counterparty to take remedial action in accordance with the terms of the Note Swap Agreement following the downgrade or withdrawal of a rating of the Note Swap Counterparty.

“Note Swap Termination Event” means that an Early Termination Date in respect of all outstanding Note Swap Transactions has been designated or deemed to have been designated by the Issuer or the Note Swap Counterparty, as applicable, under the Note Swap Agreement for any reason other than as a result of the occurrence of an Early Redemption Trigger Date in respect of the Notes pursuant to General Condition 7(c) (*Redemption Upon Initial Collateral Default*), 7(d) (*Redemption for Taxation Reasons*),

7(e) (*Redemption for a Collateral Call*), 7(g) (*Redemption for Termination of Note Repo Agreement*), 7(h) (*Redemption for Counterparty Bankruptcy Event*), 7(i) (*Redemption for an Illegality Event*) or General Condition 12 (*Events of Default*).

“Note Swap Transaction” has the meaning given to it in General Condition 3(b) (*Collateral*).

“Note Tax Event” has the meaning given to it in General Condition 7(d) (*Redemption for Taxation Reasons*).

“Note Transaction Document” means, in respect of the Notes, each of the Note Security Document(s), the Agency Agreement, the Custody Agreement, the Dealer Agreement, the Note Swap Agreement, the Note Repo Agreement, the Note Mandate Agreement and the Corporate Services Agreement and any other agreement specified as such in the applicable Pricing Supplement.

“Note Transaction Party” means each party to a Note Transaction Document other than the Issuer.

“Number of Rate Calculation Business Days” means the number of Rate Calculation Business Days specified as such in the applicable Final Terms or Pricing Supplement.

“Other Obligation” means any obligation of the Issuer for the payment or repayment of borrowed money, which shall include, without limitation, any Note and any other obligation that is in the form of, or represented by, a bond, note, certificate, warrant or other debt security and any obligation that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement.

“Paying Agents” means the Issuing and Paying Agent and any other paying agent or any successor or replacement of such paying agent appointed in respect of the Notes.

“Payout Conditions” has the meaning given to it in the recitals to these Master Conditions.

“Pricing Supplement” has the meaning given to it in the recitals to these Master Conditions.

“Principal Trust Deed” has the meaning given to it in the recitals to these Master Conditions.

“Programme” means a programme for the issuance of secured notes, which programme was established by the Issuer by execution of the Programme Deed.

“Programme Deed” has the meaning given to it in the recitals to these Master Conditions.

“Publicly Available Information” means, in relation to an Initial Collateral Default, information that reasonably confirms any of the facts relevant to the determination that such Initial Collateral Default has occurred and which: (i) has been published in or on not less than the Specified Number of Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information; (ii) is information received from or published by (A) a Collateral Obligor or (B) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for a Collateral Obligor Obligation; (iii) is information contained in any petition or filing instituting a proceeding described in subparagraph (iv) of the definition of Collateral Obligor Bankruptcy against or by a Collateral Obligor; or (iv) is information contained in any order, decree, notice or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body.

“Public Source” means each source of Publicly Available Information specified as such in the applicable Final Terms or Pricing Supplement or, if a source is not so specified, each of Bloomberg Service, Dow Jones Telerate Service, Reuter Monitor Money Rates Services, Dow Jones News Wire, Wall Street Journal, New York Times, Nihon Keizai Shinbun, Asahi Shinbun, Yomiuri Shinbun, Financial Times, La Tribune, Les Echos and The Australian Financial Review (and successor publications), the main source(s) of business news in the country in which the Collateral Obligor is organised and any other internationally recognised published or electronically displayed news sources.

“Purchased Securities” means the securities specified as such, or securities selected by the Note Repo Counterparty meeting the criteria specified, in the applicable Final Terms or Pricing Supplement.

“Rate Calculation Business Day” means, unless otherwise specified in the applicable Final Terms or Pricing Supplement, a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in the Rate Calculation Jurisdiction(s).

“Rate Calculation Date” means the day which is the Number of Rate Calculation Business Days specified in the applicable Final Terms or Pricing Supplement before the due date for payment of the relevant amount under the Note Swap Agreement or, unless specified otherwise in the applicable Final Terms or Pricing Supplement, if the relevant Alternative Currency FX Rate is not available on such day, the last preceding Rate Calculation Business Day on which the relevant Alternative Currency FX Rate was most recently available, as determined by the Calculation Agent.

“Rate Calculation Jurisdiction(s)” means the jurisdiction(s) that are relevant for determining whether a day is a Rate Calculation Business Day, as specified in the applicable Final Terms or Pricing Supplement, provided that if no jurisdiction is specified in the applicable Final Terms or Pricing Supplement, where the Scheduled Payment Currency is Euro, the Rate Calculation Jurisdiction shall be the Eurozone.

“Rated Note Master Agreement” has the meaning given to it in the recitals to these Master Conditions.

“Rate Linked Asset Conditions” has the meaning given to it in the recitals to Part E (*Rate Linked Asset Conditions*) of these Master Conditions.

“Rate Linked Notes” means Notes in respect of which the Interest Basis is a Rate Linked Payout as specified in the applicable Final Terms or Pricing Supplement.

“Rate Linked Payout” means any of “Structured Floating Rate Coupon”, “Spread Coupon”, “Variable Rate Step-up/Step-down Coupon”, “Fixed Rate Step-up/Step-down Coupon”, “Fixed to Floating Coupon”, “Floating to Fixed Coupon”, “Fixed to Floating Switchable Coupon”, “Floating to Fixed Switchable Coupon”, “Fixed Rate Range Accrual Coupon”, “Floating Rate Range Accrual Coupon”, “Fixed Rate Spread Range Accrual Coupon” or “Floating Rate Spread Range Accrual Coupon”.

“Rate of Interest” means the rate of interest payable from time to time in respect of a Note and that is either specified in, or calculated in accordance with the provisions of, the applicable Final Terms or Pricing Supplement.

“Rating Agency Affirmation” means, the prior affirmation from Moody’s, if Moody’s is then rating the outstanding Notes at the request of the Issuer (if any), in the form (if any) specified for such purpose by Moody’s in accordance with any applicable internal requirements of Moody’s, and in circumstances where Moody’s is not willing to issue a Rating Agency Affirmation due to its then prevailing policy regarding the issue of Rating Agency Affirmations, an authorised signatory of the Issuer (or the Note Swap Counterparty on its behalf) has certified in writing to the Trustee that, in its opinion (and where Moody’s was prepared to consult with the Issuer (or the Note Swap Counterparty, as applicable) its opinion is based on consultation with Moody’s), that the then current rating of the Notes will not be adversely affected or withdrawn as a result of such action being undertaken.

“Receipt” has the meaning given to it in the recitals to these Master Conditions.

“Record Date” has the meaning given to it in General Condition 9(b) (*Registered Notes*).

“Redemption Payout Conditions” has the meaning given to it in the recitals to Part C (*Redemption Payout Conditions*) of these Master Conditions.

“Reference Business Day” means (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in each of the place(s) specified for that purpose in the applicable Final Terms or

Pricing Supplement under “Reference Business Day” and/or (ii) if “TARGET” or “TARGET Settlement Day” is specified under “Reference Business Day” in the applicable Final Terms or Pricing Supplement, a TARGET Settlement Day.

“**Register**” has the meaning given to it in General Condition 1 (*Form, Specified Denomination and Title*).

“**Registered Note**” has the meaning given to it in General Condition 1 (*Form, Specified Denomination and Title*).

“**Registrar**” means the registrar or any successor or replacement appointed in respect of the Notes.

“**Relevant Date**” means, in respect of any Note, Receipt or Coupon, 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 seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relevant Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

“**Relevant Payment Date**” means, in the case of a Liquidation relating to a Liquidation Event arising due to the failure by the Issuer to pay the Final Redemption Amount or any interest or Instalment Amount that became due and payable on the Maturity Date, the day which falls 15 Reference Business Days after the Maturity Date.

“**Residual Amount**” means, with respect to an application of the Available Proceeds in connection with a Liquidation Event or an Enforcement Event, as applicable, all remaining proceeds (if any) after the application of the Available Proceeds to satisfy the payments set out in General Condition 15(a)(i) to (vii) or 15(b)(i) to (vii), as applicable.

“**Resolved**” has the meaning given to it in the ISDA Credit Derivatives Definitions.

“**Scheduled Payment Currency**” means the Specified Currency.

“**Scheduled Payment Currency Disruption Event**” means, in respect of a Scheduled Payment Currency:

- (i) Inconvertibility;
- (ii) Non-Transferability;
- (iii) Illiquidity; and/or
- (iv) the Note Swap Counterparty and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) the Swap Calculation Agent deems necessary to hedge the currency risk of the Note Swap Counterparty in performing its obligations under the Note Swap Agreement or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

“**Scheduled Payment Currency Jurisdiction**” means (i) other than in the case of Euro, the primary jurisdiction for which the Scheduled Payment Currency is the lawful currency, or (ii) in the case of Euro, the Eurozone.

“**Secured Creditor**” means each person that is entitled to the benefit of Secured Payment Obligations.

“**Secured Payment Obligations**” means the payment obligations of the Issuer under the Trust Deed, the Note Swap Agreement, the Note Repo Agreement and each Note, Coupon, Receipt and Talon (together the “**Primary Secured Payment Obligations**”), together with (i) any obligation of the Issuer to reimburse the Issuing and Paying Agent in respect of payments properly made by it in accordance with the terms of the Agency Agreement to any person in discharge of a Primary Secured Payment Obligation and any

obligation of the Issuer to reimburse the Custodian in respect of payments properly made by it in accordance with the terms of the Custody Agreement to any person in discharge of a Primary Secured Payment Obligation, (ii) any obligation of the Issuer to pay the Disposal Agent Fees then due and payable under the Agency Agreement (including the Disposal Agent's remuneration) and (iii) any obligation of the Issuer to pay any fees, costs, charges, expenses and liabilities (if any) then due and payable to the Custodian under the Custody Agreement and the Paying Agents, the Calculation Agent, the Registrar and the Transfer Agent under the Agency Agreement.

"Security" has the meaning given to it in General Condition 4(a) (*Security*).

"Series" means the Notes of each original issue of such Notes together with the Notes of any further issue(s) expressed to be consolidated and forming a single series with the Notes of an original issue and which are identical in all respects (including as to listing) except for their respective issue dates and/or issue prices.

"Special Quorum" has the meaning given to it in General Condition 20(a) (*Meetings of Noteholders*).

"Specified Currency" means the currency specified as such in the applicable Final Terms or Pricing Supplement or, if none is specified, the currency in which the Notes are denominated.

"Specified Currency Proceeds" means the Actual Currency Proceeds, provided that, where all or part of such Actual Currency Proceeds are not denominated in the Specified Currency, such amount (or each such part thereof, as the case may be) shall be converted into the Specified Currency at a rate determined by the Disposal Agent to be representative of the spot foreign exchange rates prevailing for sale of the relevant non-Specified Currency and purchase of the Specified Currency.

"Specified Denomination" means, in respect of a Note, the amount specified in the applicable Final Terms or Pricing Supplement.

"Specified Interest Payment Date(s)" means, in respect of a Note (other than a Fixed Rate Note), each date(s) specified as such in the applicable Final Terms or Pricing Supplement.

"Specified Number" means the number of Public Sources specified in the applicable Final Terms or Pricing Supplement or, if a number is not so specified, two.

"Specified Office" means, in relation to an Agent, the office identified with its name in the applicable Final Terms or Pricing Supplement or such other office as may otherwise be determined pursuant to the Principal Trust Deed.

"Sterling", "GBP" and "£" means the lawful currency of the United Kingdom.

"Structured Coupon Payment Note" has the meaning given to it in General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

"Supplemental Trust Deed" has the meaning given to it in the recitals to these Master Conditions.

"Swap Calculation Agent" means the calculation agent pursuant to the Note Swap Agreement.

"Talon" has the meaning given to it in the recitals to these Master Conditions.

"TARGET Settlement Day" means any day on which the TARGET System is open.

"TARGET System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system or any successor thereto.

"Termination Payment" means, in the case of the Note Swap Agreement, the balance determined pursuant to Section 6(e) thereof and in the case of the Note Repo Agreement, the balance determined pursuant to paragraph 10(c) thereof.

"Trade Date" means the trade date (if any) specified as such in the applicable Final Terms or Pricing Supplement.

"Tranche" means Notes that are identical in all respects.

"Transfer Agents" means the Registrar and any other transfer agent or any successor or replacement of such transfer agent appointed in respect of the Notes.

"Trust Deed" has the meaning given to it in the recitals to these Master Conditions.

"Trustee" means the trustee for the time being or any successor trustee.

"Trustee Application Date" means each date on which the Trustee determines to apply the Available Proceeds in accordance with the provisions of the Conditions and the Trust Deed.

"Unrated Note Master Agreement" has the meaning given to it in the recitals to these Master Conditions.

"U.S.\$", "U.S. dollars", "USD" and "\$" means the lawful currency of the United States of America.

"Value" has the meaning given to it in the Credit Support Annex.

"Zero Coupon Note" has the meaning given to it in General Condition 6(d) (*Zero Coupon Notes*).

1 Form, Specified Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"), in each case in the Specified Denomination(s) specified in the applicable Final Terms or Pricing Supplement.

All Registered Notes shall have the same Specified Denomination.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes, in which case references to interest (other than in relation to Default Interest), Coupons and Talons in the Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("**Certificates**") and each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to Bearer Notes and Receipts, Coupons and Talons shall pass by delivery. Title to Registered Notes shall pass by registration in the register that the Issuer shall procure will be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate), and no person shall be liable for so treating the holder.

2 No Exchange of Notes and Transfers of Registered Notes

- (a) **No Exchange of Notes:** Registered Notes are not exchangeable for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfers of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the Specified Office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed

on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer) duly completed and executed, and any such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be subject to and effected in accordance with the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

- (c) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to General Condition 2(b) (*Transfers of Registered Notes*) shall be available for delivery within three business days of the surrender of the relevant Certificate together with the relevant form of transfer and relevant evidence required by the Registrar or Transfer Agent. Delivery of the new Certificate(s) shall be made at the Specified Office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar the costs of such other method of delivery and/or such insurance as it may specify. In this General Condition 2(c), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the Specified Office of the relevant Transfer Agent or the Registrar (as the case may be).
- (d) **Transfers Free of Charge:** Transfers of Notes and Certificates pursuant to General Condition 2(b) (*Transfers of Registered Notes*) shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (e) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered: (i) during the period of 15 days ending on the Maturity Date, or the due date for payment of any Instalment Amount in respect of, that Note; (ii) after the occurrence of any Early Redemption Trigger Date and/or any Liquidation Event in relation to such Note; or (iii) during the period of seven days ending on (and including) any Record Date.

3 Constitution, Status, Collateral and Non-applicability

- (a) **Constitution and Status of Notes:** The Notes are constituted and secured by the Trust Deed. The Notes are secured, limited recourse obligations of the Issuer, at all times ranking *pari passu* and without any preference among themselves, secured in the manner described in General Condition 4 (*Security*) and recourse in respect of which is limited in the manner described in General Conditions 14 (*Enforcement of Security*), 15 (*Application of Available Proceeds*) and 18(a) (*General Limited Recourse*).
- (b) **Collateral:** In connection with the issue of the Notes, the Issuer may acquire rights, title and/or interests in and to the Collateral. The Initial Collateral shall be as specified in the applicable Final Terms or Pricing Supplement.

In addition or in its alternative to its acquisition of rights, title and/or interests in and to the Collateral, in relation to the Notes:

- (i) the Issuer may enter into:
 - (A) an Unrated Note Master Agreement with Lloyds Bank plc, or any successor thereto (the **"Note Swap Counterparty"**); or
 - (B) a Rated Note Master Agreement with the Note Swap Counterparty; and/or
- (ii) if "Credit Support Annex" is specified to be applicable in the applicable Final Terms or Pricing Supplement, the Issuer will, in addition to (i) above, also enter into a credit support annex to the schedule to the Unrated Note Master Agreement or Rated Note Master Agreement, as the case may be, in the form of the Credit Support Annex (Bilateral Form – Transfer) (the **"Credit Support Annex"**) pursuant to which –
 - (I) if "Applicable – Issuer" is specified in respect of the Credit Support Annex in the applicable Final Terms or Pricing Supplement, the Issuer shall, if required in accordance with the terms of the Credit Support Annex, transfer some or all of the Collateral to the Note Swap Counterparty;
 - (II) if "Applicable – Note Swap Counterparty" is specified in respect of the Credit Support Annex in the applicable Final Terms or Pricing Supplement, the Note Swap Counterparty shall, if required in accordance with the terms of the Credit Support Annex, transfer collateral to the Issuer; or
 - (III) if "Applicable – Issuer and Note Swap Counterparty" is specified in respect of the Credit Support Annex in the applicable Final Terms or Pricing Supplement, the Issuer shall, if required in accordance with the terms of the Credit Support Annex, transfer some or all of the Collateral to the Note Swap Counterparty and the Note Swap Counterparty shall, if required in accordance with the terms of the Credit Support Annex, transfer collateral to the Issuer.

For the avoidance of doubt, the Credit Support Annex shall form part of the Unrated Note Master Agreement or Rated Note Master Agreement, as the case may be.

In connection with the issue of the Notes, the Issuer may enter into one or more transactions under the Unrated Note Master Agreement or the Rated Note Master Agreement (each such transaction, a **"Note Swap Transaction"**, and the confirmation(s) evidencing such transaction(s) together with the Unrated Note Master Agreement or the Rated Note Master Agreement (as applicable), the **"Note Swap Agreement"**); and/or

- (iii) if "Note Repo Agreement" is specified as applicable in the applicable Final Terms or Pricing Supplement, the Issuer will enter into a GMRA Master Agreement with Lloyds Bank plc, or any successor thereto (the **"Note Repo Counterparty"**). In connection with the issue of the Notes, the Issuer may enter into one or more transactions under the GMRA Master Agreement (each such transaction, a **"Note Repo Transaction"**, and the confirmation(s) evidencing such transactions(s) together with the GMRA Master Agreement, the **"Note Repo Agreement"**).

Pursuant to the Note Repo Agreement:

- (A) if "Applicable - Repo" is specified in the applicable Final Terms or Pricing Supplement, the Issuer shall sell the Initial Collateral to the Note Repo Counterparty on or around the Issue Date and agrees to purchase equivalent securities from the Note Repo Counterparty on or around the Maturity Date;
- (B) if "Applicable – Reverse Repo" is specified in the applicable Final Terms or Pricing Supplement, the Issuer shall purchase the Purchased Securities from the Note Repo

Counterparty on or around the Issue Date and agrees to sell equivalent securities to the Note Repo Counterparty on or around the Maturity Date; or

- (C) if “Applicable – Repo and Reverse Repo” is specified in the applicable Final Terms or Pricing Supplement, (i) the Issuer shall sell the Initial Collateral to the Note Repo Counterparty on or around the Issue Date and agrees to purchase equivalent securities from the Note Repo Counterparty on or around the Maturity Date, (ii) the Issuer shall purchase the Purchased Securities from the Note Repo Counterparty on or around the Issue Date and agrees to sell equivalent securities to the Note Repo Counterparty on or around the Maturity Date and (iii) the obligations to pay the purchase price for the Initial Collateral and the Purchased Securities on or around the Issue Date shall be netted against each other and the obligations to pay the purchase price for each set of equivalent securities on or around the Maturity Date shall be netted against each other.

(c) **Non-applicability:**

- (i) Where no reference is made in the Supplemental Trust Deed and the applicable Final Terms or Pricing Supplement to any Collateral, references in the Conditions to any such Collateral, to any Secured Payment Obligation relating to such Collateral and to any related Collateral Obligor or Secured Creditor relating to such Collateral, as the case may be, shall not be applicable.
- (ii) Where no reference is made in the Supplemental Trust Deed and the applicable Final Terms or Pricing Supplement to any Note Swap Agreement, Note Swap Counterparty, Credit Support Annex, Note Repo Agreement and/or Note Repo Counterparty, references in the Conditions thereto shall not be applicable.
- (iii) Where no reference is made in the Supplemental Trust Deed and the applicable Final Terms or Pricing Supplement to Moody’s rating the Notes at the request of the Issuer, references in the Conditions to Moody’s or any Rating Agency Affirmation shall not be applicable.

- (d) **Rating Agency Confirmation:** The Trustee shall be entitled to assume, without further investigation or inquiry, for the purpose of exercising or performing any right, power, trust, authority, duty or discretion under or in relation to the Trust Deed or any other Note Transaction Document (including, without limitation, any consent, approval, modification, waiver, authorisation or determination), that such exercise will not be materially prejudicial to the interests of the Noteholders, if it receives a Rating Agency Affirmation.

4 Security

- (a) **Security:** Unless otherwise specified in the Supplemental Trust Deed, the Secured Payment Obligations are secured in favour of the Trustee, pursuant to the Trust Deed, by:
- (i) a first fixed charge over the Collateral and all property, assets and sums derived therefrom;
 - (ii) an assignment by way of security of all the Issuer’s rights, title and interest attaching or relating to the Collateral and all property, sums and assets derived therefrom, including, without limitation, any right to delivery thereof or to an equivalent number or nominal value thereof which arises in connection with any such assets being held in a clearing system or through a financial intermediary;
 - (iii) an assignment by way of security of the Issuer’s rights, title and interest in and under the Custody Agreement, to the extent that they relate to the Collateral;

- (iv) an assignment by way of security of the Issuer's rights, title and interest in and under the Note Swap Agreement and in all property, assets and sums derived from the Note Swap Agreement, without prejudice to, and after giving effect to, any contractual netting provision contained in the Note Swap Agreement;
- (v) an assignment by way of security of the Issuer's rights, title and interest in and under the Note Repo Agreement and in all property, assets and sums derived from the Note Repo Agreement, without prejudice to, and after giving effect to, any contractual netting provision contained in the Note Repo Agreement;
- (vi) an assignment by way of security of the Issuer's rights, title and interest in and under the Agency Agreement and any other agreement entered into between the Issuer and the Disposal Agent and of the Issuer's rights, title and interest in all property, assets and sums derived from such agreements, in each case, to the extent that they relate to the Collateral and/or the Notes;
- (vii) a first fixed charge over (A) all sums held by the Issuing and Paying Agent and the Custodian to meet payments due in respect of any Secured Payment Obligation and (B) any sums received by the Issuing and Paying Agent under the Note Swap Agreement and the Note Repo Agreement; and
- (viii) a first fixed charge over all property, sums and assets held or received by the Disposal Agent relating to the Note Transaction Documents and the Collateral.

Notwithstanding the above, investors should note that where any Collateral and/or any property, assets and sums derived therefrom are held by the Custodian in book-entry form, the security interests granted in respect of the same might, as a result of such book-entry holding, take the form only of a security interest over the Issuer's rights against the Custodian in respect of such Collateral and/or property, sums and assets, as the case may be, rather than a charge over such Collateral and/or property, sums and assets derived therefrom themselves.

Additionally, the Secured Payment Obligations of the Issuer may be secured pursuant to a Note Security Document other than the Trust Deed as specified in the relevant Supplemental Trust Deed.

References in the Conditions to "**Security**" are to the security constituted by the Trust Deed and any other Note Security Documents (as the case may be).

- (b) **Substitution of Collateral:** For the purpose of this General Condition 4(b), references to "Collateral" shall exclude CSA Posted Collateral or Note Repo Posted Collateral (if any). The Issuer may from time to time:
 - (i) upon a direction in writing by holders of 100 per cent. in nominal amount of the Notes then outstanding, or
 - (ii) (except where the Additional Ratings Provisions – Substitution of Collateral are specified to be applicable in the applicable Final Terms or Pricing Supplement) where the Trustee is satisfied that such substitution is not materially prejudicial to the interests of the Noteholders, upon agreement with the Trustee,

and, in each case, subject to the prior written consent of the Note Swap Counterparty and the Note Repo Counterparty (which they shall exercise in their sole and absolute discretion), substitute alternative Collateral for such of the Collateral as it may deem appropriate. Any such alternative Collateral shall be held subject to the Security in favour of the Trustee and the Issuer shall execute such further documentation as the Trustee may require in order to constitute such Security as a condition to such substitution. If the Noteholders or (if applicable) the Trustee (where

satisfied as stated above) and the Note Swap Counterparty and the Note Repo Counterparty agree to a substitution, the Issuer shall notify the Noteholders thereof in accordance with General Condition 23 (*Notices*) and, if the Notes are listed on any stock exchange(s), the Issuer shall also notify such stock exchange(s) of such substitution.

For the avoidance of doubt, (I) such amendments shall be made to the Note Transaction Documents as are necessary to effect any substitution of Collateral, (II) agreement will be made separately as to the allocation of any costs involved with any substitution and (III) the Note Swap Counterparty and the Note Repo Counterparty are under no obligation to consent to any substitution.

- (c) **Issuer's rights as beneficial owner of Collateral:** For the purpose of this General Condition 4(c), references to "Collateral" shall exclude CSA Posted Collateral and/or Note Repo Posted Collateral (if any). Prior to the Trustee effectively giving a valid Enforcement Notice to the Issuer, the Issuer may, with the prior written consent of the Trustee acting in accordance with the direction of an Extraordinary Resolution or a Direction in Writing and, in each case, subject to the prior written consent of the Note Swap Counterparty and the Note Repo Counterparty (which they shall exercise in their sole and absolute discretion):
- (i) take such action in relation to the Collateral as it may think expedient; and
 - (ii) exercise any rights incidental to the ownership of the Collateral and, in particular (but without limitation and without responsibility for their exercise), any voting rights in respect of such property and all rights to enforce any ownership interests in respect of such property.

The Issuer will not exercise any such rights with respect to any Collateral unless it has (i) the consents referred to above and (ii) is directed to do so by an Extraordinary Resolution or Direction in Writing and, if such direction is given, the Issuer will act only in accordance with such direction. For the avoidance of doubt, nothing in this General Condition 4(c) shall operate to release the Security over the Mortgaged Property.

- (d) **Disposal Agent's right following Liquidation Event:** Notwithstanding the above, following the effective delivery of a valid Liquidation Commencement Notice to the Disposal Agent (copied to each of the other Note Transaction Parties) the Disposal Agent on behalf of the Issuer shall have the right to undertake any action as contemplated by the Conditions and the Agency Agreement as it considers appropriate, and any actions in furtherance thereof or ancillary thereto as they relate to the Mortgaged Property, without requiring any sanction referred to therein. Pursuant to the terms of the Trust Deed, upon the effective delivery of a valid Liquidation Commencement Notice to the Disposal Agent (copied to each of the other Note Transaction Parties), the Security described in General Condition 4(a) (*Security*) will automatically be released without further action on the part of the Trustee to the extent necessary to effect the Liquidation of the Mortgaged Property, provided that nothing in this General Condition 4(d) will operate to release the charges and other security interests over the proceeds of the Liquidation of the Mortgaged Property.
- (e) **Credit Support Annex:** Collateral transferred by the Issuer pursuant to the Credit Support Annex will be deemed to be released by the Trustee from the Security immediately prior to the delivery or transfer of such Collateral by or on behalf of the Issuer to the Note Swap Counterparty.
- (f) **Note Repo Agreement:** Collateral transferred by the Issuer pursuant to the Note Repo Agreement will be deemed to be released by the Trustee from the Security immediately prior to the delivery or transfer of such Collateral by or on behalf of the Issuer to the Note Repo Counterparty.

5 Restrictions

So long as any of the Notes remain outstanding, the Issuer shall not, without the prior consent in writing of the Trustee, the Note Swap Counterparty and the Note Repo Counterparty, but subject to the provisions of General Condition 13 (*Liquidation*) and, except as provided for or contemplated in the Conditions, the Trust Deed, any other Note Security Document or any Note Transaction Document:

- (a) engage in any business other than the issuance, or entry into, of Other Obligations, the entry into of related agreements and transactions and the performing of acts incidental thereto or necessary in connection therewith, and provided that:
 - (i) such Other Obligations are secured on assets of the Issuer other than the Issuer's share capital, any fees paid to the Issuer (for its own account) in connection with the Notes or Other Obligations and any assets securing any Other Obligations (other than Equivalent Obligations);
 - (ii) such Other Obligations and any related agreements contain provisions that limit the recourse of any holder of, or counterparty to, such Other Obligations and of any party to any related agreement to assets other than those to which any Other Obligations (other than Equivalent Obligations) have recourse; and
 - (iii) the Issuer may, without the consent of the Trustee, enter into any agreement (a "**Regulatory Agreement**") that in the reasonable opinion of the Issuer (A) is necessary in order to comply with any mandatory regulatory obligations to which it is subject, or any agreement necessary in order to perform its obligations under any such Regulatory Agreement and (B) does not impose new and/or additional obligations on and/or release or decrease the rights or protections of the Trustee, the Agents or the Custodian. For the avoidance of doubt, the Trustee shall have no obligation to monitor or investigate the Issuer's compliance with this General Condition 5(a)(iii) and the Trustee shall have no liability to the Noteholders or any other person in relation to this General Condition 5(a)(iii) or any Regulatory Agreement entered into by the Issuer hereunder;
- (b) sell, transfer or otherwise dispose of any of the Mortgaged Property or any right or interest therein or create any mortgage, charge or other security or right of recourse in respect thereof;
- (c) cause or permit the Note Swap Agreement or the Note Repo Agreement or the priority of the Security created by the Trust Deed or any other Note Security Document to be amended, terminated or discharged;
- (d) release any party to the Note Swap Agreement, the Note Repo Agreement, the Principal Trust Deed, the Supplemental Trust Deed or any other Note Security Document from any existing obligations thereunder;
- (e) have any subsidiaries;
- (f) consent to any variation of, or exercise any powers of consent or waiver pursuant to, the terms of the Note Swap Agreement, the Note Repo Agreement, the Conditions, the Principal Trust Deed, the Supplemental Trust Deed, any other Note Security Document or any other Note Transaction Document;
- (g) consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any person;
- (h) have any employees;
- (i) issue any shares (other than such shares as are in issue at the date hereof) or make any distribution to its shareholders except for those amounts declared, made or paid to the

shareholders of the Issuer with funds received by the Issuer by way of any annual transactional fees or other funds so received (such distributions not to exceed £2,000 per annum);

- (j) open or have any interest in any account with a bank or financial institution unless (i) such account relates to the issuance, or entry into, of Other Obligations and such Other Obligations have the benefit of security over the Issuer's interest in such account or (ii) such account is opened in connection with the administration and management of the Issuer and only moneys necessary for that purpose are credited to it;
- (k) declare any dividends except for those amounts declared, made or paid to the shareholders of the Issuer with funds received by the Issuer by way of any annual transactional fees or other funds so received (such dividends not to exceed £2,000 per annum);
- (l) purchase, own, lease or otherwise acquire any real property (including office premises or like facilities);
- (m) guarantee, act as surety for or become obligated for the debts of any other entity or person or enter into any agreement with any other entity or person whereby it agrees to satisfy the obligations of such entity or person or any other entity or person;
- (n) acquire any securities or shareholdings whatsoever from its shareholders or enter into any agreements whereby it would be acquiring the obligations and/or liabilities of its shareholders;
- (o) except as required in connection with the issuance, or entry into, of Other Obligations, advance or lend any of its moneys or assets, including but not limited to the Mortgaged Property, to any other entity or person; or
- (p) approve, sanction or propose any amendment to its constitutional documents.

6 Interest

- (a) **Interest on Fixed Rate Notes:** Each Note the Interest Basis of which is specified in the applicable Final Terms or Pricing Supplement to be "Fixed Rate" (each a "**Fixed Rate Note**") bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with General Condition 6(g) (*Interest Payable*).
- (b) **Interest on Floating Rate Notes:**
 - (i) *Interest Payment Dates:* Each Note the Interest Basis of which is specified in the applicable Final Terms or Pricing Supplement to be "Floating Rate" (each a "**Floating Rate Note**") bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with General Condition 6(g) (*Interest Payable*).
 - (ii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate, subject as provided in General Condition 6(f) (*Margin*) below. For the purposes of this General Condition 6(b)(ii), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
 - (x) the Floating Rate Option is as specified in the applicable Final Terms or Pricing Supplement;

- (y) the Designated Maturity is a period specified in the applicable Final Terms or Pricing Supplement; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Final Terms or Pricing Supplement,

provided that, if Lloyds Bank plc is the Calculation Agent, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined by the Calculation Agent in its sole and absolute discretion (though applying the provisions of General Condition 6(f) (*Margin*) below).

For the purposes of this General Condition 6(b)(ii), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

- (iii) *Linear Interpolation*: If “Linear Interpolation” is specified as applicable in the applicable Final Terms or Pricing Supplement then the Calculation Agent will determine, based on Linear Interpolation, the Rate of Interest for any specified Interest Accrual Period (or if no Interest Accrual Period is specified, each Interest Accrual Period not equal to the Designated Maturity (as specified in the applicable Final Terms or Pricing Supplement)).
- (c) **Interest on Structured Coupon Payment Notes**: Each Note the Interest Basis of which is specified in the applicable Final Terms or Pricing Supplement to be “Structured Floating Rate Coupon”, “Spread Coupon”, “Variable Rate Step-up/Step-down Coupon”, “Fixed Rate Step-up/Step-down Coupon”, “Fixed to Floating Coupon”, “Floating to Fixed Coupon”, “Fixed to Floating Switchable Coupon”, “Floating to Fixed Switchable Coupon”, “Fixed Rate Range Accrual Coupon”, “Floating Rate Range Accrual Coupon”, “Fixed Rate Spread Range Accrual Coupon” or “Floating Rate Spread Range Accrual Coupon” or “Inflation Linked Coupon” (each a “**Structured Coupon Payment Note**”) bears interest on its outstanding nominal amount from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The Rate of Interest in respect of Structured Coupon Payment Notes for each Interest Accrual Period shall be determined in accordance with the relevant Coupon Payout Condition, subject as provided in General Condition 6(f) (*Margin*) below, as completed by the applicable Final Terms or as completed, supplemented and/or varied by the applicable Pricing Supplement. The Interest Amount shall be determined in accordance with General Condition 6(g) (*Interest Payable*).
- (d) **Zero Coupon Notes**: Where a Note the Interest Basis of which is specified in the applicable Final Terms or Pricing Supplement to be “Zero Coupon” (a “**Zero Coupon Note**”) is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount.
- (e) **Accrual of Interest**: Interest shall cease to accrue on each Note on the due date for redemption save that if, upon due presentation, payment of the full amount of principal and/or interest due on such due date for redemption is improperly withheld or refused, interest will accrue daily on the unpaid amount of principal and/or interest (after as well as before judgment and regardless of the Interest Basis) from and including the due date for redemption to but excluding the Relevant Date at (i) the rate for each day in that period equal to the rate determined by the Calculation Agent to be the rate for overnight deposits applied by the Custodian at that time, or (ii) such other rate as may be specified for such purposes in the applicable Pricing Supplement. Such interest (the “**Default Interest**”) shall be compounded daily with respect to the overdue sum at the above rate.
- (f) **Margin**: If any Margin is specified in the applicable Final Terms or Pricing Supplement (either (x) generally or (y) in relation to one or more Interest Accrual Periods), then an adjustment shall be

made to all Rates of Interest, in the case of (x), or the Rate(s) of Interest for the specified Interest Accrual Period(s), in the case of (y), calculated in accordance with General Conditions 6(b) (*Interest on Floating Rate Notes*) and 6(c) (*Interest on Structured Coupon Payment Notes*) by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to this General Condition 6(f).

- (g) **Interest Payable:** The interest payable in respect of any Note for a relevant period shall be an amount determined by the Calculation Agent equal to the product of the amount of interest payable per Calculation Amount, as determined in accordance with this General Condition 6(g), and the Calculation Amount Factor of the relevant Note. The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

7 Redemption and Purchase

- (a) **Final Redemption:** Provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, each Note shall become due and payable on the Maturity Date at its Final Redemption Amount or, in the case of a Note falling within General Condition 7(b) (*Redemption by Instalments*), its final Instalment Amount.
- (b) **Redemption by Instalments:** Provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, each Note that provides in the applicable Final Terms or Pricing Supplement for Instalment Dates and Instalment Amounts (each an “**Instalment Note**”) shall be partially redeemed on each Instalment Date at the related Instalment Amount. The outstanding nominal amount of each such Note shall be reduced by the relevant Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (c) **Redemption upon Initial Collateral Default:** Provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, the Issuer shall, if so directed either by (i) an Extraordinary Resolution or (ii) a Direction in Writing, in each case resolving or directing (respectively) that an Initial Collateral Default has occurred and is continuing and that a notice of redemption in respect of the Notes is to be given by or on behalf of the Issuer, give an Early Redemption Notice to the Noteholders as soon as reasonably practicable upon being so directed and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be paid pursuant to General Condition 15(a) (*Application of Proceeds of Liquidation*) or General Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*), as applicable, and which shall be the only amount payable in respect of such Note and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”.

Notwithstanding anything to the contrary in General Condition 20 (*Meetings of Noteholders, Modification, Waiver and Substitution*) or the Trust Deed, any holder of a Note may deliver a request in writing to the Issuer, the Calculation Agent and the Trustee for a meeting of Noteholders to be convened to consider an Extraordinary Resolution to sanction that an Initial Collateral Default has occurred and is continuing and to instruct the Issuer to deliver an Early Redemption Notice in respect of the Notes.

Any such request by any holder of a Note for a meeting to be convened or any Direction in Writing that an Initial Collateral Default has occurred and is continuing must (i) describe the Initial Collateral Default alleged to have occurred, (ii) contain a description in reasonable detail of the facts relevant to the determination that such Initial Collateral Default has occurred, (iii) contain a copy of Publicly Available Information (which in the sole opinion of the Issuer constitutes satisfactory evidence of the occurrence of the Initial Collateral Default) and (iv) confirm that the Initial Collateral Default is continuing on the date of such request. Upon receipt of a valid request from a Noteholder satisfying the requirements outlined in the preceding sentence, the Issuer shall convene a meeting of Noteholders in accordance with the provisions of the Trust Deed. The Initial Collateral Default that is the subject of the request for a meeting of Noteholders, the Direction in Writing or the Extraordinary Resolution, as the case may be, must be continuing on the date any such request or Direction in Writing is so delivered and any such Extraordinary Resolution is passed.

For the avoidance of doubt, the Trustee shall have no duty to monitor, enquire or satisfy itself as to whether any Initial Collateral Default has occurred and is continuing and shall be entitled to rely conclusively on such request, such Extraordinary Resolution or Direction in Writing, as the case may be, regarding the same. The Trustee shall have no obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or to the Noteholders.

(d) **Redemption for Taxation Reasons:** For the purpose of this General Condition 7(d), references to “Collateral” shall exclude CSA Posted Collateral or Note Repo Posted Collateral (if any).

(i) Subject to General Condition 7(d)(ii) and provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, the Issuer shall, as soon as is practicable after becoming aware of the occurrence of a Note Tax Event and/or a Collateral Tax Event, give an Early Redemption Notice to the Noteholders and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be paid pursuant to General Condition 15(a) (*Application of Proceeds of Liquidation*) or General Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*), as applicable, and which shall be the only amount payable in respect of such Note and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”.

A “**Note Tax Event**” will occur if,

- (I) the Issuer determines that, on the due date for any payment in respect of the Notes, it will be required by any applicable law to withhold, deduct or account an amount for any present or future taxes, duties or charges of whatsoever nature or would suffer the same in respect of its income so that it would be unable to make in full the payment in respect of the Notes in respect of such due date; or
- (II) on the due date for any payment in respect of the Notes, such a withholding, deduction or account is actually made in respect of any payment in respect of the Notes,

other than where such event constitutes a Collateral Tax Event.

A “**Collateral Tax Event**” will occur if:

- (x) the Issuer:
 - (I) is or will be unable to receive any payment due in respect of any Collateral in full on the due date therefor without a deduction for or on account of any withholding tax, back-up withholding or other tax, duties or charges of whatsoever nature imposed by any authority of any jurisdiction;
 - (II) is or will be required to pay any tax, duty or charge of whatsoever nature imposed by any authority of any jurisdiction in respect of any payment received in respect of any Collateral; and/or
 - (III) is or will be required to comply with any reporting requirement of any authority of any jurisdiction in respect of any payment received in respect of any Collateral,

provided that the Issuer, using reasonable efforts prior to the due date for the relevant payment, is (or would be) unable to avoid such deduction(s), payment(s) and/or reporting requirements described in sub-paragraphs (I) to (III) of this definition by filing a valid declaration that it is not a resident of such jurisdiction and/or by executing any certificate, form or other document in order to make a claim under a double taxation treaty or other exemption available to it. If the action that the Issuer would be required to undertake so as to avoid any such deduction(s), payment(s) and/or reporting requirements would involve any material expense or is, in the sole opinion of the Issuer, unduly onerous, the Issuer shall not be required to take any such action; and

- (y) for so long as a Note Repo Agreement is in place, if the Issuer is or will be unable to receive any payment due from the Note Repo Counterparty in respect of income on any of the Collateral sold to the Note Repo Counterparty thereunder in full on the date due therefor as a result of the Note Repo Counterparty being only required to pay to the Issuer a sum of money or property equivalent to (and in the same currency as) the type or amount of income that would have been received by the Issuer in respect of such Collateral assuming such Collateral had not been sold to the Note Repo Counterparty and was instead retained by the Issuer on the relevant second date for payment.
- (ii) Notwithstanding the foregoing, if the requirement to withhold, deduct or account for any present or future taxes, duties or charges of whatsoever nature referred to in paragraph (i) above arises solely as a result of:
 - (A) any Noteholder’s or Couponholder’s connection with the jurisdiction of incorporation of the Issuer otherwise than by reason only of the holding of any Note or receiving or being entitled to any payment in respect thereof;
 - (B) a withholding or deduction imposed on a payment by or on behalf of the Issuer to an individual 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
 - (C) the presentation for payment of any Bearer Note, Receipt or Coupon by or on behalf of a holder who would have been able to avoid such withholding or deduction by

presenting the relevant Bearer Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union,

then, to the extent possible, the Issuer shall deduct such taxes, duties or charges, as applicable, from the amount(s) payable to such Noteholder or Couponholder, and provided that payments to other Noteholders or Couponholders would not be impaired, the Issuer shall not give an Early Redemption Notice pursuant to General Condition 7(d)(i). Any such deduction shall not constitute an Event of Default under General Condition 12 (*Events of Default*), a Liquidation Event under General Condition 13 (*Liquidation*) or an Enforcement Event under General Condition 14 (*Enforcement of Security*).

For the avoidance of doubt, neither the Issuer nor the Trustee shall be required to monitor, enquire or satisfy itself as to whether any Note Tax Event or Collateral Tax Event has occurred. The Trustee shall have no obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or to any Secured Creditor. If the Issuer effectively gives a valid notice to the Trustee of the occurrence of a Note Tax Event or Collateral Tax Event the Trustee shall be entitled to rely on such notice without further investigation.

- (e) **Redemption for a Collateral Call:** Provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, the Issuer shall, as soon as is practicable after becoming aware of the occurrence of a Collateral Call, give an Early Redemption Notice to the Noteholders and each Note shall become due and payable at its Early Redemption Amount (which shall be paid pursuant to General Condition 15(a) (*Application of Proceeds of Liquidation*) or General Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*), as applicable, and which shall be the only amount payable in respect of such Note and there will be no separate payment of any unpaid accrued interest thereon) on the related Early Redemption Date. The date on which such Early Redemption Notice is deemed to have been given in respect of a Collateral Call shall be an “**Early Redemption Trigger Date**”.

For the avoidance of doubt, neither the Issuer nor the Trustee shall be required to monitor, enquire or satisfy itself whether any Collateral Call has occurred. The Trustee shall have no obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer. If the Issuer effectively gives a valid notice to the Trustee of the occurrence of a Collateral Call, the Trustee shall be entitled to rely on such notice without further investigation.

- (f) **Redemption for Termination of Note Swap Agreement:**

- (i) Provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition,
- (l) where the Additional Ratings Provisions – Redemption for Termination of Swap Clause are specified to be applicable in the applicable Final Terms or Pricing Supplement, the Issuer shall, as soon as is practicable after becoming aware of the occurrence of a Note Swap Termination Event, notify the Noteholders in accordance with General Condition 23 (*Notices*) and the Trustee in writing of the same. Following delivery of such notice, the Issuer shall, if so requested by holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution and provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, as soon as reasonably practicable, give an Early Redemption Notice to the Noteholders and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be paid pursuant to General Condition 15(a) (*Application of Proceeds of Liquidation*) or General Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*), as applicable, and

which shall be the only amount payable in respect of such Note and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”; or

- (II) where the Additional Ratings Provisions – Redemption for Termination of Swap Clause are specified to be not applicable in the applicable Final Terms or Pricing Supplement, the Issuer shall, as soon as is practicable after becoming aware of the occurrence of a Note Swap Termination Event, give an Early Redemption Notice to the Noteholders and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be paid pursuant to General Condition 15(a) (*Application of Proceeds of Liquidation*) or General Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*), as applicable, and which shall be the only amount payable in respect of such Note and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”.

- (ii) If, prior to the Maturity Date,
 - (a) pursuant to the terms of the Note Swap Agreement the Issuer becomes aware that it is able to exercise a right to designate an Early Termination Date in respect of all outstanding Note Swap Transactions under the Note Swap Agreement pursuant to the occurrence of a Note Swap Counterparty Event and such right is then continuing;
 - (b) no Early Termination Date has already been designated or occurred under the Note Swap Agreement; and
 - (c) no Early Redemption Trigger Date or Early Redemption Date has occurred under any other Condition,

the Issuer shall, as soon as is practicable after becoming aware of the same, notify the Noteholders in accordance with General Condition 23 (*Notices*) and the Trustee in writing of the same. Following delivery of such notice from the Issuer, the Trustee shall, if so requested by holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution and provided that the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction and provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, give notice to the Issuer that the Issuer is to exercise its right to designate an Early Termination Date in respect of all outstanding Note Swap Transactions under the Note Swap Agreement.

Subject to the Issuer still having such designation right, the Issuer shall, as soon as reasonably practicable, designate an Early Termination Date in respect of all outstanding Note Swap Transactions under the Note Swap Agreement and shall then notify the Noteholders in accordance with General Condition 23 (*Notices*) and the Trustee in writing of the same. Such notice shall constitute an Early Redemption Notice for the purposes of paragraph (f) of this General Condition. The date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”.

For the avoidance of doubt, neither the Issuer nor the Trustee shall be required to monitor, enquire or satisfy itself as to whether any Note Swap Termination Event or Note Swap Counterparty Event has occurred. The Trustee shall have no obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or to any Secured Creditor. If the Issuer

effectively gives a valid notice to the Trustee of the occurrence of a Note Swap Termination Event or a Note Swap Counterparty Event, the Trustee shall be entitled to rely on such notice without further investigation.

(g) **Redemption for Termination of Note Repo Agreement:**

- (i) Provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition,
 - (I) where the Additional Ratings Provisions – Redemption for Termination of Repo Clause are specified to be applicable in the applicable Final Terms or Pricing Supplement, the Issuer shall, as soon as is practicable after becoming aware of the same, notify the Noteholders in accordance with General Condition 23 (*Notices*) and the Trustee in writing of the same. Following delivery of such notice, the Issuer shall, if so requested by holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution and provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, as soon as reasonably practicable, give an Early Redemption Notice to the Noteholders and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be paid pursuant to General Condition 15(a) (*Application of Proceeds of Liquidation*) or General Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*), as applicable, and which shall be the only amount payable in respect of such Note and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”; or
 - (II) where the Additional Ratings Provisions – Redemption for Termination of Repo Clause are specified to be not applicable in the applicable Final Terms or Pricing Supplement, the Issuer shall, as soon as is practicable after becoming aware of the occurrence of a Note Repo Termination Event, give an Early Redemption Notice to the Noteholders and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be paid pursuant to General Condition 15(a) (*Application of Proceeds of Liquidation*) or General Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*), as applicable, and which shall be the only amount payable in respect of such Note and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”.
- (ii) If, prior to the Maturity Date:
 - (a) pursuant to the terms of the Note Repo Agreement the Issuer becomes aware that it is able to exercise a right to designate an Early Termination Date in respect of all outstanding Note Repo Transactions under the Note Repo Agreement pursuant to the occurrence of a Note Repo Counterparty Event and such right is then continuing;
 - (b) no Early Termination Date has already been designated or occurred under the Note Repo Agreement; and
 - (c) no Early Redemption Trigger Date or Early Redemption Date has occurred under any other Condition,

the Issuer shall, as soon as is practicable after becoming aware of the same, notify the Noteholders in accordance with General Condition 23 (*Notices*) and the Trustee in writing

of the same. Following delivery of such notice from the Issuer, the Trustee shall, if so directed by holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution and provided that the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction and provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, give notice to the Issuer that the Issuer is to exercise its right to designate an Early Termination Date in respect of all outstanding Note Repo Transactions under the Note Repo Agreement.

Subject to the Issuer still having such designation right, the Issuer shall, as soon as is reasonably practicable, designate an Early Termination Date in respect of all outstanding Note Repo Transactions under the Note Repo Agreement and shall then notify the Noteholders in accordance with General Condition 23 (*Notices*) and the Trustee in writing of the same. Such notice shall constitute an Early Redemption Notice for purposes of the first paragraph of this General Condition 7(g). The date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”.

For the avoidance of doubt, neither the Issuer nor the Trustee shall be required to monitor, enquire or satisfy itself as to whether any Note Repo Termination Event or Note Repo Counterparty Event has occurred. The Trustee shall have no obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or to any Secured Creditor. If the Issuer effectively gives a valid notice to the Trustee of the occurrence of a Note Repo Termination Event or Note Repo Counterparty Event, the Trustee shall be entitled to rely on such notice without further investigation.

- (h) **Redemption for Counterparty Bankruptcy Event:** Provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, the Issuer shall, if so directed either by (i) an Extraordinary Resolution or (ii) a Direction in Writing, in each case resolving or directing (respectively) that a Counterparty Bankruptcy Event has occurred and that a notice of redemption in respect of the Notes is to be given by or on behalf of the Issuer, give an Early Redemption Notice to the Noteholders as soon as is practicable upon being so directed and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be paid pursuant to General Condition 15(a) (*Application of Proceeds of Liquidation*) or General Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*), as applicable, and which shall be the only amount payable in respect of such Note and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”.

Notwithstanding anything to the contrary in General Condition 20 (*Meetings of Noteholders, Modification, Waiver and Substitution*) or the Trust Deed, any holder of a Note then outstanding may deliver a request in writing to the Issuer, the Calculation Agent and the Trustee for a meeting of Noteholders to be convened to consider an Extraordinary Resolution to sanction that a Counterparty Bankruptcy Event has occurred and to instruct the Issuer to deliver an Early Redemption Notice in respect of the Notes.

Any such request by any holder of a Note for a meeting to be convened or any Direction in Writing that a Counterparty Bankruptcy Event has occurred must (i) describe the Counterparty Bankruptcy Event alleged to have occurred and (ii) contain information that reasonably confirms that the Counterparty Bankruptcy Event has occurred which in the sole opinion of the Issuer is satisfactory evidence of the occurrence of the Counterparty Bankruptcy Event. Upon receipt of a valid request from a Noteholder satisfying the requirements outlined in the preceding sentence, the Issuer shall convene a meeting of Noteholders in accordance with the provisions of the Trust Deed.

For the avoidance of doubt, neither the Issuer nor the Trustee shall be required to monitor, enquire or satisfy itself as to whether any Counterparty Bankruptcy Event has occurred and shall be entitled to rely conclusively on such request, Extraordinary Resolution or Direction in Writing, as the case may be, regarding the same. The Trustee shall have no obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer or any Secured Creditor. If the Issuer gives a valid notice to the Trustee of the occurrence of a Counterparty Bankruptcy Event, the Trustee shall be entitled to rely on such notice without further investigation.

- (i) **Redemption for an Illegality Event:** Provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to any other Condition, the Issuer shall, as soon as is practicable after becoming aware of the occurrence of an Illegality Event, give an Early Redemption Notice to the Noteholders and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount (which shall be paid pursuant to General Condition 15(a) (*Application of Proceeds of Liquidation*) or General Condition 15(b) (*Application of Available Proceeds of Enforcement of Security*), as applicable, and which shall be the only amount payable in respect of such Note and there will be no separate payment of any unpaid accrued interest thereon). The date on which such Early Redemption Notice is deemed to have been given shall be an “**Early Redemption Trigger Date**”.

For the avoidance of doubt, neither the Issuer nor the Trustee shall be required to monitor, enquire or satisfy itself as to whether any Illegality Event has occurred. The Trustee shall have no obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer. If the Issuer effectively gives a valid notice to the Trustee of the occurrence of an Illegality Event, the Trustee shall be entitled to rely on such notice without further investigation.

- (j) **Purchases:** If the Issuer has satisfied the Trustee that it has made arrangements for the realisation of no more than the equivalent proportion of the Collateral and/or for the reduction in the notional amount of the Note Swap Agreement and the repurchase of a proportion of the Initial Collateral under the Note Repo Agreement in connection with the proposed purchase of the Notes, which transactions will leave the Issuer with no assets or net liabilities in respect thereof, it may purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (k) **Cancellation:** All Notes purchased by or on behalf of the Issuer shall be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to or to the order of the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and all unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.
- (l) **Effect of Redemption, Purchase and Cancellation:** Upon any of the Notes being redeemed or purchased and cancelled, General Conditions 7(a) (*Final Redemption*), 7(b) (*Redemption by Instalments*), 7(c) (*Redemption Upon Initial Collateral Default*), 7(d) (*Redemption for Taxation Reasons*), 7(e) (*Redemption for a Collateral Call*), 7(f) (*Redemption for Termination of Note Swap Agreement*), 7(g) (*Redemption for Termination of Note Repo Agreement*), 7(h) (*Redemption for Counterparty Bankruptcy Event*) and 7(i) (*Redemption for an Illegality Event*) shall no longer apply to such Notes. In addition, for the avoidance of doubt, General Conditions 7(c) (*Redemption Upon Initial Collateral Default*), 7(d) (*Redemption for Taxation Reasons*), 7(e) (*Redemption for a Collateral Call*), 7(f) (*Redemption for Termination of Note Swap Agreement*), 7(g) (*Redemption for*

Termination of Note Repo Agreement), 7(h) (*Redemption for Counterparty Bankruptcy Event*) and 7(i) (*Redemption for an Illegality Event*) and 12 (*Events of Default*) shall have no effect on or after the Maturity Date.

- (m) **Termination of the Note Swap Agreement:** This General Condition 7(m) shall apply where the Additional Ratings Provisions - Replacement Swap Clause are specified to be applicable in the applicable Final Terms or Pricing Supplement.

If, on or before the earlier of (a) the repayment of the Notes in full and (b) a request by the Noteholders pursuant to General Condition 7(f)(i)(I), the Note Swap Agreement is terminated, the Issuer, if so directed by holders of more than 50 per cent. in nominal amount of the Notes then outstanding, unless an Early Redemption Notice has been given or has been requested to be given in accordance with General Condition 7(f) (*Redemption for Termination of Note Swap Agreement*), shall use reasonable endeavours to purchase a replacement swap (taking into account any early termination payment received from the Note Swap Counterparty) on substantially similar terms to the Note Swap Agreement which has been terminated (as approved by the Issuer). In such circumstances, notwithstanding General Condition 15 (*Application of Available Proceeds*), the Issuer shall use (i) any termination payments received from the outgoing Note Swap Counterparty and (ii) (if applicable) any amount received from a replacement swap counterparty (if any) upon entry into a replacement swap, in payment of any amounts (in the case of (i) above) payable by the Issuer upon entry into the replacement swap or (in the case of (ii) above) payable upon termination of the Note Swap Agreement, respectively.

- (n) **Termination of the Note Repo Agreement:** This General Condition 7(n) shall apply where the Additional Ratings Provisions – Replacement Repo Clause are specified to be applicable in the applicable Final Terms or Pricing Supplement.

If, on or before the earlier of (a) the repayment of the Notes in full and (b) a request by the Noteholders pursuant to General Condition 7(g)(i)(I), the Note Repo Agreement is terminated, the Issuer, if so directed by holders of more than 50 per cent. in nominal amount of the Notes then outstanding, unless an Early Redemption Notice has been given or has been requested to be given in accordance with General Condition 7(g) (*Redemption for Termination of Note Repo Agreement*), shall use reasonable endeavours to purchase a replacement repo (taking into account any early termination payment received from the Note Repo Counterparty) on substantially similar terms to the Note Repo Agreement which has been terminated (as approved by the Issuer). In such circumstances, notwithstanding General Condition 15 (*Application of Available Proceeds*), the Issuer shall use (i) any termination payments received from the outgoing Note Repo Counterparty and (ii) (if applicable) any amount received from a replacement repo counterparty (if any) upon entry into a replacement repo, in payment of any amounts (in the case of (i) above) payable by the Issuer upon entry into the replacement repo or (in the case of (ii) above) payable upon termination of the Note Repo Agreement, respectively.

8 Calculations and Determinations, Rounding and Business Day Convention

- (a) **Determination and Publication of Rates of Interest, Interest Amounts, any Final Redemption Amount, any Early Redemption Amount and any Instalment Amounts:** The Calculation Agent shall, as soon as is practicable on each Interest Determination Date and on each date the Calculation Agent is required to calculate any rate or amount, obtain any quotation or make any determination or calculation under the Conditions or any Note Transaction Document, as the case may be, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period and Interest Payment Date, calculate the Final Redemption Amount, Early Redemption Amount, Instalment Amount or other amount, obtain such quotation and/or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest

Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, any Final Redemption Amount, Early Redemption Amount, Instalment Amount or other amount, to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Accrual Period or Interest Period, as the case may be, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the earlier of the date on which any relevant payment is due (if determined prior to such time) and the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to General Condition 8(d) (*Business Day Convention*), the Interest Amount(s) and the Interest Payment Date(s) so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

If, in respect of any due date for redemption, payment of the full amount of principal due for redemption is not made, no publication of the rates determined in accordance with this General Condition 8(a) to be used in the calculation of any Default Interest need be made unless the Trustee notifies the Calculation Agent to the contrary in writing. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all Noteholders, Couponholders, Note Transaction Parties and all other parties. If the Calculation Agent at any time does not make any determination or calculation or take any action that it is required to do pursuant to the Conditions, it shall forthwith notify the Issuer, the Trustee, the Issuing and Paying Agent, the Note Swap Counterparty and the Note Repo Counterparty.

- (b) **Determination or Calculation by Trustee:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, any Instalment Amount, the Final Redemption Amount, the Early Redemption Amount or any other amount, then the Trustee may (but is not obliged to) make such determinations and calculations in place of the Calculation Agent (or may appoint an agent on its behalf to do so). Any such determination or calculation so made by the Trustee (or its agent) shall, for the purposes of the Conditions and the Note Transaction Documents, be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the provisions of the Conditions and/or the relevant Note Transaction Document(s) with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.
- (c) **Rounding:** For the purposes of any calculations required pursuant to the Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up to 0.00001) and (y) all currency amounts that fall due and payable shall be rounded, if necessary, to the nearest unit of such currency (with one half of the lowest unit of the currency being rounded up for example GBP0.005 being rounded to GBP0.01), save in the case of Japanese Yen or Korean Won, which shall be rounded down to the nearest yen or won respectively. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency (e.g. one cent or one pence).
- (d) **Business Day Convention:** If any date referred to in the Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is

not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

9 Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its related Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in General Condition 9(e)(v)) or Coupons (in the case of interest, save as specified in General Condition 9(e)(v)), as the case may be, at the Specified Office of any Paying Agent outside the United States by transfer to an account denominated in such currency with a Bank nominated by such holder presenting such Bearer Note, Receipts and/or Coupons, as the case may be. "Bank" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (b) **Registered Notes:**
 - (i) Payments of principal (which for the purposes of this General Condition 9(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the Specified Office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
 - (ii) Interest (which for the purposes of this General Condition 9(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made in the relevant currency by transfer to an account nominated by such person shown in the Register in the relevant currency maintained by the payee with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the Specified Office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with Specified Offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment. No commission or expenses shall be charged to the Noteholders or the Couponholders in respect of such payments.

(e) **Unmatured Coupons and Receipts and Unexchanged Talons:**

- (i) Upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (ii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
 - (iii) Upon the due date for redemption of any Bearer Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (iv) Where any Bearer Note that provides that the relative unmatured Receipts and/or Coupons are to become void upon the due date for redemption of these Notes is presented for redemption without all unmatured Receipts, unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provisions of such indemnity as the Issuer may require.
 - (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be.
 - (vi) Default Interest on any Note shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be.
- (f) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Note, the Talon forming part of such Coupon sheet may be surrendered at the Specified Office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to General Condition 19 (*Prescription*)).
- (g) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “Financial Centres” in the applicable Final Terms or Pricing Supplement and:
- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
 - (ii) (in the case of a payment in euro) which is a TARGET Business Day.

10 Agents

- (a) **Appointment of Agents:** The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents, the Custodian, the Disposal Agent and the Calculation Agent initially appointed by the Issuer and their respective Specified Offices are listed in the applicable Final Terms or Pricing Supplement. The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer

Agents, the Custodian, the Disposal Agent and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time with the approval of the Trustee (except that the approval of the Trustee shall not be required for the appointment of a replacement Disposal Agent or Calculation Agent where Noteholders direct the Issuer to appoint such replacement pursuant to this General Condition 10) to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent, the Custodian, the Disposal Agent or the Calculation Agent and to appoint additional or other Paying Agents, Transfer Agents, Custodian(s), Disposal Agent(s), Calculation Agent(s) or such other agents as may be required, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a Disposal Agent, (v) a Calculation Agent, (vi) a Custodian, (vii) a Paying Agent having its Specified Office in a major European city, (viii) such other agents as may be required by any other stock exchange on which the Notes may be listed, in each case as approved by the Trustee (subject as provided above) and (ix) a Paying Agent with a Specified Office in a European Union Member State that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in General Condition 9(c) (*Payments in the United States*).

Notice of any such change or any change of any Specified Office shall promptly be given by the Issuer to the Noteholders in accordance with General Condition 23 (*Notices*).

- (b) **Appointment of Calculation Agent:** Subject to the automatic termination of the appointment of the Calculation Agent as a result of the occurrence of a Calculation Agent Bankruptcy Event, the Issuer shall procure that there shall at all times be a Calculation Agent for so long as any Note is outstanding (as defined in the Trust Deed). If the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or to make any other calculation or determination required of it under the Conditions or the Agency Agreement, as the case may be, or fails to comply with any other material requirement under the Conditions, the Agency Agreement or any other Note Transaction Document, and, in each case, such failure has not been remedied within a reasonable period, or a Calculation Agent Bankruptcy Event occurs, then:
 - (i) the Issuer shall (with the prior approval of the Trustee and, provided no Counterparty Bankruptcy Event, Note Swap Counterparty Event or Note Repo Counterparty Event has occurred, the Note Swap Counterparty and the Note Repo Counterparty) appoint a leading bank or financial institution engaged in the interbank, money, swap or over-the-counter index options market or other appropriate market that is most closely connected with the calculation(s) and/or determination(s) to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market), to act as such in its place; or
 - (ii) if a Calculation Agent Bankruptcy Event has occurred, the Issuer has been instructed either by (a) an Extraordinary Resolution or (b) a Direction in Writing, in each case resolving or directing (respectively) that the Issuer appoint a replacement Calculation Agent and the Issuer has been indemnified and/or secured and/or prefunded to its satisfaction for any initial or ongoing costs, charges, fees and/or expenses the Issuer may incur in connection with the appointment of a replacement calculation agent (whether by one or more Noteholders, a Secured Creditor or any other third party), the Issuer shall use its

reasonable endeavours to appoint the person nominated in such Extraordinary Resolution or direction, as the case may be, as Calculation Agent in respect of the Notes on substantially the same terms as the Calculation Agent being replaced, provided that such person nominated as Calculation Agent is an internationally recognised bank or financial institution permitted to carry out such appointment under applicable law and regulation and provided further that such person satisfies the “Know Your Customer” requirements of the Custodian and Issuing and Paying Agent, as confirmed by the Custodian and Issuing and Paying Agent. To the extent any Extraordinary Resolution or Direction in Writing resolves that the Trustee give such instruction to the Issuer to appoint a replacement Calculation Agent so nominated by the Noteholders, the Trustee shall not be obliged to give any such instruction unless indemnified and/or secured and/or prefunded to its satisfaction.

The Calculation Agent may not resign its duties without a successor having been appointed.

- (c) **Appointment of Disposal Agent:** Subject to the automatic termination of the appointment of the Disposal Agent as a result of the occurrence of a Disposal Agent Bankruptcy Event, the Issuer shall procure that there shall at all times be a Disposal Agent for so long as any Note is outstanding (as defined in the Trust Deed). If the Disposal Agent fails duly to establish any rate, amount or value required to be determined by it under the Conditions or any Note Transaction Document or to take the steps required of it under the Conditions or the Agency Agreement to Liquidate the Collateral, as the case may be, or fails to comply with any other material requirement of it pursuant to the Conditions, the Agency Agreement or any other Note Transaction Document, or a Disposal Agent Bankruptcy Event occurs, then:
- (i) the Issuer shall (with the prior approval of the Trustee and, provided no Counterparty Bankruptcy Event, Note Swap Counterparty Event or Note Repo Counterparty Event has occurred, the Note Swap Counterparty and the Note Repo Counterparty) appoint a leading bank or financial institution engaged in the interbank market or other appropriate market to act as such in its place; or
 - (ii) if a Disposal Agent Bankruptcy Event has occurred, if the Issuer has been instructed either by (a) an Extraordinary Resolution or (b) a Direction in Writing, in each case resolving or directing (respectively) that the Issuer appoint a replacement Disposal Agent and the Issuer has been indemnified and/or secured and/or prefunded to its satisfaction for any initial or ongoing costs, charges, fees and/or expenses the Issuer may incur in connection with the appointment of a replacement Disposal Agent (whether by one or more Noteholders, a Secured Creditor or any other third party), the Issuer shall use its reasonable endeavours to appoint the person nominated in such Extraordinary Resolution or direction, as the case may be, as disposal agent in respect of the Notes on substantially the same terms as the Disposal Agent being replaced, provided that (i) such person nominated as Disposal Agent is an internationally recognised bank or financial institution permitted to carry out such appointment under applicable law and regulation, (ii) such person satisfies the “Know Your Customer” requirements of the Custodian and Issuing and Paying Agent, as confirmed by the Custodian and Issuing and Paying Agent and (iii) the Issuer has, or the Noteholder(s) nominating such replacement Disposal Agent have, used its, or their, reasonable endeavours to procure that such person nominated as Disposal Agent has provided a competitive quote to the Issuer and the Trustee with regard to its fees and commissions. To the extent any Extraordinary Resolution or Direction in Writing resolves that the Trustee give such instruction to the Issuer to appoint a replacement Disposal Agent so nominated by the Noteholders, the Trustee shall not be obliged to give any such instruction unless indemnified and/or secured and/or prefunded to its satisfaction.

The Disposal Agent may not resign its duties without a successor having been appointed.

11 Taxation

- (a) **Withholding or deductions on payments in respect of the Notes:** Without prejudice to General Condition 7(d) (*Redemption for Taxation Reasons*), all payments in respect of the Notes will be made subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature that the Issuer or any Agent is required by applicable law to make. In that event, the Issuer or such Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount(s) so required to be withheld or deducted. Neither the Issuer nor any Agent will be obliged to make any additional payments to holders of Notes in respect of such withholding or deduction. For the purposes of this General Condition 11, any FATCA Withholding Tax shall be deemed to be required by applicable law.
- (b) **FATCA Information:** Each holder and beneficial owner of Notes shall provide the Issuer and/or any agent acting on behalf of the Issuer with such documentation, information or waiver as may be requested by the Issuer and/or any agent acting on behalf of the Issuer in order for the Issuer to comply with any obligations it, and/or any agent acting on its behalf, may have under FATCA. The Issuer may make such amendments to the Notes, the Note Swap Agreement (if any) and the Note Repo Agreement (if any) as are necessary to enable the Issuer to comply with FATCA. Any such amendment will be binding on the Noteholders and Couponholders.

12 Events of Default

If any of the following events (each an “**Event of Default**”) occurs, provided that no Early Redemption Trigger Date or Early Redemption Date has occurred pursuant to this or any other Condition, the Trustee at its discretion may, and if so requested in writing by holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (provided that in each case the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction), give an Early Redemption Notice to the Issuer that all but not some only of the Notes shall become due and payable at the Early Redemption Amount (which shall be the only amount payable and there will be no separate payment of any unpaid accrued interest thereon) on the Early Redemption Date:

- (a) default is made for more than
- (i) 14 days (where the Additional Ratings Provisions – Event of Default are specified to be not applicable in the applicable Final Terms or Pricing Supplement); or
 - (ii) 6 Reference Business Days (where the Additional Ratings Provisions – Event of Default are specified to be applicable in the applicable Final Terms or Pricing Supplement),

in the payment of any interest or Instalment Amount in respect of the Notes or any of them, other than any interest or Instalment Amount due and payable on the Maturity Date, and other than where any such default occurs as a result of an Initial Collateral Default, a Note Tax Event, a Collateral Tax Event, a Collateral Call, a Note Swap Termination Event, a Note Repo Termination Event, a Note Swap Counterparty Event, a Note Repo Counterparty Event or a Counterparty Bankruptcy Event;

- (b) the Issuer does not perform or comply with any one or more of its other obligations under the Notes or the Trust Deed, which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days after valid notice of such default shall have been effectively given to the Issuer by the Trustee; or
- (c) the Issuer: (1) is dissolved (other than pursuant to a consolidation, amalgamation or merger on terms previously approved in writing by the Trustee or by an Extraordinary Resolution); (2) makes a general assignment, arrangement or composition with or for the benefit of the Noteholders;

(3)(A) institutes or has instituted against it, by a regulator, supervisor or any similar official with insolvency, rehabilitative or regulatory jurisdiction over it, a proceeding seeking a judgment of insolvency or bankruptcy or examinership or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (B) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or examinership or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation or examinership, and such proceeding or petition is instituted or presented by a person or entity not described in paragraph (A) above and results in a judgment of insolvency or bankruptcy or examinership or the entry of an order for relief or the making of an order for its winding-up or liquidation or examinership; (4) has a resolution passed for its winding-up, official management or liquidation or examinership (other than pursuant to a consolidation, amalgamation or merger on terms previously approved in writing by the Trustee or by an Extraordinary Resolution); (5) seeks or becomes subject to the appointment of an administrator, provisional liquidator, examiner, conservator, receiver, trustee, custodian, viscount or other similar official for it or for any assets on which the liabilities of the Issuer under the relevant Notes are secured pursuant to the Trust Deed; or (6) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (1) to (5) above (inclusive).

For the purposes of the Conditions and the Note Transaction Documents, in relation to any Event of Default, the date on which the related Early Redemption Notice is deemed to be given shall be an **"Early Redemption Trigger Date"**.

The Issuer has undertaken in the Principal Trust Deed that, within 180 days of the end of its financial year and within 14 days of any request from the Trustee, it will send to the Trustee a certificate signed by (if the Issuer has only one Director) a Director or (if the Issuer has more than one Director) two Directors to the effect that, having made reasonable enquiries, to the best of the knowledge, information and belief of the Issuer as at a date not more than five days prior to the date of the certificate, no Event of Default or Enforcement Event or event or circumstance that could with the giving of notice, lapse of time and/or issue of a certificate, become an Event of Default has occurred since the certification date of the last such certificate or (if none) the date of such Principal Trust Deed or, if such an event had occurred, giving details thereof.

13 Liquidation

- (a) **Liquidation Event:** Upon the Issuer becoming aware of the occurrence of a Liquidation Event, it shall notify the Trustee, the Disposal Agent (such notice to the Disposal Agent being a Liquidation Commencement Notice) and the Custodian thereof as soon as is reasonably practicable, provided that if at such time there is no Disposal Agent, then if a replacement Disposal Agent is appointed pursuant to General Condition 10 (*Agents*) such notice shall be provided to such replacement Disposal Agent (if any) upon its appointment as Disposal Agent.

The Disposal Agent is not required to verify, or enquire as to, whether a Liquidation Event has occurred. Prior to receipt by it of a Liquidation Commencement Notice, the Disposal Agent may assume that no such event has occurred.

For the avoidance of doubt, the Trustee shall not be required to monitor whether any Liquidation Event has occurred or to calculate any Early Redemption Amount and shall have no obligation, responsibility or liability for giving or not giving any notice thereof to the Issuer, the Disposal Agent or any other person. The Trustee shall be entitled to rely on any notice given by the Issuer, the Disposal Agent or any other person in respect thereof without further enquiry or investigation.

The Disposal Agent shall not be regarded as acting as the agent of the Trustee in any circumstances and the Trustee shall not incur any liability to any person in respect of any acts or omissions or exercise of discretion of the Disposal Agent. The Trustee shall have no responsibility or liability for the performance or any failure or delay in the performance by the Disposal Agent under the Agency Agreement or the Conditions in relation to any Series or for the payment of any commissions or expenses charged by it or for any failure by the Disposal Agent to account for the net proceeds of any Liquidation of Collateral in accordance with the Agency Agreement and the Conditions.

The Disposal Agent shall be entitled to rely on a Liquidation Commencement Notice without investigation of whether the relevant Liquidation Event has occurred.

Any Liquidation Commencement Notice delivered by the Issuer shall not be valid and the Disposal Agent shall not take any action in relation thereto if the Disposal Agent has already received (i) a valid Liquidation Commencement Notice in respect of the same or a prior Liquidation Event or (ii) a valid Enforcement Notice from the Trustee in accordance with Condition 14 (*Enforcement of Security*).

- (b) **Liquidation Process:** Following receipt by it of a valid Liquidation Commencement Notice, the Disposal Agent shall, and, if it otherwise determines (in its sole and absolute discretion) that a Liquidation Event has occurred (and has so notified the Trustee in writing), may, on behalf of the Issuer, so far as is practicable in the circumstances and to the extent that such Collateral is outstanding, effect an orderly Liquidation of the Collateral with a view to Liquidating all the Collateral on or prior to the Early Valuation Date or the third Reference Business Day prior to the Relevant Payment Date, as applicable, and provided that the Disposal Agent shall have no liability if the Liquidation of all Collateral has not been effected by such date. If the Collateral has not been Liquidated in full by such date, the Disposal Agent shall continue in its attempts to effect a Liquidation of the Collateral until such time (if any) as it is instructed by the Issuer to the contrary or until receiving a valid Enforcement Notice from the Trustee.

The Disposal Agent may take such steps as it considers appropriate in order to effect such Liquidation, including but not limited to selecting the method of Liquidating any Collateral. The Disposal Agent shall effect any Liquidation as soon as is reasonably practicable within the available timeframe and in a commercially reasonable manner, even where a greater amount could possibly be received in respect of such Collateral if any such Liquidation were to be delayed. Subject to such requirement, the Disposal Agent shall be entitled to effect any Liquidation by way of one or multiple transactions on a single or multiple day(s). In accordance with the terms of the Trust Deed and General Condition 4(d) (*Disposal Agent's right following Liquidation Event*), following the occurrence of a Liquidation Event and effective delivery of a valid Liquidation Commencement Notice, the Security shall be released without further action on the part of the Trustee to the extent necessary for the Disposal Agent to effect the Liquidation of the Collateral. Nothing in this General Condition 13(b) or General Condition 4(d) (*Disposal Agent's right following Liquidation Event*) will operate to release the charges and other security interests over the proceeds of the Liquidation of the Collateral. The Disposal Agent shall not be liable to the Issuer, the Trustee, the Note Swap Counterparty, the Note Repo Counterparty, the Noteholders, the Couponholders, holders of Receipts or any other person merely because a greater amount could have been received had any such Liquidation been delayed or had the Disposal Agent selected a different method of Liquidating any such Collateral.

Notwithstanding the obligations of the Disposal Agent pursuant to this General Condition 13(b), the Disposal Agent shall not effect a Liquidation of any Collateral which is due to be redeemed or repaid, in whole or in part, on or before the day falling three Reference Business Days prior to the Early Redemption Date (ignoring for this purpose the proviso to paragraph (ii) of the definition of

Early Redemption Date) or Relevant Payment Date, as applicable, until the Collateral Early Payment Date has occurred in respect of that Collateral.

In determining whether or not to take any action as a result of its determination that a Liquidation Event has occurred in circumstances where it has not received a valid Liquidation Commencement Notice, the Disposal Agent (i) shall have complete discretion, (ii) shall have no duty or obligation to the Issuer, any Noteholder or any other person to take any such action or make any such determination and (iii) shall not be liable for any such determination or decision or the timing thereof.

(c) **Proceeds of Liquidation:** The Disposal Agent shall not be liable:

- (i) to account for anything except actual proceeds of the Collateral received by it (after deduction of the amounts (if any) described in General Condition 13(d) (*Costs and Expenses*)) and which shall, upon receipt, automatically become subject to the Security created by the Trust Deed; or
- (ii) for any taxes, costs, charges, losses, damages, liabilities, fees, commissions or expenses arising from or connected with any Liquidation or from any act or omission in relation to the Collateral or otherwise unless such taxes, costs, charges, losses, damages, liabilities, fees, commissions or expenses shall be caused by its own negligence, fraud or wilful default.

In addition, the Disposal Agent shall not be obliged to pay to the Issuer, any Note Transaction Party, any Noteholder or any Couponholder, interest on any proceeds from any Liquidation held by it at any time.

- (d) **Costs and Expenses:** The Issuer acknowledges that in effecting a Liquidation, Liquidation Expenses may be incurred. The Issuer agrees that any such Liquidation Expenses shall be borne by the Issuer and that the Disposal Agent shall only be required to remit the proceeds of such Liquidation net of such Liquidation Expenses. Where the Disposal Agent makes such net remittance to the Issuer but has itself received the relevant payment on a gross basis, the Disposal Agent agrees to apply the relevant amount retained by it in payment of such Liquidation Expenses.
- (e) **Good Faith of Disposal Agent:** In effecting any Liquidation, the Disposal Agent shall act in good faith and, subject as provided above, in respect of any sale, early repayment, early redemption or agreed termination in respect of the Collateral, shall agree a price that it reasonably believes to be representative of or better than the price available in the market for the sale of such Collateral in the appropriate size at that time, taking into account the total amount of Collateral to be sold, repaid, redeemed or terminated.
- (f) **Disposal Agent to use commercially Reasonable Care:** The Disposal Agent shall use all commercially reasonable care in the performance of its duties, but shall not be responsible for any loss or damage suffered by any party as a result thereof, save that the Disposal Agent's liability to the Issuer shall not be so limited where the loss or damage results from the negligence, fraud or wilful default of the Disposal Agent.
- (g) **No Relationship of Agency or Trust:** The Disposal Agent shall not have any obligations towards or relationship of agency or trust with any Noteholder, Couponholder or other Note Transaction Party.
- (h) **Consultation on Legal Matters:** The Disposal Agent may consult on any legal matter any reputable legal adviser of international standing selected by it, who may be an employee of or adviser to the Issuer, and it shall not be liable in respect of anything done or omitted to be done relating to that matter in good faith in accordance with that adviser's opinion.

- (i) **Reliance on Documents:** The Disposal Agent shall not be liable in respect of anything done or suffered by it in reliance on a document it reasonably believed to be genuine and to have been signed by the proper parties or on information to which it should properly have regard and which it reasonably believed to be genuine and to have been originated by the proper parties.
- (j) **Entry into Contracts and other Transactions:** The Disposal Agent may enter into any contracts or any other transactions or arrangements with any of the Issuer, any other Note Transaction Party, any Noteholder, any Couponholder or any Collateral Obligor or any Affiliate of any of them (whether in relation to the Notes, the Collateral, the Security, an Other Obligation or any other transaction or obligation whatsoever) and may hold or deal in or be a party to the assets, obligations or agreements of which the relevant Collateral forms a part and other assets, obligations or agreements of any Collateral Obligor in respect of the Collateral. The Disposal Agent shall not be required to disclose any such contract, transaction or arrangement to any Noteholder, any Couponholder or other Note Transaction Party and shall be in no way accountable to the Issuer or (save as otherwise provided in the Agency Agreement and the Conditions) to any Noteholder, any Couponholder or any other Note Transaction Party for any profits or benefits arising from any such contract(s), transaction(s) or arrangement(s).
- (k) **Illegality:** The Disposal Agent shall not be liable to effect a Liquidation of any of the Collateral if it determines, in its sole and absolute discretion, that any such Liquidation of some or all of the Collateral in accordance with this General Condition 13 would or might require or result in a violation of any applicable law or regulation of the jurisdiction in which the Issuer is domiciled or any other relevant jurisdiction, including any insolvency prohibition or moratorium on the disposal of assets, or that for any other reason it is not possible for it to dispose of the Collateral (even at zero), and the Disposal Agent notifies the Issuer and the Trustee of the same.
- (l) **Sales to Affiliates:** In effecting any Liquidation, the Disposal Agent may sell any Collateral to Affiliates of itself or Affiliates of the Note Swap Counterparty or the Note Repo Counterparty provided that the Disposal Agent sells at a price that it reasonably believes to be a fair market price.
- (m) **Notification of Enforcement Event:** Upon the Trustee effectively giving a valid Enforcement Notice to the Disposal Agent following the occurrence of an Enforcement Event, the Disposal Agent shall cease to effect any further Liquidation of any Collateral and shall take no further action to Liquidate any Collateral, save that any transaction entered into in connection with the Liquidation on or prior to the effective date of any such Enforcement Notice shall be settled and the Disposal Agent shall take any steps and actions necessary to settle such transaction and/or which is incidental thereto.
- (n) **Transfer of Collateral:** In effecting any Liquidation, the Disposal Agent may sell any Collateral to itself (subject to General Condition 13(m) (*Notification of Enforcement Event*)) or to Affiliates, provided that the price for such Collateral is paid to the Custodian or to the order of the Issuer. The Disposal Agent shall not have the right to transfer the Collateral to itself or to any of its Affiliates other than in connection with a sale thereof to itself or one of its Affiliates, as applicable, and provided that such sale is executed on a delivery versus payment basis.
- (o) **Delegation:** the Disposal Agent may, in its sole discretion, delegate to any person on any terms (including power to sub-delegate) all or any of its functions under the Conditions and/or the Note Transaction Documents, provided that such person is a person permitted to carry out such functions under applicable law and regulation and provided further that such person satisfies the “Know Your Customer” requirements of the Custodian and Issuing and Paying Agent, as confirmed by the Custodian and Issuing and Paying Agent.

- (p) **Responsibility for delegates:** If the Disposal Agent exercises reasonable care in selecting any delegate (an “Appointee”), it will not have any obligation to supervise the Appointee or be responsible for any loss, liability, cost, claim, action, demand or expense incurred by reason of the Appointee’s negligence, bad faith, fraud or wilful default or the negligence, bad faith, fraud or wilful default of any substitute appointed by the Appointee.

14 Enforcement of Security

- (a) **Trustee to Enforce Security:** At any time after the Trustee becomes aware of the occurrence of an Enforcement Event, it may, and (i) if so requested in writing by holders of at least one-fifth in nominal amount of the Notes then outstanding, (ii) if so directed by an Extraordinary Resolution, or (iii) (provided that no Note Swap Counterparty Event or, as applicable, Note Repo Counterparty Event, has occurred) if so directed in writing by the Note Swap Counterparty or if so directed in writing by the Note Repo Counterparty (whichever shall be the first to so request or direct, as the case may be), shall (provided in each case that the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction and provided that the Trustee has effectively delivered a valid Enforcement Notice to the Issuer, the Custodian and the Disposal Agent), enforce the Security constituted by the Trust Deed and/or any other Note Security Documents (if applicable).
- (b) **Enforcement Notice:** Prior to taking any steps to enforce the Security, the Trustee shall notify the Issuer, the Custodian and any Disposal Agent appointed at that time (such notice being an “Enforcement Notice”) that (i) the Trustee intends to enforce the Security constituted by the Trust Deed and/or any other Note Security Documents (if applicable) and (ii) the Disposal Agent is to cease to effect any further Liquidation of the Collateral (if such Liquidation is taking place) save that any transaction entered into in connection with the Liquidation on or prior to the effective date of such Enforcement Notice shall be settled and the Disposal Agent shall endeavour to take any steps and actions necessary to settle such transaction and/or that are incidental thereto.
- (c) **Enforcement of Security:** In order to enforce the Security the Trustee may:
 - (i) sell, call in, collect and convert the Mortgaged Property into money in such manner and on such terms as it shall think fit, and the Trustee may, at its discretion, take possession of all or part of the Mortgaged Property over which the Security shall have become enforceable;
 - (ii) take such action, step or proceeding against any Collateral Obligor as it deems appropriate but without any liability to the Noteholders or Couponholders or any other Secured Creditor as to the consequence of such action, step or proceeding and without having regard to the effect of such action, step or proceeding on individual Noteholders or Couponholders or any other Secured Creditor; and
 - (iii) take any such other action or step or enter into any such other proceedings as it deems appropriate (including, without limitation, taking possession of all or any of the Mortgaged Property and/or appointing a receiver) as are permitted under the terms of the Trust Deed and/or any other Note Security Documents (if applicable).

The Trustee shall not be required to take any action, step or proceeding in relation to the enforcement of the Security without first being indemnified and/or secured to its satisfaction.

15 Application of Available Proceeds

- (a) **Application of Available Proceeds of Liquidation:**
- (A) This General Condition 15(a)(A) shall apply where “Note Swap/Note Repo Counterparty Priority” is specified to be applicable in the applicable Final Terms or Pricing Supplement.

Following the Liquidation in full of the Collateral as a result of a Liquidation Event, the Issuer shall, on each Issuer Application Date, apply the Available Proceeds as they stand on each such date as follows:

- (i) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities (if any) of the Trustee under the Trust Deed (including any taxes required to be paid and the Trustee's remuneration);
- (ii) second, where a Credit Support Annex is applicable to the Notes pursuant to which the Note Swap Counterparty posts collateral and there has been an Early Termination Date, in meeting claims of the Note Swap Counterparty in respect of any payments then due to the Note Swap Counterparty in accordance with the Note Swap Agreement (if any) up to a total aggregate amount equal to the Credit Support Excess;
- (iii) third, in payment or satisfaction of the Disposal Agent Fees;
- (iv) fourth, *pari passu*, in payment of (A) any amounts owing to the Custodian for reimbursement in respect of payments properly made by it in accordance with the terms of the Custody Agreement relating to sums receivable on or in respect of the relevant Collateral and (B) any amounts owing to the Issuing and Paying Agent for reimbursement in respect of payments properly made by it in accordance with the terms of the Agency Agreement to any person in discharge of a Secured Payment Obligation;
- (v) fifth, *pari passu*, in payment of any fees, costs, charges, expenses and liabilities (if any) then due and payable to the Custodian under the Custody Agreement and the Paying Agents, the Calculation Agent, the Registrar and the Transfer Agent under the Agency Agreement;
- (vi) sixth, *pari passu*, in payment of:
 - (A) any amounts owing to the Note Swap Counterparty under the Note Swap Agreement;
 - (B) any amounts owing to the Note Repo Counterparty under the Note Repo Agreement;
- (vii) seventh, in payment of (i) any Early Redemption Amount then due and payable, (ii) any Final Redemption Amount then due and payable and/or (iii) any interest or Instalment Amount that became due and payable on the Maturity Date and that remains due and payable, as applicable, and, in each case, any interest accrued thereon (which, for the avoidance of doubt, shall include Default Interest) to the holders of Notes; and
- (viii) eighth, in payment of the Residual Amount to the Issuer,

save that no such application shall be made at any time following a valid Enforcement Notice having been effectively delivered by the Trustee following the occurrence of an Enforcement Event.

- (B) This General Condition 15(a)(B) shall apply where "Noteholder Priority" is specified to be applicable in the applicable Final Terms or Pricing Supplement.

Following the Liquidation in full of the Collateral as a result of a Liquidation Event, the Issuer shall, on each Issuer Application Date, apply the Available Proceeds as they stand on each such date as follows:

- (i) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities (if any) of the Trustee under the Trust Deed (including any taxes required to be paid and the Trustee's remuneration);

- (ii) second, where a Credit Support Annex is applicable to the Notes pursuant to which the Note Swap Counterparty posts collateral and there has been an Early Termination Date, in meeting claims of the Note Swap Counterparty in respect of any payments then due to the Note Swap Counterparty in accordance with the Note Swap Agreement (if any) up to a total aggregate amount equal to the Credit Support Excess;
- (iii) third, in payment or satisfaction of the Disposal Agent Fees;
- (iv) fourth, *pari passu*, in payment of (A) any amounts owing to the Custodian for reimbursement in respect of payments properly made by it in accordance with the terms of the Custody Agreement relating to sums receivable on or in respect of the relevant Collateral and (B) any amounts owing to the Issuing and Paying Agent for reimbursement in respect of payments properly made by it in accordance with the terms of the Agency Agreement to any person in discharge of a Secured Payment Obligation;
- (v) fifth, *pari passu*, in payment of any fees, costs, charges, expenses and liabilities (if any) then due and payable to the Custodian under the Custody Agreement and the Paying Agents, the Calculation Agent, the Registrar and the Transfer Agent under the Agency Agreement;
- (vi) sixth, *pari passu*, in payment of:
 - (A) any amounts owing to the Note Swap Counterparty under the Note Swap Agreement other than the Note Swap Subordinated Amounts;
 - (B) any amounts owing to the Note Repo Counterparty under the Note Repo Agreement other than the Note Repo Subordinated Amounts;
- (vii) seventh, in payment of (i) any Early Redemption Amount then due and payable, (ii) any Final Redemption Amount then due and payable and/or (iii) any interest or Instalment Amount that became due and payable on the Maturity Date and that remains due and payable, as applicable, and, in each case, any interest accrued thereon (which, for the avoidance of doubt, shall include Default Interest) to the holders of Notes;
- (viii) eighth, *pari passu*, in payment of (A) Note Swap Subordinated Amounts payable to the Note Swap Counterparty under the Note Swap Agreement and (B) Note Repo Subordinated Amounts payable to the Note Repo Counterparty under the Note Repo Agreement; and
- (ix) ninth, in payment of the Residual Amount to the Issuer,

save that no such application shall be made at any time following a valid Enforcement Notice having been effectively delivered by the Trustee following the occurrence of an Enforcement Event.

- (C) Any Secured Creditor that has a claim in respect of more than one Secured Payment Obligation may rank differently in respect of each Secured Payment Obligation.

If, following the Initial Issuer Application Date, the Issuer receives any sum from the Mortgaged Property, the Issuer shall send a notice to the Trustee, the Issuing and Paying Agent, the Disposal Agent (where there is one), the Note Swap Counterparty and the Note Repo Counterparty of the same as soon as is practicable upon receiving any such sum.

- (b) **Application of Available Proceeds of Enforcement of Security:**
- (A) This General Condition 15(b)(A) shall apply where “Note Swap/Note Repo Counterparty Priority” is specified to be applicable in the applicable Final Terms or Pricing Supplement.

Subject to and in accordance with the terms of the Note Security Documents, with effect from the date on which any valid Enforcement Notice is effectively delivered by the Trustee following the occurrence of an Enforcement Event, the Trustee will hold the Available Proceeds received by it under the Trust Deed on trust to apply them as they stand on each Trustee Application Date as follows:

- (i) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities (if any) of the Trustee or any receiver in preparing and executing the trusts under the Trust Deed (including any taxes required to be paid, the cost of realising any Security and the Trustee's remuneration);
 - (ii) second, where a Credit Support Annex is applicable to the Notes pursuant to which the Note Swap Counterparty posts collateral and there has been an Early Termination Date, in meeting claims of the Note Swap Counterparty in respect of any payments then due to the Note Swap Counterparty in accordance with the Note Swap Agreement (if any) up to a total aggregate amount equal to the Credit Support Excess;
 - (iii) third, in payment or satisfaction of any Disposal Agent Fees incurred in respect of any Liquidation prior to such Trustee Application Date and which have not already been paid to the Disposal Agent pursuant to General Condition 15(a) (*Application of Available Proceeds of Liquidation*);
 - (iv) fourth, *pari passu*, in payment of (A) any amounts owing to the Custodian for reimbursement in respect of payments properly made by it in accordance with the terms of the Custody Agreement relating to sums receivable on or in respect of the relevant Collateral and (B) any amounts owing to the Issuing and Paying Agent for reimbursement in respect of payments properly made by it in accordance with the terms of the Agency Agreement to any person in discharge of a Secured Payment Obligation;
 - (v) fifth, *pari passu*, in payment of any fees, costs, charges, expenses and liabilities (if any) then due and payable to the Custodian under the Custody Agreement and the Paying Agents, the Calculation Agent, the Registrar and the Transfer Agent under the Agency Agreement;
 - (vi) sixth, *pari passu*, in payment of:
 - (A) any amounts owing to the Note Swap Counterparty under the Note Swap Agreement;
 - (B) any amounts owing to the Note Repo Counterparty under the Note Repo Agreement;
 - (vii) seventh, in payment of (i) any Early Redemption Amount then due and payable, (ii) any Final Redemption Amount then due and payable and/or (iii) any interest or Instalment Amount that became due and payable on the Maturity Date and that remains due and payable, as applicable, and, in each case, any interest accrued thereon (which, for the avoidance of doubt, shall include Default Interest) to the holders of Notes; and
 - (viii) eighth, in payment of the Residual Amount to the Issuer.
- (B) This General Condition 15(b)(B) shall apply where "Noteholder Priority" is specified to be applicable in the applicable Final Terms or Pricing Supplement.

Subject to and in accordance with the terms of the Note Security Documents, with effect from the date on which any valid Enforcement Notice is effectively delivered by the Trustee following the occurrence of an Enforcement Event, the Trustee will hold the Available Proceeds received by it

under the Trust Deed on trust to apply them as they stand on each Trustee Application Date as follows:

- (i) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities (if any) of the Trustee or any receiver in preparing and executing the trusts under the Trust Deed (including any taxes required to be paid, the cost of realising any Security and the Trustee's remuneration);
 - (ii) second, where a Credit Support Annex is applicable to the Notes pursuant to which the Note Swap Counterparty posts collateral and there has been an Early Termination Date, in meeting claims of the Note Swap Counterparty in respect of any payments then due to the Note Swap Counterparty in accordance with the Note Swap Agreement (if any) up to a total aggregate amount equal to the Credit Support Excess;
 - (iii) third, in payment or satisfaction of any Disposal Agent Fees incurred in respect of any Liquidation prior to such Trustee Application Date and which have not already been paid to the Disposal Agent pursuant to General Condition 15(a) (*Application of Available Proceeds of Liquidation*);
 - (iv) fourth, *pari passu*, in payment of (A) any amounts owing to the Custodian for reimbursement in respect of payments properly made by it in accordance with the terms of the Custody Agreement relating to sums receivable on or in respect of the relevant Collateral and (B) any amounts owing to the Issuing and Paying Agent for reimbursement in respect of payments properly made by it in accordance with the terms of the Agency Agreement to any person in discharge of a Secured Payment Obligation;
 - (v) fifth, *pari passu*, in payment of any fees, costs, charges, expenses and liabilities (if any) then due and payable to the Custodian under the Custody Agreement and the Paying Agents, the Calculation Agent, the Registrar and the Transfer Agent under the Agency Agreement;
 - (vi) sixth, *pari passu*, in payment of:
 - (A) any amounts owing to the Note Swap Counterparty under the Note Swap Agreement other than the Note Swap Subordinated Amounts;
 - (B) any amounts owing to the Note Repo Counterparty under the Note Repo Agreement other than the Note Repo Subordinated Amounts;
 - (vii) seventh, in payment of (i) any Early Redemption Amount then due and payable, (ii) any Final Redemption Amount then due and payable and/or (iii) any interest or Instalment Amount that became due and payable on the Maturity Date and that remains due and payable, as applicable, and, in each case, any interest accrued thereon (which, for the avoidance of doubt, shall include Default Interest) to the holders of Notes;
 - (viii) eighth, *pari passu*, in payment of (A) Note Swap Subordinated Amounts payable to the Note Swap Counterparty under the Note Swap Agreement and (B) Note Repo Subordinated Amounts payable to the Note Repo Counterparty under the Note Repo Agreement; and
 - (ix) ninth, in payment of the Residual Amount to the Issuer.
- (C) Any Secured Creditor that has a claim in respect of more than one Secured Payment Obligation may rank differently in respect of each Secured Payment Obligation.

No provision of the Notes or any Note Transaction Document shall:

- (i) confer on the Trustee any right to exercise any investment discretion in relation to the assets subject to the trusts constituted by the Trust Deed and, to the extent permitted by law, Section 3 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to the trusts constituted by the Trust Deed; and
- (ii) require the Trustee to do anything which may cause the Trustee to be considered a sponsor of a covered fund under Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any regulations promulgated thereunder.

If, following a Liquidation Event or an Enforcement Event, the available cash sums pursuant to General Condition 15(a) (*Application of Available Proceeds of Liquidation*) or 15(b) (*Application of Available Proceeds of Enforcement of Security*) or assets available for delivery, as the case may be, are insufficient for the holders of Notes to receive payment in full of (A) any Early Redemption Amount that has become due and payable or deliverable, (B) any Final Redemption Amount that has become due and payable or deliverable and/or (C) any interest or Instalment Amount that has become due and payable on the Maturity Date, as applicable, and, in each case, any interest accrued thereon, the holders of Notes will receive an amount which is less than any such amount, and the provisions of General Condition 18 (*Limited Recourse and Non-Petition*) will apply.

- (c) **Foreign Exchange Conversion:** To the extent that any proceeds payable to any party pursuant to this General Condition 15 are not in the Specified Currency, then such proceeds shall be converted at such rate or rates, in accordance with such method and as at such date as may reasonably be specified by the Disposal Agent (prior to the Trustee enforcing the Security pursuant to the Note Security Documents and as described in General Condition 14 (*Enforcement of Security*)) or the Trustee (following the Trustee enforcing the Security pursuant to the Note Security Documents and as described in General Condition 14 (*Enforcement of Security*)), but having regard to current rates of exchange, if available. Any rate, method and date so specified shall be binding on the Issuer, the Noteholders, the Couponholders, the Note Swap Counterparty, the Note Repo Counterparty and the Custodian.
- (d) **Note Swap Counterparty or Note Repo Counterparty failure to pay after Maturity:** If, on or after the day falling five Reference Business Days after the Maturity Date of the Notes (such fifth Reference Business Day, the “**Maturity Cut-off Date**”):
 - (i) there are amounts that have become payable under the Note Swap Agreement by the Note Swap Counterparty and/or under the Note Repo Agreement by the Note Repo Counterparty and which remain unpaid as at the Maturity Cut-off Date or there are obligations that were required to be settled by delivery from the Note Swap Counterparty and/or the Note Repo Counterparty to the Issuer on or prior to the Maturity Date and which have not been so settled as at the Maturity Cut-off Date;
 - (ii) no Early Termination Date has already been designated, deemed to be designated or occurred under the Note Swap Agreement and/or the Note Repo Agreement; and
 - (iii) no Early Redemption Trigger Date or Early Redemption Date has occurred under any other Condition,

then the Issuer shall, as soon as is practicable after becoming aware of the same, notify the Noteholders in accordance with General Condition 23 (*Notices*) and the Trustee in writing of the same. Following delivery of such notice from the Issuer, the Issuer shall, if so directed either by (i) an Extraordinary Resolution of the Noteholders or (ii) a Direction in Writing, exercise its right to designate an Early Termination Date in respect of all outstanding Note Swap Transactions under

the Note Swap Agreement and/or all outstanding Note Repo Transactions under the Note Repo Agreement.

16 Enforcement

- (a) **Notes:** Subject always to the terms of the Trust Deed, only the Trustee may pursue the remedies available under the Trust Deed as it may think fit to enforce the rights of the Secured Creditors under the Trust Deed, any other Note Security Document and the Conditions and none of the Noteholders, the Couponholders, any Secured Creditor or any Note Transaction Party shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails to do so within a reasonable period and such failure is continuing. In respect of any failure by the Issuer to make payment of the Final Redemption Amount and/or any interest or Instalment Amount that became due and payable on the Maturity Date, no Secured Creditor or any Noteholder may direct the Trustee to pursue any remedies against the Issuer for any breach by the Issuer of the terms of the Trust Deed, the Notes or the Coupons until after the Relevant Payment Date and the Trustee shall incur no liability to any person for any loss which may arise from such delay.
- (b) **Security:** Only the Trustee may enforce the Security over the Mortgaged Property in accordance with, and subject to the terms of, the Trust Deed.
- (c) **Indemnity and/or Security:** The Trustee shall in no circumstances be obliged to take any action, step or proceeding whether pursuant to the Trust Deed, any other Note Security Document or otherwise without first being indemnified and/or secured to its satisfaction.

17 Alternative Currency Equivalent Provisions

Where "Alternative Currency Equivalent" is specified in the applicable Final Terms or Pricing Supplement as being applicable, if, by reason of a Scheduled Payment Currency Disruption Event, the Swap Calculation Agent has determined that it would be commercially impracticable for the Note Swap Counterparty to satisfy any payment obligation under the Note Swap Agreement when due in the Scheduled Payment Currency, then the Issuer's obligation to make any payment under the Notes in the Scheduled Payment Currency will:

- (a) if the Note Swap Counterparty's obligation under the Note Swap Agreement has been postponed, be postponed by the same amount of time, in which case the relevant payment will be due on the date as so postponed, without any interest or other sum payable in respect of the postponement of the payment of such amount;
- (b) if the Note Swap Counterparty's obligation under the Note Swap Agreement has been replaced by an obligation to make payment in the Alternative Currency, be replaced by an obligation to make payment of the Alternative Currency Equivalent of such payment, in which case the Issuer will settle any such obligation by payment of the relevant Alternative Currency Equivalent on the due date for payment; or
- (c) if the Note Swap Counterparty's obligation under the Note Swap Agreement has been postponed to the Postponed Payment Date and replaced by an obligation to make payment in the Alternative Currency, be postponed by the same amount of time and replaced by an obligation to make payment of the Alternative Currency Equivalent of such payment, in which case the Issuer will settle any such obligation by payment of the relevant Alternative Currency Equivalent on the date as so postponed, without any interest or other sum payable in respect of the postponement of the payment of such amount.

For the avoidance of doubt, if the Note Swap Counterparty elects to terminate the Note Swap Agreement, the Notes shall redeem in accordance with General Condition 7(f) (*Redemption for Termination of Note Swap Agreement*).

Any payment made by the Issuer in the Alternative Currency under such circumstances will constitute valid payment, and will not constitute a default under the Notes.

18 Limited Recourse and Non-Petition

- (a) **General Limited Recourse:** In respect of the Notes, the Note Transaction Parties, the Noteholders and the Couponholders shall have recourse only to the Mortgaged Property, subject always to the Security, and not to any other assets of the Issuer. If, after (i) the Mortgaged Property is exhausted (whether following Liquidation or enforcement of the Security) and (ii) application of the Available Proceeds as provided in General Condition 15 (*Application of Available Proceeds*), any outstanding claim, debt or liability against the Issuer in relation to the Notes or any Note Transaction Documents relating to the Notes remains unpaid, then such outstanding claim, debt or liability, as the case may be, shall be extinguished and no debt shall be owed by the Issuer in respect thereof. Following extinguishment in accordance with this General Condition 18(a), none of the Note Transaction Parties, the Noteholders, the Couponholders or any other person acting on behalf of any of them shall be entitled to take any further steps against the Issuer or any of its officers, shareholders, members, incorporators, corporate service providers or directors to recover any further sum in respect of the extinguished claim, debt or liability and the Issuer shall have no obligation to any such persons in respect of such further sum.
- (b) **Non-Petition:** None of the Note Transaction Parties (save for the Trustee who may lodge a claim in the liquidation of the Issuer which is initiated by another party or take proceedings to obtain a declaration or judgment as to the obligations of the Issuer), the Noteholders, the Couponholders or any other person acting on behalf of any of them may, at any time, institute, or join with any other person in bringing, instituting or joining, insolvency, administration, bankruptcy, winding-up, examinership or any other similar proceedings (whether court-based or otherwise) in relation to the Issuer or any of its officers, shareholders, members, incorporators, corporate service providers or directors or any of its assets, and none of them shall have any claim arising with respect to the assets or property attributable to any other notes issued by the Issuer (save for any further notes which form a single series with the Notes) or Other Obligations of the Issuer.
- (c) **Survival:** The provisions of this General Condition 18 shall survive notwithstanding any redemption of the Notes or the termination or expiration of any Note Transaction Document.

19 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

20 Meetings of Noteholders, Modification, Waiver and Substitution

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of the Conditions or any provisions of the Trust Deed and give any authority, direction or sanction required by, *inter alia*, General Condition 4 (*Security*), 7 (*Redemption and Purchase*), 10 (*Agents*), 12 (*Events of Default*), 14 (*Enforcement of Security*), 15 (*Application of Available Proceeds*) or 22 (*Further Issues*) to be given by Extraordinary Resolution. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being

outstanding, or as provided in General Conditions 7(c) (*Redemption upon Initial Collateral Default*) and 7(h) (*Redemption for Counterparty Bankruptcy Event*). The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of a Basic Terms Modification in which case the necessary quorum ("**Special Quorum**") shall be two 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 Notes for the time being outstanding in accordance with the Trust Deed. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at or participated in the meeting at which such resolution was passed) and on the holders of Coupons, Receipts and Talons.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes then outstanding (a Written Resolution, as defined in the Trust Deed) shall for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the Special Quorum was satisfied) take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a Written Resolution may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. Such a Written Resolution will be binding on all Noteholders and holders of Coupons, Talons and Receipts whether or not they participated in such Written Resolution.

The Trust Deed contains provisions for convening a single meeting of the holders of the Notes and the holders of notes of other specified series in certain circumstances where the Trustee so decides.

- (b) **Modification of the Conditions and/or any Note Transaction Document:** The Trustee may agree, without the consent of the Noteholders or the Couponholders, to (i) any modification of any of the Conditions or any of the provisions of the Note Transaction Documents that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the Conditions or any of the provisions of the Note Transaction Documents that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. To the extent that any Agent is appointed or replaced pursuant to General Condition 10(b)(ii) (*Appointment of Calculation Agent*) and/or General Condition 10(c)(iii) (*Appointment of Disposal Agent*), the Issuer may make such amendments to the Conditions and/or the Transaction Documents as it determines necessary to reflect such appointment or replacement to which the Trustee shall agree without incurring any liability to any person for so doing, provided further that the Trustee shall have no obligation to agree to any such amendments or to such replacement if any such proposed amendments create or impose any additional obligations or duties on the Trustee, expose the Trustee to any liabilities or exposure or seek to reduce or affect the protective provisions available to the Trustee in any way. Any such modification, authorisation or waiver as is made or given under this General Condition 20(b) shall be binding on the Noteholders and the Couponholders and such modification shall be notified to the Noteholders as soon as is practicable. The Issuer shall notify Moody's, if Moody's is then rating the outstanding Notes at the request of the Issuer of any modification made by it in accordance with this General Condition 20(b).
- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, without the consent of the Noteholders or the Couponholders but subject to the prior written consent of the

Note Swap Counterparty and the Note Repo Counterparty, to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes, the Receipts, the Coupons and the Talons, as applicable. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Receipts, the Coupons, the Talons and/or the Trust Deed and/or any other Note Transaction Document provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this General Condition 20) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders 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 otherwise to the tax consequences thereof, and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders. In determining whether or not a proposed action will be materially prejudicial to the Noteholders, the Trustee may have regard to, among other things, whether or not a Rating Agency Affirmation is received.

21 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the Specified Office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with General Condition 23 (*Notices*), in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note, Certificate, Receipt, Coupon or Talon) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

22 Further Issues

The Issuer may from time to time without the consent of the Noteholders or the Couponholders but subject to General Condition 5 (*Restrictions*) create and issue further notes either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them, issue date, issue price and nominal amount) and so that such further issue shall be consolidated and form a single series with the Notes or upon such terms as the Issuer may determine at the time of their issue. Any such further notes shall only form a single series with the Notes (unless otherwise approved by an Extraordinary Resolution) if the Issuer provides additional assets (as security for such further notes) which are fungible with, and have the same proportionate composition as, those forming part of the Mortgaged Property for the Notes and in the same proportion as the proportion that the nominal amount of such new notes bears to the Notes and/or the Issuer enters into an additional or supplemental Note Swap Agreement and/or Note Repo Agreement extending the terms of any existing Note Swap Agreement and/or Note Repo Agreement to the new notes on terms no less favourable than such existing documents and agreements, as applicable. Any new notes forming a single series with the Notes shall be constituted and secured by a deed supplemental to the Trust Deed, such further security

shall be added to the Mortgaged Property so that the new notes and the existing Notes shall be secured by the same Mortgaged Property and references in the Conditions to **“Notes”**, **“Collateral”**, **“Mortgaged Property”**, the **“Note Swap Agreement”**, **“Note Repo Agreement”**, **“Secured Payment Obligations”** and **“Secured Creditor”** shall be construed accordingly.

23 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and any notice shall be deemed to have been given on the day it is delivered in the case of recorded delivery and three days (excluding Saturdays and Sundays) in the case of inland post or seven days (excluding Saturdays and Sundays) in the case of overseas post after despatch or if earlier when delivered, save that for purposes only of determining any Early Redemption Trigger Date the relevant Early Redemption Notice shall be deemed to have been given on the date despatched. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Europe and so long as the Notes are listed on a stock exchange, published in accordance with the rules of such stock exchange. If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. 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.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this General Condition 23.

In addition, if and for so long as the Notes are listed on a stock exchange, all notices to holders of the Notes will be published in accordance with the rules of such stock exchange.

24 Indemnification and Obligations of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee, for its relief from responsibility including for the exercise of any voting rights in respect of the Collateral and for the validity, sufficiency and enforceability (which the Trustee has not investigated) of the Security created over the Mortgaged Property. The Trustee is not obliged or required to take any step, action or proceeding under the Trust Deed unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee and any Affiliate are entitled to enter into business transactions with the Issuer, any Collateral Obligor, Note Swap Counterparty or Note Repo Counterparty or any of their subsidiaries, holding or associated companies without accounting to the Noteholders or Couponholders for profit resulting therefrom.

The Trustee is exempted from liability with respect to any loss or theft or reduction in value of the Collateral, from any obligation to insure or to procure the insuring of the Collateral and from any claim arising from the fact that the Collateral will be held in safe custody by the Custodian or any custodian selected by the Trustee (in each case, if applicable). The Trustee is not responsible for monitoring or supervising the performance by any other person of its obligations to the Issuer and may assume these are being performed unless and until it has actual knowledge to the contrary.

The Trust Deed provides that in acting as Trustee under the Trust Deed the Trustee does not assume any duty or responsibility to the Note Swap Counterparty, the Note Repo Counterparty, the Custodian, the Disposal Agent or the Issuing and Paying Agent or any other Note Transaction Party (other than to pay to any of such parties any moneys received and repayable to it and to act in accordance with the provisions of General Conditions 4 (*Security*) and 15 (*Application of Available Proceeds*) and shall have regard solely to the interests of the Noteholders.

25 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 except and to the extent (if any) that the Notes expressly provide for such Act to apply to any of their terms.

26 Governing Law and Jurisdiction

- (a) **Governing Law:** The Trust Deed, the Notes, the Receipts, the Coupons and the Talons 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.
- (b) **Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (“**Proceedings**”) may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.
- (c) **Service of Process:** The Issuer has irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

B. COUPON PAYOUT CONDITIONS

The following terms and conditions (the “**Coupon Payout Conditions**”) shall apply as provided below.

All capitalised terms that are not defined in these Coupon Payout Conditions will have the meanings given to them in the General Conditions, the Rate Linked Asset Conditions (where the Notes are Rate Linked Notes) or the Inflation Linked Asset Conditions (where the Notes are Inflation Linked Notes).

In the case of any inconsistency between these Coupon Payout Conditions, the Inflation Linked Asset Conditions, the Rate Linked Assets Conditions and/or the General Conditions, these Coupon Payout Conditions will prevail.

In the case of any inconsistency between these Coupon Payout Conditions and the Credit Linked Asset Conditions, the Credit Linked Asset Conditions will prevail.

1 Structured Floating Rate Coupon

This Coupon Payout Condition 1 (the “**Structured Floating Rate Coupon Payout Conditions**”) shall apply to the Notes if the Interest Basis is “Structured Floating Rate Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Structure Floating Rate Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

1.1 Definitions

For the purposes of these Structured Floating Rate Coupon Payout Conditions, the following terms shall have the following meanings:

“**Cap**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage specified under the heading “Cap” in such table adjacent to the relevant Interest Accrual Period. If Cap is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Cap shall be infinity for such Interest Accrual Period.

“**Floating Rate of Interest**” means a rate calculated as follows:

$$\text{MIN}\{\text{MAX}[(\text{Leverage} \times \text{Relevant Rate}) + \text{Spread}, \text{Floor}], \text{Cap}\}.$$

“**Floor**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which shall be greater than zero) specified under the heading “Floor” in such table adjacent to the relevant Interest Accrual Period. If Floor is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Floor shall be zero for such Interest Accrual Period.

“**Leverage**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the value or percentage specified under the heading “Leverage” in such table adjacent to the relevant Interest Accrual Period. If Leverage is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Leverage shall be 100 per cent. or 1 (as the context may require) for such Interest Accrual Period.

“**MAX**” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“**MIN**” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“Relevant Rate” means, for each Interest Accrual Period, the ISDA Rate or Variable Rate specified as such under the section “Relevant Rate” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“Spread” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which may be positive or negative) specified under the heading “Spread” in such table adjacent to the relevant Interest Accrual Period. If Spread is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Spread shall be zero for such Interest Accrual Period.

1.2 Rate of Interest

The Rate of Interest applicable to the Notes in respect of any Interest Accrual Period to which the Structured Floating Rate Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) shall be the Floating Rate of Interest.

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

2 Spread Coupon

This Coupon Payout Condition 2 (the **“Spread Coupon Payout Conditions”**) shall apply to the Notes if the Interest Basis is “Spread Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Spread Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

2.1 Definitions

For the purposes of these Spread Coupon Payout Conditions, the following terms shall have the following meanings:

“Cap” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage specified under the heading “Cap” in such table adjacent to the relevant Interest Accrual Period. If Cap is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Cap shall be infinity for such Interest Accrual Period.

“Floor” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which shall be greater than zero) specified under the heading “Floor” in such table adjacent to the relevant Interest Accrual Period. If Floor is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Floor shall be zero for such Interest Accrual Period.

“Leverage” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the value or percentage specified under the heading “Leverage” in such table adjacent to the relevant Interest Accrual Period. If Leverage is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Leverage shall be 100 per cent. or 1 (as the context may require) for such Interest Accrual Period.

“MAX” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“**MIN**” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“**Relevant Rate₁**” means, for each Interest Accrual Period, the ISDA Rate specified as such under the section “Relevant Rate₁” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“**Relevant Rate₂**” means, for each Interest Accrual Period, the ISDA Rate specified as such under the section “Relevant Rate₂” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“**Spread**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (whether positive or negative) specified under the heading “Spread” in such table adjacent to the relevant Interest Accrual Period. If Spread is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Spread shall be zero for such Interest Accrual Period.

“**Variable Rate of Interest**” means a rate calculated as follows:

$$\text{MIN}\{\text{MAX}[(\text{Leverage} \times (\text{Relevant Rate}_1 - \text{Relevant Rate}_2) + \text{Spread}), \text{Floor}], \text{Cap}\}.$$

2.2 Rate of Interest

The Rate of Interest applicable to the Notes in respect of any Interest Accrual Period to which the Spread Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) shall be the Variable Rate of Interest.

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

3 Variable Rate Step-up/Step-down Coupon

This Coupon Payout Condition 3 (the “**Variable Rate Step-up/Step-down Coupon Payout Conditions**”) shall apply to the Notes if the Interest Basis is “Variable Rate Step-up/Step-down Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Variable Rate Step-up/Step-down Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

3.1 Definitions

For the purposes of these Variable Rate Step-up/Step-down Payout Conditions, the following terms shall have the following meanings:

“**Cap**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage specified under the heading “Cap” in such table adjacent to the relevant Interest Accrual Period. If Cap is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Cap shall be infinity for such Interest Accrual Period.

“**Floor**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which shall be greater than zero) specified under the heading “Floor” in such table adjacent to the relevant Interest Accrual Period. If Floor is specified to be not applicable in the applicable Final Terms or Pricing

Supplement in respect of any Interest Accrual Period, the Floor shall be zero for such Interest Accrual Period.

“**MAX**” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“**MIN**” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“**Relevant Rate**” means, for each Interest Accrual Period, the ISDA Rate or Variable Rate specified as such under the section “Relevant Rate” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“**Spread**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (whether positive or negative) specified under the heading “Spread” in such table adjacent to the relevant Interest Accrual Period. If Spread is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Spread shall be zero for such Interest Accrual Period.

“**Variable Rate of Interest**” means a rate calculated as follows:

$$\text{MIN}\{\text{MAX}[(\text{Relevant Rate} \pm \text{Spread}), \text{Floor}], \text{Cap}\}.$$

3.2 Rate of Interest

The Rate of Interest applicable to the Notes in respect of any Interest Accrual Period to which the Variable Rate Step-up/Step-down Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) shall be the Variable Rate of Interest.

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

4 Fixed Rate Step-up/Step-down Coupon

This Coupon Payout Condition 4 (the “**Fixed Rate Step-up/Step-down Coupon Payout Conditions**”) shall apply to the Notes if the Interest Basis is “Fixed Rate Step-up/Step-down Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Fixed Rate Step-up/Step-down Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

4.1 Rate of Interest

The Rate of Interest applicable to the Notes in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement to which the Fixed Rate Step-up/Step-down Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) shall be the rate per annum specified under the heading “Rate of Interest” in such table adjacent to the relevant Interest Accrual Period.

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

5 Fixed to Floating Coupon

This Coupon Payout Condition 5 (the “**Fixed to Floating Coupon Payout Conditions**”) shall apply to the Notes if the Interest Basis is “Fixed to Floating Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Fixed to Floating Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

5.1 Definitions

For the purposes of these Fixed to Floating Coupon Payout Conditions, the following terms shall have the following meanings:

“**Cap**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage specified under the heading “Cap” in such table adjacent to the relevant Interest Accrual Period. If Cap is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Cap shall be infinity for such Interest Accrual Period.

“**Coupon Flip Date**” means the date specified as such in the applicable Final Terms or Pricing Supplement.

“**Fixed Rate of Interest**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the “Fixed Rate Provisions” section of the applicable Final Terms or Pricing Supplement, the rate specified under the heading “Fixed Rate of Interest” in such table adjacent to the relevant Interest Accrual Period.

“**Floating Rate of Interest**” means a rate calculated as follows:

$$\text{MIN}\{\text{MAX}[(\text{Leverage} \times \text{Relevant Rate}) + \text{Spread}, \text{Floor}], \text{Cap}\}.$$

“**Floor**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which shall be greater than zero) specified under the heading “Floor” in such table adjacent to the relevant Interest Accrual Period. If Floor is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Floor shall be zero for such Interest Accrual Period.

“**Leverage**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the value or percentage specified under the heading “Leverage” in such table adjacent to the relevant Interest Accrual Period. If Leverage is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Leverage shall be 100 per cent. or 1 (as the context may require) for such Interest Accrual Period.

“**MAX**” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“**MIN**” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“**Relevant Rate**” means, for each Interest Accrual Period, the ISDA Rate or Variable Rate specified as such under the section “Relevant Rate” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“**Spread**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (whether

positive or negative) specified under the heading “Spread” in such table adjacent to the relevant Interest Accrual Period. If Spread is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Spread shall be zero for such Interest Accrual Period.

5.2 Rate of Interest

The Rate of Interest applicable to the Notes from time to time shall be:

- (i) for each Interest Accrual Period to which the Fixed to Floating Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) ending prior to the relevant Coupon Flip Date, the Fixed Rate of Interest in respect of such Interest Accrual Period; or
- (ii) for each Interest Accrual Period to which the Fixed to Floating Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) beginning on or after the relevant Coupon Flip Date, the Floating Rate of Interest in respect of such Interest Accrual Period.

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

6 Floating to Fixed Coupon

This Coupon Payout Condition 6 (the “**Floating to Fixed Coupon Payout Conditions**”) shall apply to the Notes if the Interest Basis is “Floating to Fixed Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Floating to Fixed Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

6.1 Definitions

For the purposes of these Floating to Fixed Coupon Payout Conditions, the following terms shall have the following meanings:

“**Cap**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage specified under the heading “Cap” in such table adjacent to the relevant Interest Accrual Period. If Cap is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Cap shall be infinity for such Interest Accrual Period.

“**Coupon Flip Date**” means the date specified as such in the applicable Final Terms or Pricing Supplement.

“**Fixed Rate of Interest**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the “Fixed Rate Provisions” section of the applicable Final Terms or Pricing Supplement, the rate specified under the heading “Fixed Rate of Interest” in such table adjacent to the relevant Interest Accrual Period.

“**Floating Rate of Interest**” means a rate calculated as follows:

$$\text{MIN}\{\text{MAX}[(\text{Leverage} \times \text{Relevant Rate}) + \text{Spread}, \text{Floor}], \text{Cap}\}.$$

“**Floor**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which shall be greater than zero) specified under the heading “Floor” in such table adjacent to the relevant Interest Accrual Period. If Floor is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Floor shall be zero for such Interest Accrual Period.

“Leverage” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the value or percentage specified under the heading “Leverage” in such table adjacent to the relevant Interest Accrual Period. If Leverage is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Leverage shall be 100 per cent. or 1 (as the context may require) for such Interest Accrual Period.

“MAX” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“MIN” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“Relevant Rate” means, for each Interest Accrual Period, the ISDA Rate or Variable Rate specified as such under the section “Relevant Rate” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“Spread” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the “Floating Rate Provisions” section of the applicable Final Terms or Pricing Supplement, the percentage (whether positive or negative) specified under the heading “Spread” in such table adjacent to the relevant Interest Accrual Period. If Spread is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Spread shall be zero for such Interest Accrual Period.

6.2 Rate of Interest

The Rate of Interest applicable to the Notes from time to time shall be:

- (i) for each Interest Accrual Period to which the Floating to Fixed Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) ending prior to the relevant Coupon Flip Date, the Floating Rate of Interest in respect of such Interest Accrual Period; or
- (ii) for each Interest Accrual Period to which the Floating to Fixed Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) beginning on or after the relevant Coupon Flip Date, the Fixed Rate of Interest in respect of such Interest Accrual Period.

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

7 Fixed to Floating Switchable Coupon

This Coupon Payout Condition 7 (the **“Fixed to Floating Switchable Coupon Payout Conditions”**) shall apply to the Notes if the Interest Basis is “Fixed to Floating Switchable Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Fixed to Floating Switchable Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

7.1 Definitions

For the purposes of these Fixed to Floating Switchable Coupon Payout Conditions, the following terms shall have the following meanings:

“Cap” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage specified under the heading “Cap” in such table adjacent to the relevant Interest Accrual Period. If Cap is specified to be

not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Cap shall be infinity for such Interest Accrual Period.

“Coupon Switch Date” means each date specified as such in the applicable Final Terms or Pricing Supplement.

“Fixed Rate of Interest” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the “Fixed Rate Provisions” section of the applicable Final Terms or Pricing Supplement, the rate specified under the heading “Fixed Rate of Interest” in such table adjacent to the relevant Interest Accrual Period.

“Floating Rate of Interest” means a rate calculated as follows:

$$\text{MIN}\{\text{MAX}[(\text{Leverage} \times \text{Relevant Rate}) + \text{Spread}, \text{Floor}], \text{Cap}\}.$$

“Floor” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which shall be greater than zero) specified under the heading “Floor” in such table adjacent to the relevant Interest Accrual Period. If Floor is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Floor shall be zero for such Interest Accrual Period.

“Issuer Switch Option” has the meaning given to it in Coupon Payout Condition 7.3 (*Issuer Switch Option*).

“Leverage” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the value or percentage specified under the heading “Leverage” in such table adjacent to the relevant Interest Accrual Period. If Leverage is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Leverage shall be 100 per cent. or 1 (as the context may require) for such Interest Accrual Period.

“MAX” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“MIN” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“Minimum Notice Period” means the period specified as such in the applicable Final Terms or Pricing Supplement.

“Relevant Rate” means, for each Interest Accrual Period, the ISDA Rate or Variable Rate specified as such under the section “Relevant Rate” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“Spread” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (whether positive or negative) specified under the heading “Spread” in such table adjacent to the relevant Interest Accrual Period. If Spread is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Spread shall be zero for such Interest Accrual Period.

7.2 Rate of Interest

The Rate of Interest applicable to the Notes from time to time shall be:

- (i) if the Issuer has exercised the Issuer Switch Option:

- (a) for each Interest Accrual Period to which the Fixed to Floating Switchable Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) ending prior to the relevant Coupon Switch Date, the Fixed Rate of Interest in respect of such Interest Accrual Period; or
 - (b) for each Interest Accrual Period to which the Fixed to Floating Switchable Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) beginning on or after the relevant Coupon Switch Date, the Floating Rate of Interest in respect of such Interest Accrual Period; or
- (ii) if the Issuer has not exercised the Issuer Switch Option, the Fixed Rate of Interest.

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

7.3 Issuer Switch Option

The Issuer has the option (the “**Issuer Switch Option**”) to change the Rate of Interest from the Fixed Rate of Interest to the Floating Rate of Interest on any Coupon Switch Date by giving notice to the Noteholders in accordance with General Condition 23 (*Notices*), provided that such notice is given prior to the commencement of the Minimum Notice Period immediately preceding such Coupon Switch Date. If the Issuer Switch Option is exercised, the Floating Rate of Interest shall be payable from and including the relevant Coupon Switch Date to but excluding the last Interest Payment Date and the Fixed Rate of Interest shall cease to be payable from and including the relevant Coupon Switch Date. For the avoidance of doubt, the Issuer Switch Option may only be exercised once.

8 Floating to Fixed Switchable Coupon

This Coupon Payout Condition 8 (the “**Floating to Fixed Switchable Coupon Payout Conditions**”) shall apply to the Notes if the Interest Basis is “Floating to Fixed Switchable Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Floating to Fixed Switchable Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

8.1 Definitions

For the purposes of these Floating to Fixed Switchable Coupon Payout Conditions, the following terms shall have the following meanings:

“**Cap**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage specified under the heading “Cap” in such table adjacent to the relevant Interest Accrual Period. If Cap is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Cap shall be infinity for such Interest Accrual Period.

“**Coupon Switch Date**” means each date specified as such in the applicable Final Terms or Pricing Supplement.

“**Fixed Rate of Interest**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the rate specified under the heading “Fixed Rate of Interest” in such table adjacent to the relevant Interest Accrual Period.

“**Floating Rate of Interest**” means a rate calculated as follows:

$$\text{MIN}\{\text{MAX}[(\text{Leverage} \times \text{Relevant Rate}) + \text{Spread}, \text{Floor}], \text{Cap}\}$$

“Floor” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which shall be greater than zero) specified under the heading “Floor” in such table adjacent to the relevant Interest Accrual Period. If Floor is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Floor shall be zero for such Interest Accrual Period.

“Issuer Switch Option” has the meaning given to it in Coupon Payout Condition 8.3 (*Issuer Switch Option*).

“Leverage” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the value or percentage specified under the heading “Leverage” in such table adjacent to the relevant Interest Accrual Period. If Leverage is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Leverage shall be 100 per cent. or 1 (as the context may require) for such Interest Accrual Period.

“MAX” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“MIN” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“Minimum Notice Period” means the period specified as such in the applicable Final Terms or Pricing Supplement.

“Relevant Rate” means, for each Interest Accrual Period, the ISDA Rate or Variable Rate specified as such under the section “Relevant Rate” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“Spread” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (whether positive or negative) specified under the heading “Spread” in such table adjacent to the relevant Interest Accrual Period. If Spread is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Spread shall be zero for such Interest Accrual Period.

8.2 Rate of Interest

The Rate of Interest applicable to the Notes from time to time shall be:

- (i) if the Issuer has exercised the Issuer Switch Option:
 - (a) for each Interest Accrual Period to which the Floating to Fixed Switchable Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) ending prior to the relevant Coupon Switch Date, the Floating Rate of Interest in respect of such Interest Accrual Period; or
 - (b) for each Interest Accrual Period to which the Floating to Fixed Switchable Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement) beginning on or after the relevant Coupon Switch Date, the Fixed Rate of Interest in respect of such Interest Accrual Period.
- (ii) if the Issuer has not exercised the Issuer Switch Option, the Floating Rate of Interest.

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

8.3 Issuer Switch Option

The Issuer has the option (the “**Issuer Switch Option**”) to change the Rate of Interest from the Floating Rate of Interest to the Fixed Rate of Interest on any Coupon Switch Date by giving notice to the Noteholders in accordance with General Condition 23 (*Notices*), provided that such notice is given prior to the commencement of the Minimum Notice Period immediately preceding such Coupon Switch Date. If the Issuer Switch Option is exercised, the Fixed Rate of Interest shall be payable from and including the relevant Coupon Switch Date to but excluding the last Interest Payment Date and the Floating Rate of Interest shall cease to be payable from and including the relevant Coupon Switch Date. For the avoidance of doubt, the Issuer Switch Option may only be exercised once.

9 Fixed Rate Range Accrual Coupon

This Coupon Payout Condition 9 (the “**Fixed Rate Range Accrual Coupon Payout Conditions**”) shall apply to the Notes if the Interest Basis is “Fixed Rate Range Accrual Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Fixed Rate Range Accrual Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

9.1 Definitions

For the purposes of these Fixed Rate Range Accrual Coupon Payout Conditions, the following terms shall have the following meanings:

“**Coupon Valuation Price**” means, in respect of any Range Accrual Observation Date, the Underlying Rate at the Range Accrual Observation Time on such Range Accrual Observation Date, provided that, in respect of any Range Accrual Observation Period, the Coupon Valuation Price for any Range Accrual Observation Date falling on or after the Range Accrual Observation Period Cut-Off Date in respect of such Range Accrual Observation Period shall be the Coupon Valuation Price in respect of such Range Accrual Observation Period Cut-Off Date.

“**Coupon Valuation Price**_(Initial)” means the Initial Underlying Rate (as defined in the Rate Linked Asset Conditions).

“**Initial Fixed Rate Interest Accrual Period**” means each Interest Accrual Period falling within the Initial Fixed Rate Period (if any).

“**Initial Fixed Rate of Interest**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the rate specified under the heading “Initial Fixed Rate of Interest” in such table adjacent to the relevant Interest Accrual Period.

“**Initial Fixed Rate Period**” means the period (if any) from and including the Initial Fixed Rate Period Start Date to but excluding the Initial Fixed Rate Period End Date.

“**Initial Fixed Rate Period Start Date**” means the date specified as such (if any) in the applicable Final Terms or Pricing Supplement.

“**Initial Fixed Rate Period End Date**” means the date specified as such (if any) in the applicable Final Terms or Pricing Supplement.

“**Lower Barrier**” means, in respect of each Underlying Rate and any Range Accrual Barrier Period specified under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement, the price, rate, level, percentage or other value (including, for the avoidance of

doubt, a percentage of the Coupon Valuation Price_(Initial)) specified under the heading “Lower Barrier” in such table adjacent to the relevant Range Accrual Barrier Period.

“**Lower Barrier Criterion**” means, in respect of any Range Accrual Observation Date:

- (i) if “**Excess**” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is higher than the Lower Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date; or
- (ii) if “**Excess/Equal**” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is higher than or equal to the Lower Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date.

“**n**” means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Lower Barrier Criterion with respect to the Lower Barrier and meets the Upper Barrier Criterion with respect to the Upper Barrier; provided that:

- (i) if the Lower Barrier Criterion is specified to be not applicable in the applicable Final Terms or Pricing Supplement, then “n” means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Upper Barrier Criterion with respect to the Upper Barrier only; or
- (ii) if the Upper Barrier Criterion is specified to be not applicable in the applicable Final Terms or Pricing Supplement, then “n” means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Lower Barrier Criterion with respect to the Lower Barrier only.

“**N**” means, in respect of a Range Accrual Observation Period, the total number of Range Accrual Observation Dates in such Range Accrual Observation Period. For the avoidance of doubt, if a Range Accrual Observation Date falls on more than one calendar day due to any adjustment pursuant to the definition of “Range Accrual Observation Date”, such Range Accrual Observation Date shall only be counted once for the purposes of calculating N.

“**Range Accrual Barrier Period**” means each period specified as such under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement.

“**Range Accrual Fixed Rate Interest Accrual Period**” means:

- (i) if an Initial Fixed Rate Period is specified in the applicable Final Terms or Pricing Supplement, each Interest Accrual Period falling outside of the Initial Fixed Rate Period; or
- (ii) if no Initial Fixed Rate Period is specified in the applicable Final Terms or Pricing Supplement, each Interest Accrual Period.

“**Range Accrual Fixed Rate of Interest**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the rate specified under the heading “Range Accrual Fixed Rate of Interest” in such table adjacent to the relevant Interest Accrual Period.

“**Range Accrual Observation Date**” means, in respect of each Range Accrual Observation Period, each date specified as such in the applicable Final Terms or Pricing Supplement in respect of such Range Accrual Observation Period, provided that if any Range Accrual Observation Date is not an Underlying Rate Business Day (as defined in the Rate Linked Asset Conditions) in respect of an Underlying Rate,

such Range Accrual Observation Date in respect of such Underlying Rate shall be deemed to be the immediately preceding Underlying Rate Business Day for such Underlying Rate.

Each Range Accrual Observation Date shall be an Observation Date for the purposes of the Rate Linked Asset Conditions.

“Range Accrual Observation Period” means, unless otherwise specified in the applicable Final Terms or Pricing Supplement, each Range Accrual Fixed Rate Interest Accrual Period.

“Range Accrual Observation Period Cut-Off Date” means, in respect of any Range Accrual Observation Period, the date specified as such in the applicable Final Terms or Pricing Supplement.

“Range Accrual Observation Time” means:

- (i) the time specified as such in the applicable Final Terms or Pricing Supplement, or if no time is specified, the time determined in accordance with the relevant definition of the Floating Rate Option in the 2006 ISDA Definitions; or
- (ii) if the time is specified as “Intraday” in the applicable Final Terms or Pricing Supplement, in respect of an Underlying Rate, all times in each Range Accrual Observation Date at which such Underlying Rate can be observed.

“Upper Barrier” means, in respect of each Underlying Rate and any Range Accrual Barrier Period specified under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement, the price, rate, level, percentage or other value (including, for the avoidance of doubt, a percentage of the Coupon Valuation Price_(Initial)) specified under the heading “Upper Barrier” in such table adjacent to the relevant Range Accrual Barrier Period.

“Upper Barrier Criterion” means, in respect of any Range Accrual Observation Date:

- (i) if “Less” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is lower than the Upper Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date; or
- (ii) if “Less/Equal” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is lower than or equal to the Upper Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date.

9.2 Rate of Interest

The Rate of Interest applicable to the Notes from time to time shall be:

- (i) for any Initial Fixed Rate Interest Accrual Period to which the Fixed Rate Range Accrual Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement), the Initial Fixed Rate of Interest in respect of such Initial Fixed Rate Interest Accrual Period; and
- (ii) for any Range Accrual Fixed Rate Interest Accrual Period to which the Fixed Rate Range Accrual Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement), the rate calculated as follows in respect of such Range Accrual Fixed Rate Interest Accrual Period:

$$\frac{n}{N} \times \text{Range Accrual Fixed Rate of Interest.}$$

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

10 Floating Rate Range Accrual Coupon

This Coupon Payout Condition 10 (the “**Floating Rate Range Accrual Coupon Payout Conditions**”) shall apply to the Notes if the Interest Basis is “Floating Rate Range Accrual Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Floating Rate Range Accrual Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

10.1 Definitions

For the purposes of these Floating Rate Range Accrual Coupon Payout Conditions, the following terms shall have the following meanings:

“**Cap**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage specified under the heading “Cap” in such table adjacent to the relevant Interest Accrual Period. If Cap is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Cap shall be infinity for such Interest Accrual Period.

“**Coupon Valuation Price**” means, in respect of any Range Accrual Observation Date, the Underlying Rate at the Range Accrual Observation Time on such Range Accrual Observation Date, provided that, in respect of any Range Accrual Observation Period, the Coupon Valuation Price for any Range Accrual Observation Date falling on or after the Range Accrual Observation Period Cut-Off Date in respect of such Range Accrual Observation Period shall be the Coupon Valuation Price in respect of such Range Accrual Observation Period Cut-Off Date.

“**Coupon Valuation Price**_(Initial)” means the Initial Underlying Rate.

“**Fixed Rate Interest Accrual Period**” means each Interest Accrual Period falling within the Fixed Rate Period (if any).

“**Fixed Rate of Interest**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the rate (if any) specified under the heading “Fixed Rate of Interest” in such table adjacent to the relevant Interest Accrual Period.

“**Fixed Rate Period**” means the period (if any) from but excluding the Fixed Rate Period Start Date to and including the Fixed Rate Period End Date.

“**Fixed Rate Period Start Date**” means the date specified as such (if any) in the applicable Final Terms or Pricing Supplement.

“**Fixed Rate Period End Date**” means the date specified as such (if any) in the applicable Final Terms or Pricing Supplement.

“**Floating Rate Interest Accrual Period**” means:

- (i) if a Fixed Rate Period is specified in the applicable Final Terms or Pricing Supplement, each Interest Accrual Period falling outside of the Fixed Rate Period; or
- (ii) if no Fixed Rate Period is specified in the applicable Final Terms or Pricing Supplement, each Interest Accrual Period.

“Floating Rate of Interest” means a rate calculated as follows:

$$\text{MIN}\{\text{MAX}[(\text{Leverage} \times \text{Relevant Rate}) + \text{Spread}, \text{Floor}], \text{Cap}\}.$$

“Floor” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which shall be greater than zero) specified under the heading “Floor” in such table adjacent to the relevant Interest Accrual Period. If Floor is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Floor shall be zero for such Interest Accrual Period.

“Leverage” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the value or percentage specified under the heading “Leverage” in such table adjacent to the relevant Interest Accrual Period. If Leverage is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Leverage shall be 100 per cent. or 1 (as the context may require) for such Interest Accrual Period.

“Lower Barrier” means, in respect of each Underlying Rate and any Range Accrual Barrier Period specified under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement, the price, rate, level, percentage or other value (including, for the avoidance of doubt, a percentage of the Coupon Valuation Price_(Initial)) specified under the heading “Lower Barrier” in such table adjacent to the relevant Range Accrual Barrier Period.

“Lower Barrier Criterion” means, in respect of any Range Accrual Observation Date:

- (i) if “Excess” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is higher than the Lower Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date; or
- (ii) if “Excess/Equal” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is higher than or equal to the Lower Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date.

“MAX” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“MIN” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“n” means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Lower Barrier Criterion with respect to the Lower Barrier and meets the Upper Barrier Criterion with respect to the Upper Barrier; provided that:

- (i) if the Lower Barrier Criterion is specified to be not applicable in the applicable Final Terms or Pricing Supplement, then “n” means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Upper Barrier Criterion with respect to the Upper Barrier only; or
- (ii) if the Upper Barrier Criterion is specified to be not applicable in the applicable Final Terms or Pricing Supplement, then “n” means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Lower Barrier Criterion with respect to the Lower Barrier only.

“N” means, in respect of a Range Accrual Observation Period, the total number of Range Accrual Observation Dates in such Range Accrual Observation Period. For the avoidance of doubt, if a Range Accrual Observation Date falls on more than one calendar day due to any adjustment pursuant to the definition of “Range Accrual Observation Date”, such Range Accrual Observation Date shall only be counted once for the purposes of calculating N.

“Range Accrual Barrier Period” means each period specified as such under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement.

“Range Accrual Observation Date” means, in respect of each Range Accrual Observation Period, each date specified as such in the applicable Final Terms or Pricing Supplement in respect of such Range Accrual Observation Period, provided that if any Range Accrual Observation Date is not an Underlying Rate Business Day (as defined in the Rate Linked Asset Conditions) in respect of an Underlying Rate, such Range Accrual Observation Date in respect of such Underlying Rate shall be deemed to be the immediately preceding Underlying Rate Business Day for such Underlying Rate.

Each Range Accrual Observation Date shall be an Observation Date for the purposes of the Rate Linked Asset Conditions.

“Range Accrual Observation Period” means, unless otherwise specified in the applicable Final Terms or Pricing Supplement, each Floating Rate Interest Accrual Period.

“Range Accrual Observation Period Cut-Off Date” means, in respect of any Range Accrual Observation Period, the date specified as such in the applicable Final Terms or Pricing Supplement.

“Range Accrual Observation Time” means:

- (i) the time specified as such in the applicable Final Terms or Pricing Supplement, or if no time is specified, the time determined in accordance with the relevant definition of the Floating Rate Option in the 2006 ISDA Definitions; or
- (ii) if the time is specified as “Intraday” in the applicable Final Terms or Pricing Supplement, in respect of an Underlying Rate, all times in each Range Accrual Observation Date at which such Underlying Rate can be observed.

“Relevant Rate” means, for each Interest Accrual Period, the ISDA Rate or Variable Rate specified as such under the section “Relevant Rate” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“Spread” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (whether positive or negative) specified under the heading “Spread” in such table adjacent to the relevant Interest Accrual Period. If Spread is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Spread shall be zero for such Interest Accrual Period.

“Upper Barrier” means, in respect of each Underlying Rate and any Range Accrual Barrier Period specified under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement, the price, rate, level, percentage or other value (including, for the avoidance of doubt, a percentage of the Coupon Valuation Price_(Initial)) specified under the heading “Upper Barrier” in such table adjacent to the relevant Range Accrual Barrier Period.

“Upper Barrier Criterion” means, in respect of any Range Accrual Observation Date:

- (i) if “Less” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is lower than the Upper Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date; or
- (ii) if “Less/Equal” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is lower than or equal to the Upper Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date.

10.2 Rate of Interest

The Rate of Interest applicable to the Notes from time to time shall be:

- (i) for any Fixed Rate Interest Accrual Period to which the Floating Rate Range Accrual Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement), the Fixed Rate of Interest in respect of such Fixed Rate Interest Accrual Period; and
- (ii) for any Floating Rate Interest Accrual Period to which the Floating Rate Range Accrual Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement), the rate calculated as follows in respect of such Floating Rate Interest Accrual Period:

$$\frac{n}{N} \times \text{Floating Rate of Interest}.$$

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

11 Fixed Rate Spread Range Accrual Coupon

This Coupon Payout Condition 11 (the “**Fixed Rate Spread Range Accrual Coupon Payout Conditions**”) shall apply to the Notes if the Interest Basis is “Fixed Rate Spread Range Accrual Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Fixed Rate Spread Range Accrual Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

11.1 Definitions

For the purposes of these Fixed Rate Spread Range Accrual Coupon Payout Conditions, the following terms shall have the following meanings:

“**Coupon Valuation Price**” means, in respect of any Range Accrual Observation Date, the Underlying Rate at the Range Accrual Observation Time on such Range Accrual Observation Date, provided that, in respect of any Range Accrual Observation Period, the Coupon Valuation Price for any Range Accrual Observation Date falling on or after the Range Accrual Observation Period Cut-Off Date in respect of such Range Accrual Observation Period shall be the Coupon Valuation Price in respect of such Range Accrual Observation Period Cut-Off Date.

“**Coupon Valuation Price_(Initial)**” means the Initial Underlying Rate (as defined in the Rate Linked Asset Conditions).

“**Initial Fixed Rate Interest Accrual Period**” means each Interest Accrual Period falling within the Initial Fixed Rate Period (if any).

“**Initial Fixed Rate of Interest**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the rate specified under the heading “Initial Fixed Rate of Interest” in such table adjacent to the relevant Interest Accrual Period.

“**Initial Fixed Rate Period**” means the period (if any) from and including the Initial Fixed Rate Period Start Date to but excluding the Initial Fixed Rate Period End Date.

“Initial Fixed Rate Period Start Date” means the date specified as such (if any) in the applicable Final Terms or Pricing Supplement.

“Initial Fixed Rate Period End Date” means the date specified as such (if any) in the applicable Final Terms or Pricing Supplement.

“Lower Barrier” means, in respect of each Underlying Rate and any Range Accrual Barrier Period specified under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement, the price, rate, level, percentage or other value (including, for the avoidance of doubt, a percentage of the Coupon Valuation Price_(Initial)) specified under the heading “Lower Barrier” in such table adjacent to the relevant Range Accrual Barrier Period.

“Lower Barrier Criterion” means, in respect of any Range Accrual Observation Date:

- (i) if **“Excess”** is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is higher than the Lower Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date; or
- (ii) if **“Excess/Equal”** is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is higher than or equal to the Lower Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date.

“n” means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Lower Barrier Criterion with respect to the Lower Barrier and meets the Upper Barrier Criterion with respect to the Upper Barrier; provided that:

- (i) if the Lower Barrier Criterion is specified to be not applicable in the applicable Final Terms or Pricing Supplement, then **“n”** means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Upper Barrier Criterion with respect to the Upper Barrier only; or
- (ii) if the Upper Barrier Criterion is specified to be not applicable in the applicable Final Terms or Pricing Supplement, then **“n”** means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Lower Barrier Criterion with respect to the Lower Barrier only.

“N” means, in respect of a Range Accrual Observation Period, the total number of Range Accrual Observation Dates in such Range Accrual Observation Period. For the avoidance of doubt, if a Range Accrual Observation Date falls on more than one calendar day due to any adjustment pursuant to the definition of “Range Accrual Observation Date”, such Range Accrual Observation Date shall only be counted once for the purposes of calculating N.

“Range Accrual Barrier Period” means each period specified as such under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement.

“Range Accrual Fixed Rate Interest Accrual Period” means:

- (i) if an Initial Fixed Rate Period is specified in the applicable Final Terms or Pricing Supplement, each Interest Accrual Period falling outside of the Initial Fixed Rate Period; or
- (ii) if no Initial Fixed Rate Period is specified in the applicable Final Terms or Pricing Supplement, each Interest Accrual Period.

“Range Accrual Fixed Rate of Interest” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, a rate calculated as follows:

$$\text{Relevant Rate}_1 - \text{Relevant Rate}_2.$$

“Range Accrual Observation Date” means, in respect of each Range Accrual Observation Period, each date specified as such in the applicable Final Terms or Pricing Supplement in respect of such Range Accrual Observation Period, provided that if any Range Accrual Observation Date is not an Underlying Rate Business Day (as defined in the Rate Linked Asset Conditions) in respect of an Underlying Rate, such Range Accrual Observation Date in respect of such Underlying Rate shall be deemed to be the immediately preceding Underlying Rate Business Day for such Underlying Rate.

Each Range Accrual Observation Date shall be an Observation Date for the purposes of the Rate Linked Asset Conditions.

“Range Accrual Observation Period” means, unless otherwise specified in the applicable Final Terms or Pricing Supplement, each Range Accrual Fixed Rate Interest Accrual Period.

“Range Accrual Observation Period Cut-Off Date” means, in respect of any Range Accrual Observation Period, the date specified as such in the applicable Final Terms or Pricing Supplement.

“Range Accrual Observation Time” means:

- (i) the time specified as such in the applicable Final Terms or Pricing Supplement, or if no time is specified, the time determined in accordance with the relevant definition of the Floating Rate Option in the 2006 ISDA Definitions; or
- (ii) if the time is specified as “Intraday” in the applicable Final Terms or Pricing Supplement, in respect of an Underlying Rate, all times in each Range Accrual Observation Date at which such Underlying Rate can be observed.

“Relevant Rate₁” means the rate specified as such under the heading “Relevant Rate₁” adjacent to the relevant Interest Accrual Period in the table in the applicable Final Terms or Pricing Supplement.

“Relevant Rate₂” means the rate specified as such under the heading “Relevant Rate₂” adjacent to the relevant Interest Accrual Period in the table in the applicable Final Terms or Pricing Supplement.

“Upper Barrier” means, in respect of each Underlying Rate and any Range Accrual Barrier Period specified under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement, the price, rate, level, percentage or other value (including, for the avoidance of doubt, a percentage of the Coupon Valuation Price_(Initial)) specified under the heading “Upper Barrier” in such table adjacent to the relevant Range Accrual Barrier Period.

“Upper Barrier Criterion” means, in respect of any Range Accrual Observation Date:

- (i) if “Less” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is lower than the Upper Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date; or
- (ii) if “Less/Equal” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is lower than or equal to the Upper Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date.

11.2 Rate of Interest

The Rate of Interest applicable to the Notes from time to time shall be:

- (i) for any Initial Fixed Rate Interest Accrual Period to which the Fixed Rate Spread Range Accrual Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement), the Initial Fixed Rate of Interest in respect of such Initial Fixed Rate Interest Accrual Period; and
- (ii) for any Range Accrual Fixed Rate Interest Accrual Period to which the Fixed Rate Spread Range Accrual Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement), the rate calculated as follows in respect of such Range Accrual Fixed Rate Interest Accrual Period:

$$\frac{n}{N} \times \text{Range Accrual Fixed Rate of Interest.}$$

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

12 Floating Rate Spread Range Accrual Coupon

This Coupon Payout Condition 12 (the “**Floating Rate Spread Range Accrual Coupon Payout Conditions**”) shall apply to the Notes if the Interest Basis is “Floating Rate Spread Range Accrual Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Floating Rate Spread Range Accrual Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

12.1 Definitions

For the purposes of these Floating Rate Spread Range Accrual Coupon Payout Conditions, the following terms shall have the following meanings:

“**Cap**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage specified under the heading “Cap” in such table adjacent to the relevant Interest Accrual Period. If Cap is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Cap shall be infinity for such Interest Accrual Period.

“**Coupon Valuation Price**” means, in respect of any Range Accrual Observation Date, the Underlying Rate at the Range Accrual Observation Time on such Range Accrual Observation Date, provided that, in respect of any Range Accrual Observation Period, the Coupon Valuation Price for any Range Accrual Observation Date falling on or after the Range Accrual Observation Period Cut-Off Date in respect of such Range Accrual Observation Period shall be the Coupon Valuation Price in respect of such Range Accrual Observation Period Cut-Off Date.

“**Coupon Valuation Price**_(Initial)” means the Initial Underlying Rate.

“**Fixed Rate Interest Accrual Period**” means each Interest Accrual Period falling within the Fixed Rate Period (if any).

“**Fixed Rate of Interest**” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the rate (if any) specified under the heading “Fixed Rate of Interest” in such table adjacent to the relevant Interest Accrual Period.

“**Fixed Rate Period**” means the period (if any) from but excluding the Fixed Rate Period Start Date to and including the Fixed Rate Period End Date.

“**Fixed Rate Period Start Date**” means the date specified as such (if any) in the applicable Final Terms or Pricing Supplement.

“Fixed Rate Period End Date” means the date specified as such (if any) in the applicable Final Terms or Pricing Supplement.

“Floating Rate Interest Accrual Period” means:

- (i) if a Fixed Rate Period is specified in the applicable Final Terms or Pricing Supplement, each Interest Accrual Period falling outside of the Fixed Rate Period; or
- (ii) if no Fixed Rate Period is specified in the applicable Final Terms or Pricing Supplement, each Interest Accrual Period.

“Floating Rate of Interest” means a rate calculated as follows:

$$\text{MIN}\{\text{MAX}[(\text{Leverage} \times (\text{Relevant Rate}_1 - \text{Relevant Rate}_2)) + \text{Spread}, \text{Floor}], \text{Cap}\}.$$

“Floor” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which shall be greater than zero) specified under the heading “Floor” in such table adjacent to the relevant Interest Accrual Period. If Floor is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Floor shall be zero for such Interest Accrual Period.

“Leverage” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the value or percentage specified under the heading “Leverage” in such table adjacent to the relevant Interest Accrual Period. If Leverage is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Leverage shall be 100 per cent. or 1 (as the context may require) for such Interest Accrual Period.

“Lower Barrier” means, in respect of each Underlying Rate and any Range Accrual Barrier Period specified under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement, the price, rate, level, percentage or other value (including, for the avoidance of doubt, a percentage of the Coupon Valuation Price_(Initial)) specified under the heading “Lower Barrier” in such table adjacent to the relevant Range Accrual Barrier Period.

“Lower Barrier Criterion” means, in respect of any Range Accrual Observation Date:

- (i) if “Excess” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is higher than the Lower Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date; or
- (ii) if “Excess/Equal” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is higher than or equal to the Lower Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date.

“MAX” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“MIN” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“n” means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Lower Barrier Criterion with respect to the Lower Barrier and meets the Upper Barrier Criterion with respect to the Upper Barrier; provided that:

- (i) if the Lower Barrier Criterion is specified to be not applicable in the applicable Final Terms or Pricing Supplement, then “n” means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Upper Barrier Criterion with respect to the Upper Barrier only; or
- (ii) if the Upper Barrier Criterion is specified to be not applicable in the applicable Final Terms or Pricing Supplement, then “n” means, in respect of a Range Accrual Observation Period, the number of Range Accrual Observation Dates in such Range Accrual Observation Period on which the Coupon Valuation Price meets the Lower Barrier Criterion with respect to the Lower Barrier only.

“N” means, in respect of a Range Accrual Observation Period, the total number of Range Accrual Observation Dates in such Range Accrual Observation Period. For the avoidance of doubt, if a Range Accrual Observation Date falls on more than one calendar day due to any adjustment pursuant to the definition of “Range Accrual Observation Date”, such Range Accrual Observation Date shall only be counted once for the purposes of calculating N.

“**Range Accrual Barrier Period**” means each period specified as such under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement.

“**Range Accrual Observation Date**” means, in respect of each Range Accrual Observation Period, each date specified as such in the applicable Final Terms or Pricing Supplement in respect of such Range Accrual Observation Period, provided that if any Range Accrual Observation Date is not an Underlying Rate Business Day (as defined in the Rate Linked Asset Conditions) in respect of an Underlying Rate, such Range Accrual Observation Date in respect of such Underlying Rate shall be deemed to be the immediately preceding Underlying Rate Business Day for such Underlying Rate.

Each Range Accrual Observation Date shall be an Observation Date for the purposes of the Rate Linked Asset Conditions.

“**Range Accrual Observation Period**” means, unless otherwise specified in the applicable Final Terms or Pricing Supplement, each Floating Rate Interest Accrual Period.

“**Range Accrual Observation Period Cut-Off Date**” means, in respect of any Range Accrual Observation Period, the date specified as such in the applicable Final Terms or Pricing Supplement.

“**Range Accrual Observation Time**” means:

- (i) the time specified as such in the applicable Final Terms or Pricing Supplement, or if no time is specified, the time determined in accordance with the relevant definition of the Floating Rate Option in the 2006 ISDA Definitions; or
- (ii) if the time is specified as “Intraday” in the applicable Final Terms or Pricing Supplement, in respect of an Underlying Rate, all times in each Range Accrual Observation Date at which such Underlying Rate can be observed.

“**Relevant Rate₁**” means, for each Interest Accrual Period, the ISDA Rate specified as such under the section “Relevant Rate₁” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“**Relevant Rate₂**” means, for each Interest Accrual Period, the ISDA Rate specified as such under the section “Relevant Rate₂” in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement and determined as if such rate were an “Underlying Rate” in accordance with the provisions of Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*).

“Spread” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (whether positive or negative) specified under the heading “Spread” in such table adjacent to the relevant Interest Accrual Period. If Spread is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Spread shall be zero for such Interest Accrual Period.

“Upper Barrier” means, in respect of each Underlying Rate and any Range Accrual Barrier Period specified under the heading “Range Accrual Barrier Period” in the table in the applicable Final Terms or Pricing Supplement, the price, rate, level, percentage or other value (including, for the avoidance of doubt, a percentage of the Coupon Valuation Price_(Initial)) specified under the heading “Upper Barrier” in such table adjacent to the relevant Range Accrual Barrier Period.

“Upper Barrier Criterion” means, in respect of any Range Accrual Observation Date:

- (i) if “Less” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is lower than the Upper Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date; or
- (ii) if “Less/Equal” is specified in the applicable Final Terms or Pricing Supplement, that the Coupon Valuation Price is lower than or equal to the Upper Barrier at all Range Accrual Observation Times on such Range Accrual Observation Date.

12.2 Rate of Interest

The Rate of Interest applicable to the Notes from time to time shall be:

- (i) for any Fixed Rate Interest Accrual Period to which the Floating Rate Spread Range Accrual Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement), the Fixed Rate of Interest in respect of such Fixed Rate Interest Accrual Period; and
- (ii) for any Floating Rate Interest Accrual Period to which the Floating Rate Spread Range Accrual Coupon Payout Conditions apply (as specified in the applicable Final Terms or Pricing Supplement), the rate calculated as follows in respect of such Floating Rate Interest Accrual Period:

$$\frac{n}{N} \times \text{Floating Rate of Interest}.$$

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

13 Inflation Linked Coupon

This Coupon Payout Condition 13 (the **“Inflation Linked Coupon Payout Conditions”**) shall apply to the Notes if the Interest Basis is “Inflation Linked Coupon” as specified in the applicable Final Terms or Pricing Supplement. These Inflation Linked Coupon Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

13.1 Definitions

For the purposes of these Inflation Linked Coupon Payout Conditions, the following terms shall have the following meanings:

“Cap” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage specified under the heading “Cap” in such table adjacent to the relevant Interest Accrual Period. If Cap is specified to be

not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Cap shall be infinity for such Interest Accrual Period.

“Floor” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the percentage (which shall be greater than zero) specified under the heading “Floor” in such table adjacent to the relevant Interest Accrual Period. If Floor is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Floor shall be zero for such Interest Accrual Period.

“Inflation Performance” means, in respect of Interest Payment Date_t, the percentage calculated as follows:

$$\frac{\text{Relevant Level}_t - \text{Relevant Level}_{t-1}}{\text{Relevant Level}_{t-1}}.$$

“Interest Payment Date_t” means the Specified Interest Payment Date specified in the table in the applicable Final Terms or Pricing Supplement which corresponds to the relevant value of t .

“Leverage” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the applicable Final Terms or Pricing Supplement, the value or percentage specified under the heading “Leverage” in such table adjacent to the relevant Interest Accrual Period. If Leverage is specified to be not applicable in the applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Leverage shall be 100 per cent. or 1 (as the context may require) for such Interest Accrual Period.

“MAX” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“MIN” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“Reference Month” has the meaning given to it in the Inflation Linked Asset Conditions.

“Reference Month_(Initial)” means the Reference Month specified as such in the applicable Final Terms or Pricing Supplement.

“Reference Month_t” means the Reference Month specified in the table in the applicable Final Terms or Pricing Supplement which corresponds to the relevant value of t .

“Reference Month_{t-1}” means the Reference Month specified in the table in the applicable Final Terms or Pricing Supplement which corresponds to the relevant value of $t - 1$. When $t = 1$, Reference Month_{t-1} shall be Reference Month_(Initial).

“Relevant Level_(Initial)” means, subject to the Inflation Linked Asset Conditions, the Relevant Level in respect of Reference Month_(Initial).

“Relevant Level_t” means, subject to the Inflation Linked Asset Conditions, the Relevant Level in respect of Reference Month_t.

“Relevant Level_{t-1}” means, subject to the Inflation Linked Asset Conditions, the Relevant Level in respect of Reference Month_{t-1}. When $t = 1$, Relevant Level_{t-1} shall be Relevant Level_(Initial).

“Spread” means, in respect of any Interest Accrual Period specified under the heading “Interest Accrual Period” in the table in the “Floating Rate Provisions” section of the applicable Final Terms or Pricing Supplement, the percentage (whether positive or negative) specified under the heading “Spread” in such table adjacent to the relevant Interest Accrual Period. If Spread is specified to be not applicable in the

applicable Final Terms or Pricing Supplement in respect of any Interest Accrual Period, the Spread shall be zero for such Interest Accrual Period.

“*t*” means an ascending series of unique positive integers starting from and including 0 (zero), each denoting one Reference Month or Interest Payment Date in chronological order.

13.2 Rate of Interest

The Rate of Interest applicable to the Notes in respect of Interest Payment Date_{*t*} shall be calculated as follows:

$$MIN\{MAX[(Leverage \times Inflation Performance) + Spread, Floor], Cap\}.$$

The Interest Amount shall be calculated in accordance with General Condition 6(c) (*Interest on Structured Coupon Payment Notes*).

C. REDEMPTION PAYOUT CONDITIONS

The following terms and conditions (the “**Redemption Payout Conditions**”) shall apply as provided below.

All capitalised terms that are not defined in these Redemption Payout Conditions will have the meanings given to them in the General Conditions or in the Inflation Linked Asset Conditions (where the Notes are Inflation Linked Notes).

In the case of any inconsistency between these Redemption Payout Conditions, the Inflation Linked Asset Conditions and/or the General Conditions, these Redemption Payout Conditions will prevail.

In the case of any inconsistency between these Redemption Payout Conditions and the Credit Linked Asset Conditions, the Credit Linked Asset Conditions will prevail.

1 Inflation Linked Redemption

This Redemption Payout Condition 1 (the “**Inflation Linked Redemption Payout Conditions**”) shall apply to the Notes if the Redemption/Payment Basis is “Inflation Linked Redemption” as specified in the applicable Final Terms or Pricing Supplement. These Inflation Linked Redemption Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

1.1 Definitions

For the purposes of these Inflation Linked Redemption Payout Conditions, the following terms shall have the following meanings:

“**Cap**” means the percentage specified as such in the applicable Final Terms or Pricing Supplement. If Cap is specified to be not applicable in the applicable Final Terms or Pricing Supplement, the Cap shall be infinity.

“**Floor**” means the percentage specified as such in the applicable Final Terms or Pricing Supplement. If Floor is specified to be not applicable in the applicable Final Terms or Pricing Supplement, the Floor shall be minus 100 per cent.

“**Inflation Performance**” means, the percentage calculated as follows:

$$\frac{\text{Relevant Level}_{(Final)} - \text{Strike Price}}{\text{Relevant Level}_{(Initial)}}.$$

“**Leverage**” means the value or percentage specified as such in the applicable Final Terms or Pricing Supplement. If Leverage is specified to be not applicable in the applicable Final Terms or Pricing Supplement, the Leverage shall be 100 per cent. or 1 (as the context may require).

“**MAX**” followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a comma inside those brackets.

“**MIN**” followed by a series of amounts inside brackets, means whichever is the lesser of the amounts separated by a comma inside those brackets.

“**Redemption Calculation Amount**” or “**RCA**” means the amount per Note specified as such in the applicable Final Terms or Pricing Supplement.

For the avoidance of doubt, the applicable Final Terms or Pricing Supplement may specify RCA as an amount denominated in a currency which is different from the Specified Currency.

“**Reference Month**” has the meaning given to it in the Inflation Linked Asset Conditions.

“**Reference Month**_(Final)” means the Reference Month specified as such in the applicable Final Terms or Pricing Supplement.

“**Reference Month**_(Initial)” means the Reference Month specified as such in the applicable Final Terms or Pricing Supplement.

“**Relevant Level**” has the meaning given to it in the Inflation Linked Asset Conditions.

“**Relevant Level**_(Final)” means, subject to the Inflation Linked Asset Conditions, the Relevant Level in respect of Reference Month_(Final).

“**Relevant Level**_(Initial)” means, subject to the Inflation Linked Asset Conditions, the Relevant Level in respect of Reference Month_(Initial).

“**Strike Price**” means the price, rate, level, percentage or any other value (including, for the avoidance of doubt, a percentage of the Relevant Level_(Initial)) specified as such in the applicable Final Terms or Pricing Supplement.

1.2 Final Redemption Amount

The Final Redemption Amount per Note shall be calculated as follows:

$$RCA \times \{100\% + \text{MIN}[\text{MAX}(\text{Leverage} \times \text{Inflation Performance}), \text{Floor}], \text{Cap}]\}.$$

2 Long-dated Collateral Redemption

This Redemption Payout Condition 2 (the “**Long-dated Collateral Redemption Payout Conditions**”) shall apply to the Notes if the Redemption/Payment Basis is “Long-dated Collateral Redemption” as specified in the applicable Final Terms or Pricing Supplement. These Long-dated Collateral Redemption Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

2.1 Definitions

For the purposes of these Long-dated Collateral Redemption Payout Conditions, the following term shall have the following meaning:

“**Disposal Proceeds**” means all cash sums derived from the Liquidation of the Initial Collateral for the Notes.

2.2 Final Redemption Amount

The Final Redemption Amount per Note shall be such Note’s *pro rata* share of an amount in the Specified Currency equal to the Disposal Proceeds.

2.3 Liquidation

For the purposes of these Long-dated Collateral Redemption Payout Conditions only:

- 2.3.1 the definition of “Liquidation Event” in the General Conditions shall be amended by inserting the following at the end thereof:

“;or

- (iii) if “Long-dated Collateral Redemption” is specified as the Redemption/Payment Basis in the applicable Final Terms or Pricing Supplement, the occurrence of the day falling five Reference Business Days prior to the Maturity Date.”;

- 2.3.2 a Liquidation Commencement Notice shall be deemed to be validly and effectively delivered and received on the day falling five Reference Business Days prior to the Maturity Date;
- 2.3.3 references in General Condition 13 (*Liquidation*) (and in the definitions of defined terms used therein) to the “Early Redemption Date” shall be construed as references to the “Maturity Date”; and
- 2.3.4 for the avoidance of doubt, General Condition 15 (*Application of Available Proceeds*) shall not apply in relation to a Liquidation pursuant to this Long-dated Collateral Redemption Payout Condition 2.

3 Long-dated Collateral and Swap Redemption

This Redemption Payout Condition 3 (the “**Long-dated Collateral and Swap Redemption Payout Conditions**”) shall apply to the Notes if the Redemption/Payment Basis is “Long-dated Collateral and Swap Redemption” as specified in the applicable Final Terms or Pricing Supplement. These Long-dated Collateral and Swap Redemption Payout Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement.

3.1 Definitions

For the purposes of these Long-dated Collateral and Swap Redemption Payout Conditions, the following terms shall have the following meanings:

“**Disposal Proceeds**” means all cash sums derived from the Liquidation of the Initial Collateral for the Notes.

“**Mandatory Termination Payment**” means the amount payable in respect of the termination of the relevant Note Swap Transaction (as determined pursuant to the Note Swap Agreement), being the present value as at the Maturity Date of:

- (i) payments equal to the future scheduled interest payments on the Initial Collateral (being payable to the Note Swap Counterparty); and
- (ii) the future scheduled payments equivalent to the yield-to-maturity of the Initial Collateral from, but excluding, the Maturity Date to, and including, the scheduled maturity date of the Initial Collateral (calculated as at the Issue Date) (being payable to the Issuer).

3.2 Final Redemption Amount

The Final Redemption Amount per Note shall be such Note’s *pro rata* share of an amount in the Specified Currency equal to:

- (iii) Disposal Proceeds;
- (iv) plus (if payable to the Issuer) or minus (if payable to the Note Swap Counterparty) the Mandatory Termination Payment.

3.3 Liquidation

For the purposes of these Long-dated Collateral and Swap Redemption Payout Conditions only:

- 3.3.1 the definition of “Liquidation Event” in the General Conditions shall be amended by inserting the following at the end thereof:

“;or

- (iii) if “Long-dated Collateral and Swap Redemption” is specified as the Redemption/Payment Basis in the applicable Final Terms or Pricing Supplement, the

occurrence of the day falling five Reference Business Days prior to the Maturity Date.”;

- 3.3.2 a Liquidation Commencement Notice shall be deemed to be validly and effectively delivered and received on the day falling five Reference Business Days prior to the Maturity Date;
- 3.3.3 references in General Condition 13 (*Liquidation*) (and in the definitions of defined terms used therein) to the “Early Redemption Date” shall be construed as references to the “Maturity Date”;
- 3.3.4 for the avoidance of doubt, General Condition 15 (*Application of Available Proceeds*) shall not apply in relation to a Liquidation pursuant to this Long-dated Collateral and Swap Redemption Payout Condition 3; and
- 3.3.5 the “Collateral” to be Liquidated shall be deemed to exclude any CSA Posted Collateral and Note Repo Posted Collateral, but include any securities equivalent to collateral posted by the Issuer pursuant to the Credit Support Annex and/or the Note Repo Agreement (provided that the settlement of any sale of such collateral shall not be until the Maturity Date when equivalent collateral is due to be delivered to the Issuer).

D. INFLATION LINKED ASSET CONDITIONS

The following are the conditions (the “**Inflation Linked Asset Conditions**”) that will apply to Inflation Linked Notes only. These Inflation Linked Asset Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement and any applicable Coupon Payout Conditions or Redemption Payout Conditions. In the case of any inconsistency between these Inflation Linked Asset Conditions and the General Conditions, these Inflation Linked Asset Conditions will prevail.

All capitalised terms that are not defined in these Inflation Linked Asset Conditions will have the meanings given to them in the General Conditions applicable to the Inflation Linked Notes. References in these Inflation Linked Asset Conditions to “Inflation Linked Notes” are to the Inflation Linked Notes of one Series only, not to all Inflation Linked Notes that may be issued under the Programme.

1 Inflation Index Delay and Disruption Event Provision

1.1 Delay of Publication of an Inflation Index

If the Relevant Level of an Inflation Index for a Reference Month which is relevant to the calculation of a payment under the Inflation Linked Notes has not been published or announced by the day that is five Business Days prior to an Interest Payment Date (where the Interest Basis is specified as “Inflation Linked Coupon” in the applicable Final Terms or Pricing Supplement, each an “**Inflation Linked Interest Note**”) or the Maturity Date (where the Redemption/Payment Basis is specified as “Inflation Linked Redemption” in the applicable Final Terms or Pricing Supplement, each an “**Inflation Linked Redemption Note**”) (each such date an “**Affected Payment Date**”), the Calculation Agent shall determine a “**Substitute Inflation Index Level**” by using the following methodology:

- (i) if applicable, the Calculation Agent will take the same action to determine the Substitute Inflation Index Level for the Affected Payment Date as that taken by the calculation agent pursuant to the terms and conditions of the Related Bond; or
- (ii) if (i) does not result in a Substitute Inflation Index Level for the Affected Payment Date for any reason, then the Calculation Agent shall determine the Substitute Inflation Index Level as follows:

$$\text{Substitute Inflation Index Level} = \text{Base Level} \times (\text{Latest Level} / \text{Reference Level})$$

Where:

“**Base Level**” means the level of the Inflation Index (excluding “flash estimates”) published or announced by the Inflation Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Inflation Index Level is being determined.

“**Latest Level**” means the latest level of the Inflation Index (excluding “flash estimates”) published or announced by the Inflation Index Sponsor prior to the month in respect of which the Substitute Inflation Index Level is being calculated.

“**Reference Level**” means the level of the Inflation Index (excluding “flash estimates”) published or announced by the Inflation Index Sponsor in respect of the month that is 12 calendar months prior to the month referred to in “Latest Level” above.

If a Relevant Level is published or announced at any time after the day that is five Business Days prior to the next Interest Payment Date (in the case of Inflation Linked Interest Notes) or the Maturity Date (in the case of Inflation Linked Redemption Notes), such Relevant Level will not be used in any calculations. The Substitute Inflation Index Level so determined pursuant to this section 1.1 will be the definitive level for the relevant Reference Month.

1.2 Cessation of Publication

If a level for an Inflation Index has not been published or announced for two consecutive months or the Inflation Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index, then the Calculation Agent shall determine a “**Successor Inflation Index**” (in lieu of any previously applicable Inflation Index) for the purposes of the Inflation Linked Notes by using the following methodology:

- (i) if at any time (other than after the designation by the Calculation Agent of a date for the early redemption of the Inflation Linked Notes pursuant to sub-section (v) below) a successor index has been designated by the calculation agent pursuant to the terms and conditions of the Related Bond, such successor Inflation Index shall be designated a “Successor Inflation Index” for the purposes of all subsequent Interest Payment Dates (in the case of Inflation Linked Interest Notes) or the Maturity Date (in the case of Inflation Linked Redemption Notes) in relation to the Inflation Linked Notes notwithstanding that any other Successor Inflation Index may previously have been determined under the other sub-sections of this section 1.2;
- (ii) if: (1) a Successor Inflation Index has not been determined under sub-section (i) above; (2) there has been no designation of a date for the early redemption of the Inflation Linked Notes by the Calculation Agent pursuant to sub-section (v) below; (3) a notice has been given or an announcement has been made by the Inflation Index Sponsor, specifying that the Inflation Index will be superseded by a replacement Inflation Index specified by the Inflation Index Sponsor; and (4) the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Inflation Index, then such replacement index shall be deemed to be the “Successor Inflation Index” for the purposes of the Inflation Linked Notes from the date that such replacement Inflation Index comes into effect;
- (iii) if a Successor Inflation Index has not been designated by the Calculation Agent under sub-section (i) or (ii) above (and there has been no designation of a date for the early redemption of the Inflation Linked Notes by the Calculation Agent pursuant to sub-section (v) below), the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Inflation Index should be. If at least four responses are received and, of those responses, three or more leading independent dealers state the same index, such index will be deemed the “Successor Inflation Index” for the purposes of the Inflation Linked Notes. If three responses are received, and two or more leading independent dealers state the same index, such index will be deemed the “Successor Inflation Index” for the purposes of the Inflation Linked Notes. If fewer than three responses are received, sub-section (iv) below shall apply;
- (iv) if no Successor Inflation Index has been determined under sub-section (i), (ii) or (iii) above by the fifth Business Day prior to the Affected Payment Date, the Calculation Agent will determine an appropriate alternative index for the Interest Payment Date (in the case of Inflation Linked Interest Notes) or the Maturity Date (in the case of Inflation Linked Redemption Notes) related to such Affected Payment Date, and such index will be deemed a “Successor Inflation Index”; or
- (v) if the Calculation Agent determines that there is no appropriate alternative index, the Issuer may, by notice to the Noteholders (copied to the Calculation Agent), in accordance with General Condition 23 (*Notices*), redeem or cancel all but not some only of the Inflation Linked Notes at the Early Redemption Amount.

1.3 Rebasing of Inflation Index

If the Calculation Agent determines that the Inflation Index has been or will be rebased at any time, the Inflation Index as so rebased (the “**Rebased Inflation Index**”) will be used for the purposes of

determining the level of an Inflation Index from the date of such rebasing; provided, however, that the Calculation Agent shall make such adjustments as are made by the calculation agent pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Inflation Index so that the Rebased Inflation Index levels reflect the same rate of inflation as the Inflation Index before it was rebased. If there is no Related Bond, the Calculation Agent shall make adjustments to the past levels of the Rebased Inflation Index so that the Rebased Inflation Index levels reflect the same rate of inflation as the Inflation Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Inflation Linked Notes.

1.4 Material Modification Prior to an Interest Payment Date or Maturity Date

If, on or prior to the day that is five Business Days before the next Interest Payment Date (in the case of Inflation Linked Interest Notes) or the Maturity Date (in the case of Inflation Linked Redemption Notes), the Inflation Index Sponsor announces that it will make a material change to the Inflation Index, the Calculation Agent shall make any such adjustments to the Inflation Index consistent with adjustments made to the Related Bond, or, if there is no Related Bond, only those adjustments necessary for the modified Inflation Index to continue as the Inflation Index.

1.5 Manifest Error in Publication

If, within 30 days of publication but no later than the day that is five Business Days prior to the next Interest Payment Date (in the case of Inflation Linked Interest Notes) or the Maturity Date (in the case of Inflation Linked Redemption Notes), the Calculation Agent determines that the Inflation Index Sponsor has corrected the level of the Inflation Index to remedy a manifest error in its original publication, the Calculation Agent will notify the Issuer and the Noteholders, in accordance with General Condition 23 (*Notices*), of (i) that correction and (ii) any amount that may be payable (or deductible) as a result of that correction, and take such other action as it may deem necessary to give effect to such correction.

Where an additional amount is payable by the Issuer to the Noteholders pursuant to (ii) above, it shall be paid (with no interest accruing thereon):

- (a) in connection with an Inflation Index Sponsor's correction to remedy a manifest error in the level of an Inflation Index for a Reference Month for which the Interest Payment Date (in the case of Inflation Linked Interest Notes) or Maturity Date (in the case of Inflation Linked Redemption Notes) has occurred, within five Business Days after notice of such amount payable by the Calculation Agent;
- (b) in connection with an Inflation Index Sponsor's correction to remedy a manifest error in the level of an Inflation Index for a Reference Month for which the Interest Payment Date (in the case of Inflation Linked Interest Notes) or Maturity Date (in the case of Inflation Linked Redemption Notes) has not occurred, as an adjustment to the payment obligation on the next Interest Payment Date (in the case of Inflation Linked Interest Notes) or Maturity Date (in the case of Inflation Linked Redemption Notes); or
- (c) if there is no further Interest Payment Date (in the case of Inflation Linked Interest Notes) or Maturity Date (in the case of Inflation Linked Redemption Notes), within five Business Days after notice of such amount payable by the Calculation Agent.

If, as a result of any such correction, it is determined that any amount(s) paid to Noteholders was too high, an adjustment shall be made by way of deduction to the payment obligation on the following Interest Payment Date (and each subsequent Interest Payment Date until the amount of the overpayment has been deducted in full) and if there is no further Interest Payment Date, the Maturity Date.

2 Definitions

“2008 ISDA Inflation Derivatives Definitions” means the 2008 ISDA Inflation Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc., and in respect of the Notes, as amended and supplemented up to and including the Issue Date of the first Tranche of the Notes.

“Fallback Bond” means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the Inflation Index relates and which pays a coupon or redemption amount which is calculated by reference to the Inflation Index, with a maturity date (i) which falls on the same day as the Maturity Date, (ii) which is after but falling closest to the Maturity Date if there is no such bond maturing on the Maturity Date or (iii) which is before but falling closest to the Maturity Date if no bond defined in (i) or (ii) is selected by the Calculation Agent. If the Inflation Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation linked bonds issued on or before the Issue Date of the Inflation Linked Notes. If there is more than one bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems, the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

“Index Descriptions” has the meaning given to it in the 2008 ISDA Inflation Derivatives Definitions.

“Inflation Index” means, subject to adjustment in accordance with these Inflation Linked Asset Conditions, the index specified as such in the applicable Final Terms or Pricing Supplement (whether using the Index Descriptions or otherwise) and related expressions shall be construed accordingly.

“Inflation Index Sponsor” means the Inflation Index sponsor specified for such Inflation Index in the applicable Final Terms or Pricing Supplement and any successor Inflation Index sponsor of such Inflation Index.

“Reference Item” means each Inflation Index specified as such in the applicable Final Terms or Pricing Supplement.

“Reference Month” means each month specified in the applicable Final Terms or Pricing Supplement, or, if none, the calendar month for which the level of the Inflation Index was reported, regardless of when this information is published or announced. If the period for which the Inflation Index level was reported is a period other than a month, the Reference Month is the period for which the Inflation Index level was reported.

“Related Bond” means the bond specified as such in the applicable Final Terms or Pricing Supplement or, if Related Bond is specified in the applicable Final Terms or Pricing Supplement to be not applicable, the Fallback Bond shall be deemed to be the Related Bond. If no bond is specified as the Related Bond and “Fallback Bond: Not applicable” is specified in the applicable Final Terms or Pricing Supplement, there will be no Related Bond for the purposes of these Inflation Linked Asset Conditions. If a bond is specified to be the Related Bond in the applicable Final Terms or Pricing Supplement and such bond redeems or matures during the term of the Inflation Linked Notes, the Fallback Bond shall be deemed to be the Related Bond, unless “Fallback Bond: Not applicable” is specified in the applicable Final Terms or Pricing Supplement.

“Relevant Level” means, in respect of an Inflation Index and a Reference Month, the level of such Inflation Index in respect of such Reference Month as published by the Inflation Index Sponsor.

E. RATE LINKED ASSET CONDITIONS

The following are the conditions (the “**Rate Linked Asset Conditions**”) that will apply to Rate Linked Notes only. These Rate Linked Asset Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement and any applicable Coupon Payout Conditions. In the case of any inconsistency between these Rate Linked Asset Conditions and the General Conditions, these Rate Linked Asset Conditions will prevail.

All capitalised terms that are not defined in these Rate Linked Asset Conditions will have the meanings given to them in the General Conditions applicable to the Rate Linked Notes. References in these Rate Linked Asset Conditions to “Rate Linked Notes” are to the Rate Linked Notes of one Series only, not to all Rate Linked Notes that may be issued under the Programme.

1 Determination of the Underlying Rate

Each Underlying Rate shall be determined in accordance with the provisions below relating to ISDA Determination or Rates Variance Determination, depending upon which is specified to be applicable the applicable Final Terms or Pricing Supplement.

1.1 ISDA Determination

Where “ISDA Determination” is specified in the applicable Final Terms or Pricing Supplement as the manner in which an Underlying Rate is to be determined, such Underlying Rate in respect of any Reference Date or Averaging Reference Date shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this Rate Linked Asset Condition 1 (*Determination of the Underlying Rate*), “**ISDA Rate**” for a Reference Date or Averaging Reference Date means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction that is governed by an ISDA Master Agreement which incorporates the 2006 ISDA Definitions and under which:

- (i) the Floating Rate Option is as specified in the applicable Final Terms or Pricing Supplement;
- (ii) the Designated Maturity is the period specified as such in the applicable Final Terms or Pricing Supplement; and
- (iii) the relevant Reset Date is each date specified as such in the applicable Final Terms or Pricing Supplement,

provided that, if the Underlying Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Underlying Rate shall be determined by the Calculation Agent in its sole and absolute discretion.

For the purposes of this Rate Linked Asset Condition 1.1, “**Floating Rate**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to them in the 2006 ISDA Definitions.

1.2 Rates Variance Determination

Where “Rates Variance Determination” is specified in the applicable Final Terms or Pricing Supplement as the manner in which an Underlying Rate is to be determined, the Underlying Rate in respect of any Reference Date or Averaging Reference Date shall be determined by the Calculation Agent as a rate equal to the Variable Rate. For the purposes of this Rate Linked Asset Condition 1.2, “**Variable Rate**” means the rate equal to:

$$\text{Underlying Rate}_1 - \text{Underlying Rate}_2,$$

provided that, if the Underlying Rate cannot be determined in accordance with the foregoing provisions of this Rate Linked Asset Condition 1.2, the Underlying Rate shall be determined by the Calculation Agent in its sole and absolute discretion.

2 Look-Back

If “Look-Back Provisions” is specified to be applicable in the applicable Final Terms or Pricing Supplement, the Calculation Agent shall determine the Underlying Rate as at the Look-Back Observation Time on each Look-Back Observation Date, and the Initial Underlying Rate shall be:

- (i) if “Look-Back – Lowest” is specified to be applicable in the applicable Final Terms or Pricing Supplement, the lowest Underlying Rate so determined, subject to a minimum equal to the Look-Back Floor and a maximum equal to the Look-Back Cap; or
- (ii) if “Look-Back – Highest” is specified to be applicable in the applicable Final Terms or Pricing Supplement, the highest Underlying Rate so determined, subject to a minimum equal to the Look-Back Floor and a maximum equal to the Look-Back Cap.

3 Definitions

“**2006 ISDA Definitions**” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., and in respect of the Notes, as amended and supplemented up to and including the Issue Date for the first Tranche of the Notes.

“**Averaging Date**” means, in respect of each Underlying Rate, each date specified as such in the applicable Final Terms or Pricing Supplement, or if such day is not an Underlying Rate Business Day, the immediately following Underlying Rate Business Day for such Underlying Rate.

“**Averaging Reference Date**” means each Initial Averaging Date and Averaging Date.

“**Initial Averaging Date**” means, in respect of each Underlying Rate, each date specified as such in the applicable Final Terms or Pricing Supplement, or if such day is not an Underlying Rate Business Day, the immediately following Underlying Rate Business Day for such Underlying Rate.

“**Initial Setting Date**” means, in respect of each Underlying Rate, the date specified as such in the applicable Final Terms or Pricing Supplement, or if such day is not an Underlying Rate Business Day, the immediately following Underlying Rate Business Day for such Underlying Rate.

“**Initial Underlying Rate**” means:

- (i) where “Look-Back” is not specified to apply:
 - (a) where the applicable Final Terms or Pricing Supplement specify that there are no Initial Averaging Dates in respect of the Initial Setting Date, the Underlying Rate at the Valuation Time on the Initial Setting Date; or
 - (b) where the applicable Final Terms or Pricing Supplement specify that there are Initial Averaging Dates in respect of the Initial Setting Date, the arithmetic mean of the Underlying Rate at the Valuation Time on each such Initial Averaging Date; or
- (ii) where “Look-Back” is specified to apply, the Underlying Rate determined in accordance with the provisions of Rate Linked Asset Condition 2 (*Look-Back*).

“**ISDA Master Agreement**” means the 1992 ISDA Master Agreement or the 2002 ISDA Master Agreement, as published by the International Swaps and Derivatives Association, Inc., and in respect of the Notes, as amended and supplemented up to and including the Issue Date for the first Tranche of the Notes.

“**ISDA Rate**” has the meaning given to it in Rate Linked Asset Condition 1.1 (*ISDA Determination*).

“Look-Back Cap” means the price, rate, level, percentage or other value (if any) specified as such in the applicable Final Terms or Pricing Supplement.

“Look-Back Floor” means the price, rate, level, percentage or other value (if any) specified as such in the applicable Final Terms or Pricing Supplement.

“Look-Back Observation Date” means each day in the Look-Back Observation Period, subject to any adjustment pursuant to the definition of “Observation Date” in this Rate Linked Asset Condition 3.

“Look-Back Observation Period” means each period specified as such in the applicable Final Terms or Pricing Supplement.

“Look-Back Observation Time” means:

- (i) the time specified as such in the applicable Final Terms or Pricing Supplement, or if no time is specified, the time determined in accordance with the relevant definition of the Floating Rate Option in the 2006 ISDA Definitions; or
- (ii) if the time is specified as “Intraday” in the applicable Final Terms or Pricing Supplement, in respect of an Underlying Rate, all times in each Look-Back Observation Date at which such Underlying Rate can be observed.

“Observation Date” means, in respect of each Underlying Rate :

- (i) each Look-Back Observation Date; and
- (ii) any other date specified as such in the applicable Final Terms or Pricing Supplement,

provided that, if any such date is not an Underlying Rate Business Day, the Observation Date shall be the immediately following Underlying Rate Business Day in respect of such Underlying Rate.

“Reference Date” means, in respect of an Underlying Rate, each Initial Setting Date, Observation Date or Valuation Date, subject to adjustment in accordance with these Rate Linked Asset Conditions.

“Underlying Rate” means, for each Interest Accrual Period, each ISDA Rate or Variable Rate specified as such in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement.

“Underlying Rate₁” means, for each Interest Accrual Period, the ISDA Rate specified as such in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement.

“Underlying Rate₂” means, for each Interest Accrual Period, the ISDA Rate specified as such in respect of such Interest Accrual Period in the applicable Final Terms or Pricing Supplement.

“Underlying Rate Business Day” means, in respect of an Underlying Rate, a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in each Underlying Rate Jurisdiction in respect of such Underlying Rate.

“Underlying Rate Currency” means, in respect of an Underlying Rate, the currency to which such Underlying Rate relates.

“Underlying Rate Jurisdiction” means, in respect of an Underlying Rate, the jurisdiction(s) specified as such in the applicable Final Terms or Pricing Supplement.

“Valuation Date” means, in respect of each Underlying Rate, each date specified as such in the applicable Final Terms or Pricing Supplement, or if such day is not an Underlying Rate Business Day, the immediately following Underlying Rate Business Day for such Underlying Rate.

“Valuation Time” means, unless specified otherwise in the applicable Final Terms or Pricing Supplement, the time determined in accordance with the relevant definition of the Floating Rate Option in the 2006 ISDA Definitions.

“Variable Rate” has the meaning given to it in Rate Linked Asset Condition 1.2 (*Rates Variance Determination*).

F. CREDIT LINKED ASSET CONDITIONS

The following are the conditions (the “**Credit Linked Asset Conditions**”) that will apply to Credit Linked Notes. These Credit Linked Asset Conditions are subject to supplement or completion in accordance with the applicable Final Terms or Pricing Supplement and any applicable Coupon Payout Conditions or Redemption Payout Conditions. In the case of any inconsistency between these Credit Linked Asset Conditions and the General Conditions, these Credit Linked Asset Conditions will prevail.

All capitalised terms that are not defined in these Credit Linked Asset Conditions will have the meanings given to them in the General Conditions applicable to the Credit Linked Notes. References in these Credit Linked Asset Conditions to “Credit Linked Notes” are to the Credit Linked Notes of one Series only, not to all Credit Linked Notes that may be issued under the Programme.

Unless otherwise specified, references in these Credit Linked Asset Conditions to a Credit Linked Asset Condition are to a section or clause of these Credit Linked Asset Conditions.

1 Redemption of Credit Linked Notes

(a) *Redemption on the Maturity Date*

Unless the Credit Linked Notes have been previously redeemed or purchased and cancelled by the Issuer, provided that a Relevant Credit Event has not occurred and subject to Maturity Date Extension pursuant to Credit Linked Asset Condition 3 (*Maturity Date Extension*), the Credit Linked Notes shall be redeemed at their Final Redemption Amount on the Maturity Date in accordance with General Condition 7 (*Redemption and Purchase*).

(b) *Redemption following the occurrence of a Credit Event*

Unless the Credit Linked Notes have been previously redeemed or purchased and cancelled as provided for in the General Conditions, if a Relevant Credit Event and a Relevant Event Determination Date has occurred, the Issuer will redeem the Credit Linked Notes (or, with respect to Linear Basket Credit Linked Notes, and/or if the Credit Event is an M(M)R Restructuring, the Applicable Portion thereof) as follows:

- (i) if “Cash Redemption” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement (or if “Cash Redemption” is specified as the Fallback Redemption Method in the applicable Final Terms or Pricing Supplement and Credit Linked Asset Condition 5 (*Auction Redemption Terms*) requires that the Issuer redeems the Notes in accordance with Credit Linked Asset Condition 7 (*Cash Redemption Terms*)), by payment of the Cash Redemption Amount on the relevant Cash Redemption Date;
- (ii) if “Physical Redemption” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement (or if “Physical Redemption” is specified as the Fallback Redemption Method in the applicable Final Terms or Pricing Supplement and Credit Linked Asset Condition 5 (*Auction Redemption Terms*) requires that the Issuer redeems the Notes in accordance with Credit Linked Asset Condition 6 (*Physical Redemption Terms*)), by Delivery of the Physical Redemption Assets by the relevant Physical Redemption Date and payment of (A) the Physical Redemption Assets Shortfall and the Net Recovery Proceeds Excess on or before the fifth Business Day following the Physical Redemption Date and (B) the Notes Delivery Shortfall Proceeds in accordance with Credit Linked Asset Condition 6 (*Physical Redemption Terms*);

- (iii) If “Auction Redemption” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement, by payment of the Auction Redemption Amount on the relevant Auction Redemption Date;
- (iv) if “Principal Protected Redemption” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement, the provisions of Credit Linked Asset Condition 10 (*Principal Protected Redemption Terms*) shall apply; or
- (v) if “Fixed Recovery Redemption” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement, the provisions of Credit Linked Asset Condition 11 (*Fixed Recovery Redemption Terms*) shall apply,

in each case subject to Credit Linked Asset Condition 9 (*Effect of DC Announcements*).

Upon discharge by the Issuer of its payment or delivery obligations on the Cash Redemption Date or Auction Redemption Date (or, if the relevant Cash Redemption Amount or the Auction Redemption Amount is zero, upon the occurrence of the Cash Redemption Date or Auction Redemption Date, as applicable) or by the Physical Redemption Date, pursuant to Credit Linked Asset Condition 5 (*Auction Redemption Terms*), 6 (*Physical Redemption Terms*) or 7 (*Cash Redemption Terms*), as applicable, or as otherwise provided herein, the Issuer’s obligations in respect of the Applicable Portion of the Notes shall be discharged in full.

(c) *Liquidation*

Upon the occurrence of an Event Determination Date:

- (i) there shall be a Liquidation of the Collateral (or, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof, subject to Credit Linked Asset Conditions 2(c)(ii) and 2(c)(iii)) excluding any CSA Posted Collateral or Note Repo Posted Collateral held by the Issuer (for the avoidance of doubt, pursuant to the terms of the Credit Support Annex, the CSA Posted Collateral (or a portion thereof) shall be repaid or delivered to the Note Swap Counterparty when the exposure under the Swap Agreement is reduced), and for such purpose a Liquidation Event shall be deemed to occur on:
 - (A) in the case of an Event Determination Date falling under paragraph (a)(i) of the definition of “Event Determination Date” or paragraph (a) of the definition of “Non-Standard Event Determination Date”, the Notice Delivery Date;
 - (B) in the case of an Event Determination Date falling under paragraph (a)(ii) of the definition of “Event Determination Date” or paragraph (b)(i) of the definition of “Non-Standard Event Determination Date”, the Credit Event Resolution Request Date; and
 - (C) in the case of an Event Determination Date falling under paragraph (b)(ii) of the definition of “Non-Standard Event Determination Date”, the first date on which a Credit Event Notice is delivered by Calculation Agent to the Issuer and the Issuing and Paying Agent (provided that it satisfies the requirements of such definition);
- (ii) under the Credit Support Annex (if any), if the Issuer has transferred Collateral to the Note Swap Counterparty, the Note Swap Counterparty shall return equivalent collateral (or, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof) to the Issuer on the second Business Day following the date determined under Credit Linked Asset Condition 1(c)(i) and all of the securities (if any) so delivered to the Issuer shall be included in the Liquidation; and

- (iii) the repurchase date under the Note Repo Agreement (if any) shall be accelerated to be the second Business Day following the date determined under Credit Linked Asset Condition 1(c)(i) (provided that, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, only the Applicable Proportion of the Note Repo Agreement shall be so accelerated) and all of the securities (if any) delivered to the Issuer in connection with such repurchase shall be included in the Liquidation,

provided that this Credit Linked Asset Condition 1(c) shall not be applicable if “Principal Protected Redemption” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement.

(d) *Credit Event Notice and Notice of Publicly Available Information*

- (i) If a Credit Event Notice and, if applicable, a Notice of Publicly Available Information is required to be delivered for an Event Determination Date to occur, the Calculation Agent shall deliver a Credit Event Notice and, if applicable, a Notice of Publicly Available Information to the Issuer and the Issuing and Paying Agent and instruct the Issuing and Paying Agent to deliver (and the Issuing and Paying shall so deliver) a copy of the Credit Event Notice and, if applicable, the Notice of Publicly Available Information to the Noteholders in accordance with General Condition 23 (*Notices*) (provided that failure to deliver a copy of such Credit Event Notice and/or such Notice of Publicly Available Information to the Noteholders shall not affect the effectiveness of the Credit Event Notice and/or the Notice of Publicly Available Information, as determined by the Calculation Agent, or the rights of the Issuer to redeem the Credit Linked Notes (or, with respect to Linear Basket Credit Linked Notes, or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof)).
- (ii) If a Credit Event Notice is not required to be delivered in order for an Event Determination Date to occur, then the Calculation Agent shall give written notice not less than five Business Days prior to the date for redemption of the Notes (or a portion thereof) containing the same information required to be included in a Credit Event Notice to the Issuer and the Issuing and Paying Agent and instruct the Issuing and Paying Agent to deliver (and the Issuing and Paying shall so deliver) a copy of such notice to the Noteholders in accordance with General Condition 23 (*Notices*) (provided that any failure to give such notice to the Issuing and Paying Agent or a copy thereof to the Noteholders shall not affect any determinations made by the Calculation Agent or the rights of the Issuer to redeem the Credit Linked Notes (or, with respect to Linear Basket Credit Linked Notes, or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof)).
- (iii) The Calculation Agent's determination of a Credit Event will, in the absence of manifest error and subject to the definition of “Event Determination Date”, be conclusive and binding on all persons (including, without limitation, the Issuer, the Trustee, the Issuing and Paying Agent, the Custodian and each Noteholder).
- (iv) None of the Issuer, the Calculation Agent, the Trustee, the Custodian and the Issuing and Paying Agent will have any liability whatsoever for the failure of the Calculation Agent for any reason to determine that a Credit Event has occurred or with respect to the Calculation Agent's timing as to when to deliver a Credit Event Notice (or any such other notice required to be delivered by the Calculation Agent to the Issuing and Paying Agent or any other party in accordance with these Credit Linked Asset Conditions including a Notice of Publicly Available Information or Notice of Physical Settlement) nor will they have any duty or responsibility to investigate or check whether any Credit Event has, or may have, occurred or may be continuing. In addition, the failure of the Calculation Agent to deliver the

Credit Event Notice or the Issuing and Paying Agent to deliver a copy thereof shall not affect the effectiveness of any determination made, or any other notice delivered, by the Calculation Agent in respect of a relevant Reference Entity.

(e) *Relevant Time*

- (i) Subject to Credit Linked Asset Condition 17 (*Notices*) and sub-paragraph (ii) of this Credit Linked Asset Condition 1(e), in order to determine the day on which an event occurs for the purposes of these Credit Linked Asset Conditions, the demarcation of days shall be made by reference to Greenwich Mean Time (or Tokyo time if the Calculation Agent determines that Tokyo time is the market convention with respect to the relevant Reference Entity), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.
- (ii) Notwithstanding the definition of “Credit Event Notice” and sub-paragraph (i) of this Credit Linked Asset Condition 1(e), if a payment is not made by the Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or Tokyo time if the Calculation Agent determines that Tokyo time is the market convention with respect to the relevant Reference Entity), irrespective of the time zone of its place of payment.

2 Interest on Credit Linked Notes

(a) *Accrual of Interest*

Provided that a Relevant Event Determination Date has not occurred in respect of a Reference Entity during the Notice Delivery Period and on or prior to the Credit Observation End Date then, subject to Credit Linked Asset Condition 2(b) (*Suspension of Interest following an Applicable DC Credit Event Question*), interest (if any) shall accrue on the Credit Linked Notes in accordance with General Condition 6 (*Interest*) (as completed by the applicable Final Terms or as completed, supplemented and/or varied by the applicable Pricing Supplement).

(b) *Suspension of Interest following an Applicable DC Credit Event Question*

Subject to Credit Linked Asset Conditions 2(c) (*Payment of Suspended Interest*) and 2(d) (*Payment of Interest – M(M)R Restructuring*), if an Applicable DC Credit Event Question is made on or prior to any Interest Payment Date in respect of which a DC Resolution has not been published, the payment of interest (if any) in respect of the Notes (or, if the Notes are Linear Basket Credit Linked Notes, the Applicable Proportion of the Credit Linked Notes) scheduled to be paid to Noteholders on or about such Interest Payment Date, will be suspended.

(c) *Payment of Suspended Interest*

- (i) If, in connection with an Applicable DC Credit Event Question, either (A) an Applicable DC Credit Event Announcement is made but the Calculation Agent determines that the Event Determination Date relating thereto is a date falling after such Interest Payment Date, or (B) an Applicable DC No Credit Event Announcement or an Applicable DC Credit Question Dismissal is made, payment of the suspended interest will be made five Business Days after the date the Event Determination Date is so determined or the date of the Applicable DC No Credit Event Announcement or Applicable DC Credit Question Dismissal, as applicable.
- (ii) If, in connection with an Applicable DC Credit Event Question, an Applicable DC Credit Event Announcement is made and the Calculation Agent determines that the Event Determination Date relating thereto is a date falling on or prior to such Interest Payment

Date, no payment of the suspended interest will be made and the accrual of interest prior to such Interest Payment Date will be determined in accordance with Credit Linked Asset Condition 2(e) (*Accrual of Interest on Credit Event*).

- (iii) No additional amount in respect of interest and no adjustment shall be made to the amount of any interest in connection with the delay or postponement of any payment of interest pursuant to Credit Linked Asset Condition 2(b) (*Suspension of Interest following an Applicable DC Credit Event Question*) above. For the avoidance of doubt, no interest shall accrue on any Note after the Maturity Date. The Calculation Agent shall endeavour to procure that notice is given to the Noteholders in accordance with General Condition 23 (*Notices*) as soon as reasonably practicable should any payment of interest be suspended and/or postponed pursuant to this Credit Linked Asset Condition 2.

(d) *Payment of Interest – M(M)R Restructuring*

If, in connection with an Applicable DC Credit Event Question, an Applicable DC Credit Event Announcement is made and the Credit Event is an M(M)R Restructuring:

- (i) save for the portion of suspended interest relating to the Applicable Proportion of the Notes, payment of the remaining portion of suspended interest will be made five Business Days after the date on which the relevant Credit Event Notice is delivered; and
- (ii) payment of the portion of suspended interest relating to the Applicable Proportion of the Notes will be not be made and the accrual of interest relating to the Applicable Proportion of the Notes prior to such Interest Payment Date will be determined in accordance with Credit Linked Asset Condition 2(e) (*Accrual of Interest on Credit Event*).

(e) *Accrual of Interest on Credit Event*

If a Relevant Event Determination Date has occurred in respect of a Reference Entity during the Notice Delivery Period but prior to the Credit Observation End Date then, notwithstanding anything to the contrary in General Condition 6 (*Interest*), interest will cease to accrue on the Credit Linked Notes (or, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, on the Applicable Proportion of the Credit Linked Notes) as at the earlier to occur of the day prior to:

- (i) the Maturity Date; and
- (ii)
 - (A) if “Credit Event Accrued Interest” is specified as not applicable in the applicable Final Terms or Pricing Supplement, the Interest Payment Date (or Issue Date where no Interest Payment Date has occurred) occurring on or immediately preceding the Relevant Event Determination Date; or
 - (B) if “Credit Event Accrued Interest” is specified as applicable in the applicable Final Terms or Pricing Supplement, the Relevant Event Determination Date.

If “Credit Event Accrued Interest” is specified as applicable in the applicable Final Terms or Pricing Supplement, the interest accrued between (x) the Interest Payment Date occurring immediately preceding the Relevant Event Determination Date and (y) the Maturity Date or the Relevant Event Determination Date (as applicable) shall be payable on the earlier of (i) the Interest Payment Date immediately following the Relevant Event Determination Date and (ii) the Maturity Date, the Auction Redemption Date, the Physical Redemption Date or the Cash Redemption Date (as applicable). For the avoidance of doubt, interest (if any) shall, in the case of Linear Basket Credit

Linked Notes only, continue to accrue on the remaining portion of the Linear Basket Credit Linked Notes then outstanding.

(f) *Adjustment Payment*

If, in accordance with the provisions above, following the determination of an Event Determination Date, such Event Determination Date is deemed either to have occurred on a date that is different from the date that was originally determined to be the Event Determination Date or not to have occurred, or an Event Determination Date is deemed to have occurred prior to a preceding Interest Payment Date, the Calculation Agent will determine (A) the adjustment payment, if any, that is payable to reflect any change that may be necessary to the amount previously calculated and/or paid in respect of the relevant Series and (B) the date in which such adjustment payment is payable, if any. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

3 Maturity Date Extension

- (a) Where the Calculation Agent determines on or prior to the Maturity Date, in its sole and absolute discretion, that one or more Reference Entities is or may be subject to (i) a Credit Event, (ii) if “Grace Period Extension” is specified as applicable in the applicable Final Terms or Pricing Supplement, a Potential Failure to Pay or, (iii) if “Repudiation/Moratorium” is specified as a Credit Event in the applicable Final Terms or Pricing Supplement, a Potential Repudiation/Moratorium, it shall notify the Issuer, the Trustee and the Issuing and Paying Agent and the Credit Linked Notes then outstanding shall not be redeemed on the Maturity Date but shall be redeemed instead on the Extended Maturity Date.
- (b) If any amount is payable on the Maturity Date of a Credit Linked Note to which the provisions of Credit Linked Asset Condition 3(a) apply, such amount shall fall due on the Extended Maturity Date and shall be payable without any interest or other sum payable in respect of the postponement of the payment of such amount.

4 Credit Event Notice after M(M)R Restructuring

(a) *M(M)R Restructuring*

Upon the occurrence of an M(M)R Restructuring, the Calculation Agent may deliver multiple Credit Event Notices with respect to such M(M)R Restructuring, each such Credit Event Notice setting forth the amount of the Aggregate Nominal Amount of the Credit Linked Notes to which such Credit Event Notice applies which may be less than the Aggregate Nominal Amount of such Credit Linked Note or if the Notes are Linear Basket Credit Linked Notes, may be less than the Reference Entity Notional Amount of the affected Reference Entity (the “**Exercise Amount**”), provided that if the Credit Event Notice does not specify an Exercise Amount, then either (i) the Aggregate Nominal Amount of the Credit Linked Notes outstanding immediately prior to the delivery of such Credit Event Notice or (ii) if the Notes are Linear Basket Credit Linked Notes, the relevant Reference Entity Notional Amount outstanding in respect of the affected Reference Entity (and, in either case, not a portion thereof) will be deemed to have been specified as the Exercise Amount. Accordingly, notwithstanding anything to the contrary in these Credit Linked Asset Conditions, where an M(M)R Restructuring has occurred and the Calculation Agent has delivered a Credit Event Notice for an Exercise Amount that is less than (i) the Aggregate Nominal Amount of the Notes, or (ii) the Reference Entity Notional Amount outstanding in respect of the affected Reference Entity, in each case as at the date immediately prior to the delivery of such Credit Event Notice, as applicable, the provisions of these Credit Linked Asset Conditions shall be deemed to apply to a principal amount of the Notes equal to the Exercise Amount only and all the provisions shall be construed accordingly.

(b) *Redemption of Notes following partial exercise*

If the Calculation Agent has delivered a Credit Event Notice in respect of an M(M)R Restructuring that specifies an Exercise Amount that is less than the Aggregate Nominal Amount of the Credit Linked Notes and (other than in the case of Linear Basket Credit Linked Notes) only one Reference Entity is specified for the Credit Linked Notes (or, with respect to Linear Basket Credit Linked Notes only, in relation to a Reference Entity that specifies an Exercise Amount that is less than such Reference Entity's Reference Entity Notional Amount), then:

- (i) the relevant provisions of Credit Linked Asset Condition 5 (*Auction Redemption Terms*), 6 (*Physical Redemption Terms*) or 7 (*Cash Redemption Terms*) relating to Redemption of Credit Linked Notes shall apply to the Exercise Amount, including for the purposes of calculating the Auction Redemption Amount, the Cash Redemption Amount or the Physical Redemption Assets to be Delivered to Noteholders. In such circumstances, the Calculation Agent may adjust such provisions of the Credit Linked Asset Conditions and/or the applicable Final Terms or Pricing Supplement as it determines appropriate to take account of this Credit Linked Asset Condition 4, including the basis of the calculation of any Auction Redemption Amount, Cash Redemption Amount or the Physical Redemption Assets to be Delivered to Noteholders;
 - (ii) following any payment of an Auction Redemption Amount, Cash Redemption Amount or Delivery of the Physical Redemption Assets to Noteholders or any other determination made in respect of any Exercise Amount, the Reference Entity Notional Amount for the relevant Reference Entity shall be reduced by an amount equal to the Exercise Amount (and for the avoidance of doubt, the aggregate of the Reference Entity Notional Amounts shall be reduced accordingly). The Notes in an amount equal to the Aggregate Nominal Amount or the relevant Reference Entity Notional Amount, as applicable, less the Exercise Amount shall remain outstanding (the "**Outstanding Amount**") and interest (if applicable) shall accrue on the Outstanding Amount as provided for in General Condition 6 (*Interest*) and the Calculation Agent may thereafter deliver one or more further Credit Event Notices in respect of such Outstanding Amount to which the Credit Linked Asset Conditions shall continue to apply; and
 - (iii) the Calculation Agent may adjust the provisions of these Credit Linked Asset Conditions and/or the applicable Final Terms or Pricing Supplement in such manner as it may determine to be appropriate to account for such event.
- (c) If the provisions of this Credit Linked Asset Condition 4 apply in respect of the Credit Linked Notes, on any redemption of part of each such Credit Linked Note, the relevant Credit Linked Note.
- (d) Other than in respect of a Linear Basket Credit Linked Note or a Credit Linked Note where there is more than one Reference Entity, the Exercise Amount in connection with a Credit Event Notice describing an M(M)R Restructuring must be an amount that is at least 1,000,000 units of the Settlement Currency (or, if Japanese Yen, 100,000,000 units) and an integral multiple thereof or the Aggregate Nominal Amount of the Credit Linked Notes or, if the Notes are Linear Basket Credit Linked Notes, the Outstanding Amount in respect of the Reference Entity Notional Amount of the affected Reference Entity.

5 Auction Redemption Terms

(a) *Redemption of the Credit Linked Notes where Auction Redemption applies*

Notwithstanding anything to the contrary in General Condition 7 (*Redemption and Purchase*) and unless previously redeemed or purchased and cancelled, if "Auction Redemption" is specified as

the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement, following the occurrence of a Relevant Event Determination Date, then the Issuer shall, subject as aforesaid, redeem:

- (i) each Note in whole on the Auction Redemption Date at the Auction Redemption Amount;
- (ii) if the Notes are Linear Basket Credit Linked Notes, (1) a portion of the principal amount of each Note equal to the Applicable Proportion determined by reference to the Reference Entity Notional Amount of the Reference Entity in respect of which the Credit Event occurred on the relevant Auction Redemption Date at the Auction Redemption Amount, and (2) the remaining portion of each Note at its *pro rata* Final Redemption Amount on the Maturity Date; or
- (iii) if the Credit Event is an M(M)R Restructuring, (1) a portion of the principal amount of each Note equal to the Applicable Proportion determined by reference to the Exercise Amount specified in the Credit Event Notice relating to the relevant Credit Event on the relevant Auction Redemption Date at the Auction Redemption Amount, and (2) the remaining portion of each Note at its *pro rata* Final Redemption Amount on the Maturity Date.

Payment by the Issuer of the Auction Redemption Amount shall fully and effectively discharge the Issuer's obligation to redeem the Applicable Proportion of the relevant Note.

(b) *Fallback Redemption*

Without prejudice to the foregoing, but without duplication of settlement, if the Calculation Agent determines:

- (i) except where the Calculation Agent delivers a Notice to Exercise Movement Option to the Issuer and the Issuing and Paying Agent on or prior to the Movement Option Cut-off Date pursuant to Credit Linked Asset Condition 5(c) (*Movement Option*), that with respect to a Credit Event, no Applicable Auction is being, or will be, held; or
- (ii) with respect to a Credit Event and any relevant Applicable DC Credit Event Question, Applicable Resolution and/or Applicable Auction, that (A) an Auction Cancellation Date has occurred, (B) a No Auction Announcement Date has occurred (and, in circumstances where such No Auction Announcement Date occurs pursuant to sub-paragraph (b) or sub-paragraph (c)(ii) under the definition of "No Auction Announcement Date", the Calculation Agent has not exercised the Movement Option), (C) a DC Credit Event Question Dismissal occurs or (D) a Relevant Event Determination Date was determined pursuant to sub-paragraph (a) of the definition of "Event Determination Date" or pursuant to sub-paragraph (a) of the definition of "Non-Standard Event Determination Date", and no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Relevant Event Determination Date, or (E) a Relevant Event Determination Date was determined pursuant to sub-paragraph (b)(ii)(B)(II)(2) of the definition of "Non-Standard Event Determination Date",

then, the Fallback Redemption Method shall apply and the Issuer shall redeem each Note in accordance with Credit Linked Asset Condition 7 (*Cash Redemption Terms*) (if "Cash Redemption" is specified as the Fallback Redemption Method in the applicable Final Terms or Pricing Supplement) or in accordance with Credit Linked Asset Condition 6 (*Physical Redemption Terms*) if "Physical Redemption" is specified as the Fallback Redemption Method in the applicable Final Terms or Pricing Supplement).

(c) *Movement Option*

If “Restructuring Maturity Limitation and Fully Transferable Obligation” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation” is specified as applicable in the applicable Final Terms or Pricing Supplement and the Calculation Agent determines in respect of a Restructuring Credit Event that a No Auction Announcement Date has occurred pursuant to subparagraph (b) of the definition of “No Auction Announcement Date”, the Calculation Agent may elect in its sole and absolute discretion to deliver a Notice to Exercise Movement Option to the Issuer and the Issuing and Paying Agent at any time on or prior to the Movement Option Cut-off Date. If a Notice to Exercise Movement Option is so delivered, then provided that the related Event Determination Date is not reversed on or prior to the relevant Auction Redemption Date, redemption of the Credit Linked Notes (or, if the Credit Linked Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion of the Credit Linked Notes), shall take place by payment by the Issuer of the Auction Redemption Amount on the Auction Redemption Date, for which purposes the Auction Redemption Amount and the Auction Redemption Date shall be determined by reference to the relevant Parallel Auction identified by the Calculation Agent in the Notice to Exercise Movement Option. If a Notice to Exercise Movement Option is delivered by the Calculation Agent, all references in these Credit Linked Asset Conditions to “Applicable Auction”, “Applicable Auction Settlement Terms” and “Auction Cancellation Date” shall be deemed to be references to the “Parallel Auction”, “Parallel Auction Settlement Terms” and “Parallel Auction Cancellation Date” and the terms of these Credit Linked Asset Conditions shall be construed accordingly.

(d) *Auction Final Price of the Asset Package*

If an Asset Package Credit Event has occurred and the Auction Final Price for the Applicable Auction reflects the entire relevant Asset Package in respect of the Prior Deliverable Obligation(s) or Package Observable Bond(s) (as applicable) (including any cash forming part of the Asset Package and the Asset Market Value of any Non-Financial Instrument or Non-Transferable Instrument), the Auction Redemption Amount shall be determined using the Auction Final Price. If the Calculation Agent determines that the Auction Final Price does not reflect the price of the entire relevant Asset Package, as determined above, the Calculation Agent shall make such adjustment to the Auction Final Price and/or the Auction Redemption Amount in its sole and absolute discretion as it deems necessary to reflect the value of the Asset Package and to preserve the economic effects of the terms of the Notes and for such purposes the Calculation Agent may take into account any method of determining the Asset Market Value of any Asset that is a Non-Transferable Instrument or a Non-Financial Instrument forming part of the Asset Package but that has not been taken into in the Auction Final Price that may be published by the DC Secretary.

(e) *Notice of Auction Redemption Amount*

Following the determination of the Auction Redemption Amount with respect to any Credit Linked Notes subject to the terms set out herein, the Calculation Agent shall instruct the Issuing and Paying Agent to deliver (and the Issuing and Paying shall so deliver) a notice in accordance with General Condition 23 (*Notices*) to the Noteholders specifying the Auction Redemption Amount (including the Auction Final Price and, if applicable, Credit Event Unwind Costs) (provided that any failure to give such notice to the Noteholders shall not affect any determinations made by the Calculation Agent or the rights of the Issuer to redeem the Credit Linked Notes (or, with respect to the Linear Basket Credit Linked Notes, the Applicable Proportion thereof)).

6 Physical Redemption Terms

(a) *Delivery of Physical Redemption Assets*

- (i) Subject to Credit Linked Asset Condition 9 (*Effect of DC Announcements*) and notwithstanding anything to the contrary in General Condition 7 (*Redemption and Purchase*), and unless previously redeemed or purchased and cancelled, if “Physical Redemption” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement or if “Physical Redemption” is specified as the Fallback Redemption Method in the applicable Final Terms or Pricing Supplement and Credit Linked Asset Condition 5 (*Auction Redemption Terms*) requires that the Issuer redeems the Notes in accordance with this Credit Linked Asset Condition 6 following the occurrence of a Relevant Event Determination Date, the Credit Linked Notes (or, if the Credit Linked Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof), shall, subject to and in accordance with this Credit Linked Asset Condition 6, be redeemed by, in respect of each Noteholder: (i) Delivery (at the risk of the relevant Noteholder) of the Physical Redemption Assets on or prior to the Physical Redemption Date in accordance with Credit Linked Asset Condition 6(b) (*Physical Redemption Assets*), (ii) payment of the Physical Redemption Assets Shortfall and the Net Recovery Proceeds Excess on or before the fifth Business Day following the Physical Redemption Date and (iii) payment of the Notes Delivery Shortfall Proceeds in accordance with Credit Linked Asset Condition 6(c) (*Notes Delivery Shortfall Proceeds*).
- (ii) Upon Delivery of the Physical Redemption Assets and payment of any Physical Redemption Assets Shortfall, Net Recovery Proceeds Excess, Notes Delivery Shortfall Proceeds and/or Partial Cash Redemption Amount to each Noteholder, the Issuer’s obligations in respect of the redemption of the Credit Linked Notes (or, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof) shall be fully and effectively discharged. If the Notes are Linear Basket Credit Linked Notes or the Credit Event is an M(M)R Restructuring, the remaining portion of each Note which is not so redeemed shall be redeemed on the Maturity Date at its *pro rata* Final Redemption Amount, subject to the occurrence of a further Relevant Event Determination Date during the Notice Delivery Period.
- (iii) In order for the Credit Linked Notes to be redeemed in accordance with this Credit Linked Asset Condition 6:
 - (A) the Calculation Agent shall deliver a Notice of Physical Settlement to the Issuer and the Issuing and Paying Agent and the Calculation Agent will instruct the Issuing and Paying Agent to deliver (and the Issuing and Paying shall so deliver) a copy of the Notice of Physical Settlement to the Noteholders in accordance with General Condition 23 (*Notices*) provided that any failure to deliver a copy of such Notice of Physical Settlement to the Noteholders shall not affect the effectiveness of the Notice of Physical Settlement, as determined by the Calculation Agent, or the rights of the Issuer to redeem the Credit Linked Notes (or, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof)).

The Calculation Agent may, at any time, deliver to the Issuer and the Issuing and Paying Agent a NOPS Amendment Notice in order to give notice that the Deliverable Obligations in the Notice of Physical Settlement or a prior NOPS Amendment Notice will be replaced, as applicable and the Calculation Agent will instruct the Issuing and Paying Agent to deliver (and the Issuing and Paying shall so deliver) a copy of the

NOPS Amendment Notice to the Noteholders in accordance with General Condition 23 (*Notices*) provided that any failure to deliver such a copy of such NOPS Amendment Notice to the Noteholders shall not affect the effectiveness of the NOPS Amendment Notice, as determined by the Calculation Agent, or the rights of the Issuer to redeem the Credit Linked Notes (or, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof).

Moreover, the failure of the Calculation Agent to deliver a Notice of Physical Settlement or a NOPS Amendment Notice, as applicable, or the Issuing and Paying Agent to deliver copies thereof shall not affect the effectiveness of any determination made by the Calculation Agent, or any other notice delivered by the Calculation Agent in respect of a relevant Reference Entity.

- (B) the relevant Noteholder shall deliver, prior to 5.00p.m. (London time) on the 10th Business Day following the date of the Notice of Physical Settlement and, if relevant, any NOPS Amendment Notice, a duly completed notice in writing (a “**Deliverable Obligation Notice**”):
 - (I) specifying the Series number of the Notes and the aggregate nominal amount of the Notes which are the subject of the Deliverable Obligation Notice;
 - (II) including such details as are required for the transfer or assignment of the Physical Redemption Assets which may include account details and/or the name and address of any person(s) into whose name evidence of the Physical Redemption Assets is to be registered and/or any bank, broker or agent to whom documents evidencing the Physical Redemption Assets are to be delivered;
 - (III) specifying the name and number of the account which the Physical Redemption Assets Shortfall (if any), the Net Recovery Proceeds Excess (if any) and the Notes Delivery Shortfall Proceeds (if any) are to be credited;
 - (IV) certifying, *inter alia*, that the beneficial owner of each Note is not a U.S. person (as defined in the Deliverable Obligation Notice) or a person who purchased such Note for resale to U.S. persons, that the Note is not being redeemed within the United States or on behalf of a U.S. person and no cash, notes or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof;
 - (V) authorising the production of such certification in any applicable administrative or legal proceedings, all as provided in the Agency Agreement;
 - (VI) if the Credit Linked Notes are in bearer form, including or accompanied by evidence, satisfactory to the Calculation Agent, of the ownership of the Credit Linked Notes by the relevant Noteholder; and
 - (VII) if the Credit Linked Notes are in definitive form, including or accompanied by the definitive Credit Linked Notes.
- (iv) Forms of the Deliverable Obligation Notice may be obtained during normal office hours from the Issuing and Paying Agent.
- (v) If the relevant definitive Credit Linked Notes (if they are then so represented) and the Deliverable Obligation Notice are not delivered in accordance with this provision, the

obligations of the Issuer to commence procuring the delivery of the Physical Redemption Assets and the payment of the Physical Redemption Assets Shortfall (if any), the Net Recovery Proceeds Excess (if any) and the Notes Delivery Shortfall Proceeds (if any) to such Noteholder shall, subject to Credit Linked Asset Conditions 6(a) (*Delivery of Physical Redemption Assets*), 6(c) (*Notes Delivery Shortfall Proceeds*) and 9 (*Effect of DC Announcements*) be deferred until the third Business Day following the date on which such Noteholder delivers the Deliverable Obligation Notice and relevant definitive Credit Linked Notes (if they are then so represented). The relevant Noteholder shall not be entitled to any payment, whether of interest or otherwise, in the event of such deferred delivery and payment.

- (vi) If the holder of any such Credit Linked Note fails to deliver a Deliverable Obligation Notice or the Issuer is unable to obtain details for the transfer or assignment for the delivery of the Physical Redemption Assets and the payment of the Physical Redemption Assets Shortfall (if any), the Net Recovery Proceeds Excess (if any) and the Notes Delivery Shortfall Proceeds (if any) from the person nominated by the Noteholder in accordance with subparagraph (iii) of this Credit Linked Asset Condition 6(a) in the manner and on the dates specified in this Credit Linked Asset Condition 6(a) by the Deliverable Obligation Notice Long-stop Date, if “Fallback Cash Redemption” is specified to apply in the applicable Final Terms or Pricing Supplement, the Issuer shall apply “Cash Redemption” pursuant to the fallback cash redemption terms in Credit Linked Asset Condition 6(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) with respect to the Physical Redemption Assets that have not been transferred or assigned and if “Fallback Cash Redemption” is specified as not applicable in the applicable Final Terms or Pricing Supplement, the Issuer shall have no further liability or obligation whatsoever in respect of such Credit Linked Note.
- (vii) No Deliverable Obligation Notice may be withdrawn after receipt thereof by Clearstream, Luxembourg or Euroclear (as applicable) or the Issuing and Paying Agent, as the case may be, as provided above. After delivery of a Deliverable Obligation Notice, the relevant Noteholder may not transfer the Credit Linked Notes which are the subject of such notice.
- (viii) Failure to properly complete and deliver a Deliverable Obligation Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in these Credit Linked Asset Conditions shall be made by the Issuing and Paying Agent and the Calculation Agent, and shall be conclusive and binding on the Issuer and the relevant Noteholder.
- (ix) Delivery of the Physical Redemption Assets and payment of the Physical Redemption Assets Shortfall (if any), the Net Recovery Proceeds Excess (if any) and the Notes Delivery Shortfall Proceeds (if any) in respect of each Noteholder shall be made by the Issuer pursuant to the details specified in the applicable Deliverable Obligation Notice.
- (x) If the Physical Redemption Assets include a Deliverable Obligation which is a Loan, the Noteholders agree to comply, for the purposes of settlement of the relevant Credit Linked Notes, with the provisions of any documentation (which term shall be deemed to include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purposes) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for delivery of such Loan at that time, as such documentation may be amended to the extent that the relevant Credit Derivatives Determination Committee Resolves is appropriate, which is consistent with the payment and delivery obligations of the parties hereunder. The Noteholders further agree that compliance by the Issuer and the Noteholders with the

provisions of any such documentation shall be required for, and, without further action, constitute, delivery for the purposes of this Credit Linked Asset Condition 6(a) (to the extent that such documentation contains provisions describing how delivery should be effected).

(b) *Physical Redemption Assets*

Subject to the rest of this Credit Linked Asset Condition 6(b), the Issuer may only Deliver the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, and only in the amounts specified therein.

Until the date on which the Physical Redemption Assets have been fully Delivered, the Issuer or any other person (whether or not on behalf of the Issuer) may continue to be the legal owner of the Deliverable Obligations comprising the Physical Redemption Assets which it is not possible, practical or legal to deliver. None of the Issuer nor any such other person will (i) be under any obligation to deliver or procure delivery to the relevant Noteholder or any other person any letter, certificate, notice, circular or any other document or payment whatsoever received by the Issuer or that person in its capacity as legal owner of such Deliverable Obligations, (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such Deliverable Obligations comprising the Physical Redemption Assets until the date on which the Physical Redemption Assets have been fully Delivered, (iii) be under any liability to such Noteholder or any other person in respect of any loss or damage which such Noteholder or other person may sustain or suffer as a result, whether directly or indirectly, of the Issuer or any person (whether or not on behalf of the Issuer) being the legal owner of such Deliverable Obligations comprising the Physical Redemption Assets until the date on which the Physical Redemption Assets have been fully Delivered, or (iv) have any liability whatsoever to such Noteholder or any other person if, as a result of a Redemption Failure Event or for any other reason whatsoever (including without limitation Credit Linked Asset Conditions 6(c) (*Notes Delivery Shortfall Proceeds*) to 6(h) (*Alternative Procedures Relating to Loans not Delivered*)), it is unable to effect Delivery of any Deliverable Obligations comprising the Physical Redemption Assets and its obligations hereunder are satisfied by partial cash settlement or fallback cash redemption (if applicable) or are deemed to be fully discharged in accordance with the Credit Linked Asset Conditions.

(c) *Notes Delivery Shortfall Proceeds*

If all or any part of the Physical Redemption Assets that would, but for this Credit Linked Asset Condition 6(c), be required to be Delivered to a Noteholder is not a whole integral multiple of the smallest unit of transfer for any such Physical Redemption Assets at the relevant time of Delivery, as determined by the Calculation Agent, the Issuer will Deliver and such Noteholder will only be entitled to receive the portion of the Physical Redemption Assets specified by the Calculation Agent which is closest to but less than the full Physical Redemption Assets, after consideration of such smallest unit or units of transfer (such portion of the Physical Redemption Assets that is not so Delivered to such Noteholder, the “**Notes Delivery Shortfall**”). The Disposal Agent shall, as soon as reasonably practicable (which may, for the avoidance of doubt, be after the Physical Redemption Date), liquidate the portion of the Physical Redemption Assets corresponding to the Notes Delivery Shortfall and the Issuer shall pay to such Noteholder the liquidation proceeds (such proceeds, the “**Notes Delivery Shortfall Proceeds**”) on or before the tenth Business Day following receipt of the last instalment of the Notes Delivery Shortfall Proceeds.

(d) *Partial Cash Redemption due to Impossibility or Illegality*

If, due to an event beyond the control of the Issuer, it is impossible or illegal for the Issuer to Deliver, or due to an event beyond the control of the Issuer it is impossible or illegal for any Noteholder (the “**Affected Noteholder**”, which term shall apply to the relevant Noteholder in this

Credit Linked Asset Condition 6(d)) to accept Delivery of, any of the Deliverable Obligations (other than a Prior Deliverable Obligation or a Package Observable Bond if an Asset Package Credit Event has occurred) specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, on the Physical Redemption Date (including, without limitation, failure of the relevant clearance system or due to any law, regulation or court order, but excluding market conditions or the failure to obtain any requisite consent with respect to the Delivery of Loans), then on or before such date (i) the Issuer shall Deliver and the Affected Noteholder shall take Delivery of any of the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, for which it is possible and legal to take Delivery and (ii) the Calculation Agent shall provide a description in reasonable detail of the facts giving rise to such impossibility or illegality and, as soon as practicable thereafter, the Issuer shall Deliver and the Affected Noteholder shall take Delivery of the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice as applicable which were not delivered on the Delivery Date. The date on which the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, which were not Delivered and are subsequently Delivered shall be the Maturity Date. If following the occurrence of any such impossibility or illegality, the amount of Deliverable Obligations that are to be Delivered as specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, are not delivered to the Noteholders on or prior to the Latest Permissible Physical Settlement Date, then “Cash Redemption” pursuant to the partial cash redemption terms in Credit Linked Asset Condition 6(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) shall apply with respect to the Deliverable Obligations that cannot be Delivered (the “**Undeliverable Obligations**”).

(e) *Partial Cash Redemption of Consent Required Loans*

If:

- (i) the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice include Consent Required Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Redemption Date, capable of being assigned or novated to the Affected Noteholder and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and
- (ii) “Direct Loan Participation” is not specified as a Deliverable Obligation Characteristic in the applicable Final Terms or Pricing Supplement, or “Direct Loan Participation” is specified as a Deliverable Obligation Characteristic in the applicable Final Terms or Pricing Supplement and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

“Cash Redemption” pursuant to the partial cash redemption terms in Credit Linked Asset Condition 6(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) shall be deemed to apply to the Credit Linked Notes with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice that consist of Consent Required Loans for which consents are not obtained or deemed given (the “**Undeliverable Loan Obligations**”).

(f) *Partial Cash Redemption of Assignable Loans*

If:

- (i) the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice include Assignable Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Redemption Date, capable of being assigned or novated

to the Affected Noteholder and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and

- (ii) “Direct Loan Participation” is not specified as a Deliverable Obligation Characteristic in the applicable Final Terms or Pricing Supplement, or “Direct Loan Participation” is specified as a Deliverable Obligation Characteristic in the applicable Final Terms or Pricing Supplement and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

“Cash Redemption” pursuant to the partial cash redemption terms in Credit Linked Asset Condition 6(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) shall be deemed to apply to the Credit Linked Notes with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or NOPS Amendment Notice that consist of Assignable Loans for which consents are not obtained or deemed given (the “**Unassignable Obligations**”).

(g) *Partial Cash Redemption of Participations*

If the Deliverable Obligations include Direct Loan Participations and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date, “Cash Redemption” pursuant to the partial cash redemption terms in Credit Linked Asset Condition 6(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) shall be deemed to apply to the Credit Linked Notes with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable that consist of Direct Loan Participations in respect of which the relevant participation is not effected (the “**Undeliverable Participations**”).

(h) *Alternative Procedures Relating to Loans not Delivered*

- (i) If the Issuer has not Delivered any Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice that are Loans (other than any Loan which (i) is a Prior Deliverable Obligation which the Calculation Agent has notified the Issuer and the Issuing and Paying Agent that an Asset Package should be Delivered in lieu thereof, or (ii) forms part of an Asset Package which the Calculation Agent has notified the Issuer and the Issuing and Paying Agent should be Delivered) on or prior to the date that is five Business Days after the Physical Redemption Date (the “**Loan Alternative Procedure Start Date**”), sub-paragraph (ii) of this Credit Linked Asset Condition 6(h) shall apply unless (A) “Reference Obligation Only” has been specified as the Deliverable Obligation Category in the applicable Final Terms or Pricing Supplement, (B) in the case of a Consent Required Loan, “Partial Cash Redemption of Consent Required Loans” is specified as applicable in the applicable Final Terms or Pricing Supplement (in which case Credit Linked Asset Condition 6(e) (*Partial Cash Redemption of Consent Required Loans*) shall apply), (C) in the case of an Assignable Loan, “Partial Cash Redemption of Assignable Loans” is specified as applicable in the applicable Final Terms or Pricing Supplement (in which case Credit Linked Asset Condition 6(f) (*Partial Cash Redemption of Assignable Loans*)) shall apply), (D) in the case of a Direct Loan Participation, “Partial Cash Redemption of Participation” is specified as applicable in the applicable Final Terms or Pricing Supplement (in which case Credit Linked Asset Condition 6(g) (*Partial Cash Redemption of Participations*) shall apply) or (E) in any case, such failure to Deliver is due to an event described in Credit Linked Asset Condition 6(d) (*Partial Cash Redemption due to Impossibility or Illegality*) (in which case Credit Linked Asset Condition 6(d) (*Partial Cash Redemption due to Impossibility or Illegality*) shall apply).
- (ii) If the Issuer has failed to obtain the requisite consents to Deliver a Loan specified in the Notice of Physical Settlement or any NOPS Amendment Notice, at any time following the

Loan Alternative Procedure Start Date, the Issuer may Deliver, in lieu of all or part of such Loan, any, subject to “Restructuring Maturity Limitation and Fully Transferable Obligation” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation”, Bond that is Transferable and Not Bearer or any Assignable Loan, in either case selected by the Calculation Agent and having on both the Physical Redemption Date and the Delivery Date each of the Deliverable Obligation Characteristics (other than Consent Required Loan or Direct Loan Participation), if any, specified in the applicable Final Terms or Pricing Supplement and otherwise satisfying the requirements to constitute a Deliverable Obligation (and such instrument shall be deemed specified in the NOPS Amendment Notice which will be effective notwithstanding the fact that it is deemed specified after the Physical Redemption Date).

(i) *Partial Cash Redemption Terms and Fallback Cash Redemption Terms*

The following terms apply for the purposes of the partial cash redemption terms referred to in Credit Linked Asset Conditions 6(d) (*Partial Cash Redemption due to Impossibility or Illegality*) to 6(h) (*Alternative Procedures Relating to Loans not Delivered*) and for the purposes of the fallback cash redemption terms referred to in Credit Linked Asset Condition 6(a)(vi) (*Delivery of Physical Redemption Assets*) and Credit Linked Asset Condition 8(b) (*Continuing Redemption Failure Event*):

- (i) If “Cash Redemption” is deemed to apply pursuant to 6(d) (*Partial Cash Redemption due to Impossibility or Illegality*) to 6(h) (*Alternative Procedures Relating to Loans not Delivered*) or applies pursuant to Credit Linked Asset Conditions 6(a)(vi) (*Delivery of Physical Redemption Assets*) or Credit Linked Asset Condition 8(b) (*Continuing Redemption Failure Event*) when “Fallback Cash Redemption” is specified as applicable in the applicable Final Terms or Pricing Supplement, the Issuer shall pay in respect of the portion of the Physical Redemption Assets corresponding to the applicable Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation or Unassignable Obligation (each an “**Undeliverable Deliverable Obligation**”) the Partial Cash Redemption Amount on the Partial Cash Redemption Date, and in respect of the Physical Redemption Assets which cannot be delivered as described in Credit Linked Asset Condition 6(a)(vi) (*Physical Redemption Assets*) or Credit Linked Asset Condition 8(b) (*Continuing Redemption Failure Event*) (each an “**Undelivered Deliverable Obligation**”), the Fallback Cash Redemption Amount on the Fallback Cash Redemption Date (each as determined in accordance with this Credit Linked Asset Condition 6(i));
- (ii) “**Partial Cash Redemption Amount**” means, for each Undeliverable Deliverable Obligation, as the case may be, an amount calculated by the Calculation Agent equal to the greater of (A) (I) the Outstanding Principal Balance, the Due and Payable Amount or the Currency Amount, as applicable, of each Undeliverable Deliverable Obligation, as the case may be, multiplied by (II) either (1) if one or more Auctions are held by the Credit Derivatives Determination Committee in respect of the Reference Entity, the Auction Final Price or (2) if the Calculation Agent so determines (in its discretion, acting in a commercially reasonable manner), the Final Price with respect to such Undeliverable Deliverable Obligations, as the case may be, less (III) Credit Event Unwind Costs, if any, and (B) zero;
- (iii) “**Partial Cash Redemption Date**” and “**Fallback Cash Redemption Date**” means the date as selected by the Calculation Agent up to and including the date falling 10 Business Days after the calculation of the Final Price or, as applicable the Auction Final Price Determination Date;

- (iv) **"Fallback Cash Redemption Amount"** has the same meaning as set out in "Partial Cash Redemption Amount", provided that each reference therein to "Undeliverable Deliverable Obligation" shall be deemed to be a reference to "Undelivered Deliverable Obligation";
- (v) **"Reference Obligation"** means, in respect of the determination of the Partial Cash Redemption Amount, each Undeliverable Deliverable Obligation and in respect of the determination of the Fallback Cash Redemption Amount, each Undelivered Deliverable Obligation;
- (vi) **"Valuation Date"** means the date that is two Business Days after the Latest Permissible Physical Settlement Date;
- (vii) **"Valuation Method"** means Highest or, if fewer than two Full Quotations are obtained or a Weighted Average Quotation applies (or, if applicable, Indicative Quotations), Market Value;
- (viii) **"Quotation Method"** means Bid;
- (ix) **"Quotation Amount"** means, with respect to each type or issue of Undeliverable Deliverable Obligation or Undelivered Deliverable Obligation, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency which shall be converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained), as applicable, of such Undeliverable Deliverable Obligation or Undelivered Deliverable Obligation (as applicable), as the case may be. The Calculation Agent may in its discretion, acting in a commercially reasonable manner, round up or down the Quotation Amount for the purposes of seeking a Quotation;
- (x) There shall be no Minimum Quotation Amount;
- (xi) **"Valuation Time"** means the time specified as such in the applicable Final Terms or Pricing Supplement, or if no such time is specified, the time specified by the Calculation Agent, which shall be as close as reasonably practicable to 11:00 a.m. (London time), unless the Calculation Agent determines that the principal market for transactions in the Undeliverable Deliverable Obligation or Undelivered Deliverable Obligation (as applicable) would be closed at such time or such transactions are not being conducted in sufficient volume (as determined by the Calculation Agent in its discretion, acting in a commercially reasonable manner) at such time, in which event the Valuation Time shall be such other time as may be specified by the Calculation Agent that such principal market is open;
- (xii) **"Market Value"** means, with respect to an Undeliverable Deliverable Obligation or an Undelivered Deliverable Obligation (as applicable), on a Valuation Date, (A) if more than three Full Quotations are obtained the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the same highest and lowest values (and, if more than one of such Full Quotations have the same highest and lowest value, then one of such highest or lowest Full Quotations shall be disregarded), (B) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one of such Full Quotations have the same highest or lowest value, then one of such highest or lowest Full Quotations shall be disregarded), (C) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations, (D) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation, (E) if Indicative Quotations are applicable and exactly three Indicative Quotations are obtained, the Indicative Quotation remaining after disregarding the highest and lowest Indicative Quotations (and, if more than one of such

Indicative Quotations have the same highest or lowest value, then one of such highest or lowest Indicative Quotations shall be disregarded), (F) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained (and, if Indicative Quotations are applicable, fewer than three Indicative Quotations are obtained) then, subject to subparagraph (B) of the definition of “Quotation” below, an amount that the Calculation Agent shall determine on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation, or, if applicable, three Indicative Quotations are obtained and (G) if fewer than two Full Quotations are obtained, no Weighted Average Quotation is obtained (and, if Indicative Quotations are applicable, fewer than three Indicative Quotations are obtained) on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Market Value shall be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Deliverable Obligation or Undelivered Deliverable Obligation (as applicable), as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations (or, if applicable, Indicative Quotations) were not obtained on such day;

(xiii) **“Quotation”** means each Full Quotation, the Weighted Average Quotation, and, if Indicative Quotations are specified as applicable in the applicable Final Terms or Pricing Supplement, each Indicative Quotation obtained and expressed as a percentage of the Reference Obligation’s Outstanding Principal Balance or Due and Payable Amount, as applicable with respect to a Valuation Date in the manner that follows:

- (A) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Quotation Dealers, and, if two or more Full Quotations are not available, a Weighted Average Quotation. If two or more such Full Quotations or a Weighted Average Quotation are not available on any such Business Day and Indicative Quotations are specified as applicable in the applicable Final Terms or Pricing Supplement, the Calculation Agent shall attempt to obtain three Indicative Quotations from five or more Quotation Dealers.
- (B) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation (or, if Indicative Quotations are specified as applicable in the applicable Final Terms or Pricing Supplement, three Indicative Quotations) on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day, or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Deliverable Obligations or Undelivered Deliverable Obligation (as applicable), as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for

which firm quotations (or, if applicable, Indicative Quotations) were not obtained on such day.

- (C) All Quotations shall be obtained in accordance with the specification or determination made pursuant to Credit Linked Asset Condition 2(e) (*Accrual of Interest on Credit Event*); and
 - (xiv) “**Indicative Quotation**” means, in accordance with the Quotation Method, each quotation obtained from a Quotation Dealer at the Valuation Time for (to the extent reasonably practicable) an amount of the Undeliverable Deliverable Obligation or Undelivered Deliverable Obligation (as applicable), as the case may be, equal to the Quotation Amount, which reflects such Quotation Dealer’s reasonable assessment of the price of such Undeliverable Deliverable Obligation or Undelivered Deliverable Obligation (as applicable), as the case may be, based on such factors as such Quotation Dealer may consider relevant, which may include historical prices and recovery rates.
 - (xv) Indicative Quotations shall be applicable under this Credit Linked Asset Condition 6(i) only if these partial cash settlement terms or fallback cash redemption terms apply due to the occurrence of an event giving rise to an impossibility or illegality under Credit Linked Asset Condition 6(d) (*Partial Cash Redemption due to Impossibility or Illegality*) or a Continuing Redemption Failure Event under Credit Linked Asset Condition 8(b) (*Continuing Redemption Failure Event*).
 - (xvi) The Calculation Agent shall determine based on the then current market practice in the market of the relevant Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation, Unassignable Obligation or Undelivered Deliverable Obligation, whether such Quotations shall include or exclude accrued but unpaid interest.
- (j) *Asset Package Delivery*
- (i) If an Asset Package Credit Event occurs and an obligation which would be a Prior Deliverable Obligation or a Package Observable Bond for the purposes of the Notes results in an Asset Package then “Asset Package Delivery” will apply unless (A) such Asset Package Credit Event occurs prior to the Credit Event Backstop Date determined in respect of the Credit Event specified in the Credit Event Notice or DC Credit Event Announcement applicable to the Event Determination Date, (B) if the Reference Entity is a Sovereign, no Package Observable Bond exists immediately prior to such Asset Package Credit Event, or (C) the Reference Entity is a Sovereign and “Sovereign Reference Entity No Asset Package Delivery” is specified as applicable in the applicable Final Terms or Pricing Supplement.
 - (ii) If Asset Package Delivery applies, (A) Delivery of a Prior Deliverable Obligation or a Package Observable Bond forming part of the Physical Redemption Assets which is specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, may be satisfied by Delivery of the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Deliverable Obligation or Package Observable Bond to which it corresponds had immediately prior to the Asset Package Credit Event, (B) the definition of “Deliver” shall be deemed to apply to each Asset in the Asset Package, provided that if any such Asset is not a Bond, it shall be treated as if it were a Loan for this purpose, (C) if the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full three Business Days following the date on which the Calculation Agent has notified the Issuer and the Issuing and Paying Agent of the detailed description of the Asset Package

that should be Delivered in accordance with the definition of “Notice of Physical Settlement”, (D) the Issuer may satisfy its obligation to make Delivery of the Prior Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion and (E) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value.

- (iii) Notwithstanding the preceding sub-paragraphs of this Credit Linked Asset Condition 6(j), the Calculation Agent may elect in lieu of the Issuer delivering all or any part of the Asset Package (such assets, the “**Non-Deliverable Asset Package**”) as Physical Redemption Assets to instruct the Issuer to pay to the Noteholders the Asset Market Value of the non-Deliverable Asset Package, converted if necessary, into the currency of denomination of the Notes at the prevailing market rate of exchange determined by the Calculation Agent in good faith (such cash payment the “**Asset Package Cash Redemption Amount**”). Payment of the Asset Package Cash Redemption Amount shall be made on or before the tenth Business Day following determination of the Asset Market Value of the non-Deliverable Asset Package.

7 Cash Redemption Terms

- (a) *Redemption of Credit Linked Notes where Cash Redemption applies*

Notwithstanding anything to the contrary in General Condition 7 (*Redemption and Purchase*) and unless previously redeemed or purchased and cancelled, and subject to Credit Linked Asset Condition 9 (*Effect of DC Announcements*) if (i) “Cash Redemption” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement, or (ii) “Cash Redemption” is deemed to take place under the terms relating to “Physical Redemption” in Credit Linked Asset Condition 6 (*Physical Redemption Terms*), or (iii) “Cash Redemption” is specified as the Fallback Redemption Method in the applicable Final Terms or Pricing Supplement in accordance with the provisions of Credit Linked Asset Condition 5 (*Auction Redemption Terms*), then, following the occurrence of a Relevant Event Determination Date, the Issuer shall, subject as aforesaid, redeem:

- (i) each Note in whole on the relevant Cash Redemption Date at the Cash Redemption Amount;
- (ii) if the Notes are Linear Basket Credit Linked Notes, (1) a portion of the principal amount of each Note equal to the Applicable Proportion determined by reference to the Reference Entity Notional Amount of the Reference Entity in respect of which the Credit Event occurred on the relevant Cash Redemption Date at the Cash Redemption Amount and (2) the remaining portion of each Note at its *pro rata* Final Redemption Amount on the Maturity Date; or
- (iii) if the Credit Event is an M(M)R Restructuring, (1) a portion of the principal amount of each Note equal to the Applicable Proportion determined by reference to the Exercise Amount specified in the Credit Event Notice relating to the relevant Credit Event on the relevant Cash Redemption Date at the Cash Redemption Amount and (2) the remaining portion of each Note at its *pro rata* Final Redemption Amount on the Maturity Date.

Payment by the Issuer of the Cash Redemption Amount shall fully and effectively discharge the Issuer’s obligation to redeem the Applicable Proportion of the relevant Note.

(b) *Determination of the Final Price*

- (i) On the Valuation Date, the Calculation Agent shall commence determination of the Final Price using the Deliverable Obligations to be valued selected in its discretion, acting in a commercially reasonable manner.
- (ii) If:
 - I “Include Accrued Interest” is specified in the applicable Final Terms or Pricing Supplement, the Outstanding Principal Balance of the Deliverable Obligations shall include accrued but unpaid interest;
 - II “Exclude Accrued Interest” is specified in the applicable Final Terms or Pricing Supplement, the Outstanding Principal Balance of the Deliverable Obligations shall not include accrued but unpaid interest; or
 - III neither “Include Accrued Interest” nor “Exclude Accrued Interest” is specified in the applicable Final Terms or Pricing Supplement, the Calculation Agent shall determine, based on the then current market practice in the market of the Deliverable Obligation whether the Outstanding Principal Balance of the Deliverable Obligation shall include or exclude accrued but unpaid interest and, if applicable, the amount thereof,

and the Calculation Agent shall, as soon as reasonably practicable after obtaining all Quotations for a Valuation Date, notify the Issuer and the Issuing and Paying Agent in writing of each such Quotation that it receives in connection with the calculation of the Final Price together with a written computation showing such calculation and including the information specified in sub-paragraph (vi) of Credit Linked Asset Condition 17(a) (*Notices required to be delivered*) and the Calculation Agent will instruct the Issuing and Paying Agent to deliver (and the Issuing and Paying shall so deliver) a copy of such notice to the Noteholders in accordance with General Condition 23 (*Notices*) (provided that any failure to give such notice to Noteholders shall not affect any determination made by the Calculation Agent or the rights of the Issuer to redeem the Credit Linked Notes (or, if the Notes are Linear Basket Credit Linked Notes, or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof)).

- (iii) If an Asset Package Credit Event has occurred, (A) valuation of a Prior Deliverable Obligation or Package Observable Bond specified in the notice to the Issuer and the Issuing and Paying Agent may be satisfied by valuation of the related Asset Package and such Asset Package shall be treated as having the same currency and Outstanding Principal Balance as that of the Prior Deliverable Obligation or Package Observable Bond, as applicable, to which it corresponds immediately prior to the Asset Package Credit Event, (B) if the Asset Package is zero, a Quotation shall be deemed to have been obtained for the Outstanding Principle Balance of the Prior Deliverable Obligation or Package Observable Bond (as applicable) equal to zero, and (C) for any other Asset Package the Calculation Agent shall determine the value of the Asset Package in its sole and absolute discretion and a Quotation shall be deemed to have been obtained for such valuation provided that the Calculation Agent may obtain Quotations for some or all of the components of the Asset Package and/or take account of any method of determining the Asset Market Value of any Asset that is a Non-Transferable Instrument or a Non-Financial Instrument that may be published by the DC Secretary.

8 Redemption Failure Event

- (a) If a Redemption Failure Event has occurred and exists on the Maturity Date or Redemption Date the obligation of the Issuer to pay the Auction Redemption Amount, the Cash Redemption Amount or to Deliver the Physical Redemption Assets or part thereof, as the case may be, will be postponed without further act or notice and such payment or Delivery will be made on a Business Day selected by the Calculation Agent on which such Redemption Failure Event no longer exists, provided that, if such Redemption Failure Event continues to exist on the tenth Business Day after the Maturity Date or Redemption Date or other scheduled payment or delivery date (including a date scheduled to be the Delivery Date) in respect of an amount required to be paid or Deliverable Obligations to be Delivered (as the case may be), the Noteholder may request the Issuer in writing to make payment of such amount to such account or to such other person as the Noteholder specifies, provided that, the Issuer first receives an irrevocable and unconditional release and indemnity in respect of liabilities arising therefrom to its sole and absolute satisfaction.
- (b) *Continuing Redemption Failure Event*
 - (i) Notwithstanding anything to the contrary in the General Conditions but subject to sub-paragraph (ii) below, if the Calculation Agent determines (in its discretion, acting in a commercially reasonable manner) that such Redemption Failure Event continues to exist on the 90th calendar day after the Maturity Date or Redemption Date or other scheduled payment or delivery date (including a date scheduled to be the Delivery Date) (a **“Continuing Redemption Failure Event”**) in respect of an amount required to be paid where the Noteholder has not elected for payment to be made to a third party (if applicable) in accordance with sub-paragraph (a) above, or Deliverable Obligations to be Delivered (as the case may be) no such payment or Delivery will be made by the Issuer and the Issuer’s obligations to the Noteholder hereunder will be deemed to be fully discharged as of that date.
 - (ii) Notwithstanding sub-paragraph (i) above, if a Continuing Redemption Failure Event occurs as a result of the circumstances described in sub-paragraph (c) of the definition of “Redemption Failure Event”, and “Fallback Cash Redemption” is specified to apply in the applicable Final Terms or Pricing Supplement, the Calculation Agent shall apply “Cash Redemption” pursuant to the fallback cash redemption terms in Credit Linked Asset Condition 6(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*) with respect to the Deliverable Obligations that have not been Delivered.
- (c) Any postponement or deemed discharge of payment pursuant to this Credit Linked Asset Condition 8 (*Redemption Failure Event*) will not constitute a default hereunder (including for the purpose of General Condition 12 (*Events of Default*)) and will not entitle the relevant Noteholder to any additional interest or other payment as a result thereof. For the avoidance of doubt, the provisions of this Credit Linked Asset Condition 8(c) are in addition to any provisions of Credit Linked Asset Condition 6 (*Physical Redemption Terms*) above regarding, *inter alia*, the failure to Deliver Deliverable Obligations.

9 Effect of DC Announcements

- (a)
 - (i) **Reversal of DC Credit Event Announcement**

If an Event Determination Date is subsequently reversed prior to the relevant Auction Final Price Determination Date, a Valuation Date, a Redemption Date (or, if earlier, a Delivery Date) or the Maturity Date, a Credit Event shall be deemed not to have occurred with respect to the Reference Entity for the purposes of these Credit Linked Asset Conditions.

(ii) Linear Basket Credit Linked Notes

Where the Notes are Linear Basket Credit Linked Notes, an Event Determination Date may occur in respect of each relevant Reference Entity provided that, other than in respect of a Restructuring, an Event Determination Date shall apply only once to each such Reference Entity.

(b) *Redemption Suspension*

If, following the occurrence of a Relevant Event Determination Date but prior to the relevant Redemption Date, Delivery Date or, to the extent applicable, a Valuation Date in respect of a Reference Entity, there is an Applicable DC Credit Event Meeting Announcement, all timing requirements in these Credit Linked Asset Conditions that pertain to settlement shall toll and remain suspended until the date of the Applicable DC Credit Event Announcement or Applicable DC Credit Event Question Dismissal, as applicable. During such suspension period, the Issuer and the Calculation Agent are not obliged to take any action in connection with the settlement of such Credit Event or the redemption, if any, of the Credit Linked Notes. Once the relevant DC Credit Event Announcement or DC Credit Event Dismissal has occurred, the relevant timing requirements that pertain to settlement that have previously tolled or been suspended shall resume on the Business Day following such public announcement by the DC Secretary with the Issuer and the Calculation Agent each having the benefit of the full day notwithstanding when the tolling or suspension began. The Calculation Agent shall instruct the Issuing and Paying Agent to deliver (and the Issuing and Paying shall so deliver) a notice (a **“Redemption Suspension Notice”**) in accordance with General Condition 23 (*Notices*) to the Noteholders giving notice of any suspension or resumption of timing requirements pursuant to this Credit Linked Asset Condition 9 (*Effect of DC Announcements*).

10 Principal Protected Redemption Terms

Subject to Credit Linked Asset Condition 9 (*Effect of DC Announcements*), if “Principal Protected Redemption” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement and a Relevant Event Determination Date occurs then, unless previously redeemed or purchased and cancelled, redemption of the Credit Linked Notes shall take place by payment by the Issuer of the Applicable Portion of the Principal Protected Amount on the Maturity Date and the outstanding portion of each Note (if any) at its *pro rata* Final Redemption Amount (as determined by the Calculation Agent) on the Maturity Date. For the avoidance of doubt, nothing in this Credit Linked Asset Condition 10 (*Principal Protected Redemption Terms*) shall prejudice the provisions of Credit Linked Asset Condition 2 (*Interest on Credit Linked Notes*).

11 Fixed Recovery Redemption Terms

(a) *Redemption at the Fixed Recovery Redemption Amount*

Subject to Credit Linked Asset Condition 9 (*Effect of DC Announcements*), unless previously redeemed or purchased and cancelled, if “Fixed Recovery Redemption” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement, then following the occurrence of a Relevant Event Determination Date, redemption of the Credit Linked Notes (or, if the Credit Linked Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof) shall take place in accordance with Credit Linked Asset Condition 7 (*Cash Redemption Terms*), provided that the Cash Redemption Amount shall be determined using the Fixed Recovery Percentage specified in the applicable Final Terms or Pricing Supplement instead of the Final Price, as further set out in the definition of Cash Redemption Amount in Credit Linked Asset Condition 18 (*Definitions*).

(b) *Fixed Recovery Percentage of zero*

If the Fixed Recovery Percentage is zero, following the occurrence of a Relevant Event Determination Date, the occurrence of the Fixed Recovery Redemption Date shall fully and effectively discharge the Issuer's obligation to redeem the Applicable Proportion of the relevant Note.

(c) *Credit Event Unwind Costs*

If "Credit Event Unwind Costs" is specified as applicable in the applicable Final Terms or Pricing Supplement, the Credit Event Unwind Costs shall only apply to a Fixed Recovery Credit Linked Note to the extent that the Cash Redemption Amount would not be less than zero.

12 Additional Disruption Events

(a) If "Additional Disruption Event" is specified as applicable in the applicable Final Terms or Pricing Supplement, then following the determination by the Calculation Agent that an Additional Disruption Event has occurred, the Calculation Agent may:

- (i) determine in its discretion, acting in a commercially reasonable manner, the appropriate adjustment, if any, to be made to any of the Credit Linked Asset Conditions and/or the applicable Final Terms or Pricing Supplement to account for the Additional Disruption Event and determine the effective date of that adjustment; or
- (ii) instruct the Issuing and Paying Agent to give notice (and the Issuing and Paying shall give notice) to Noteholders in accordance with General Condition 23 (*Notices*) and instruct the Issuer to redeem the Aggregate Nominal Amount of the Credit Linked Notes at a commercially reasonable amount as determined by the Calculation Agent.

(b) Upon the occurrence of an Additional Disruption Event, the Calculation Agent shall instruct the Issuing and Paying Agent to deliver (and the Issuing and Paying shall so deliver) a notice (an "**Additional Disruption Event Notice**") in accordance with General Condition 23 (*Notices*) to the Noteholders stating the occurrence of the Additional Disruption Event and giving details thereof and the action proposed to be taken in relation thereto provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

13 Successor Provisions

(a) *Successor Determinations*

The Calculation Agent will be responsible for determining, as soon as reasonably practicable after delivery of a Successor Notice and with effect from the Succession Date, any Successor or Successors provided that the Calculation Agent will not make such determination if, at the time of the determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

The Calculation Agent will make all calculations and determinations required to be made under this definition on the basis of Eligible Information and will notify the Issuer and the Issuing and Paying Agent of any such calculation or determination as soon as practicable. In calculating the percentages used to determine whether an entity qualifies as a Successor under sub-paragraph (a) of this Credit Linked Asset Condition 13, if there is a Steps Plan, the Calculation Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

(b) *Multiple Successors*

Following a Succession Date if more than one Successor has been identified, the Credit Linked Notes will be amended without the consent of the Noteholders to reflect the following terms:

- (i) each Successor will be a Reference Entity and more than one Credit Event may occur during the Term of the Credit Linked Notes but, subject to Credit Linked Asset Condition 4 (*Credit Event Notice after M(M)R Restructuring*), once only in relation to each Successor;
- (ii) where a Credit Event occurs in respect of a Reference Entity after such Succession Date, the Credit Linked Notes will not redeem in whole in respect of a Successor but instead the provisions of these Credit Linked Asset Conditions shall be deemed to apply to the nominal amount represented by that Reference Entity only (the “**Partial Nominal Amount**”), the Credit Linked Notes shall, thereafter, be redeemed in part (such redeemed part being equal to a Noteholder’s *pro rata* share of the Partial Nominal Amount) and the Credit Linked Asset Conditions and/or the applicable Final Terms or Pricing Supplement shall be construed accordingly. Following such event, the Credit Linked Notes shall remain outstanding in an amount equal to the Aggregate Nominal Amount of the Credit Linked Notes minus the Partial Nominal Amount and interest shall accrue on any remaining amount only (in accordance with these Credit Linked Asset Conditions, adjusted in such manner as the Calculation Agent in its discretion, acting in a commercially reasonable manner, determines to be appropriate to reflect the economic effects of the identification of more than one Successor); and
- (iii) with respect to Linear Basket Credit Linked Notes only, the Reference Entity Notional Amount of the original Reference Entity will be divided equally between the number of Successors and the Calculation Agent shall determine the relevant type of Reference Entity (including any relevant Obligation and Deliverable Obligation Category and Deliverable Obligation Characteristics in its discretion, acting in a commercially reasonable manner) by reference to market practice in such type of Reference Entity. If a single entity would be a Reference Entity hereunder more than once, then it will be deemed to be a Reference Entity only once, and the Reference Entity Notional Amount for such Reference Entity will be the sum of the Reference Entity Notional Amounts otherwise applicable to it (and such change shall have no effect on the Aggregate Nominal Amount of the Linear Basket Credit Linked Notes).

(c) *Exchange Offer*

In the case of an exchange offer, the determination required pursuant to sub-paragraph (a) of the definition of “Successor” shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.

(d) *Joint Potential Successors*

If two or more entities (each, a “**Joint Potential Successor**”) jointly succeed to a Relevant Obligation (the “**Joint Relevant Obligation**”) either directly or as a provider of a Relevant Guarantee, then (a) if the Joint Relevant Obligation was a direct obligation of the Reference Entity, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (b) if the Joint Relevant Obligation was a Relevant Guarantee, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as guarantor or guarantors, if any, or otherwise by each Joint Potential Successor in equal parts.

(e) *Eligible Successors*

An entity may only be a Successor if:

- (i) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after 1 January 2014;
- (ii) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and
- (iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.

14 Deliverable Obligations

(a) *Restructuring Maturity Limitation*

If (i) “Physical Redemption” is specified as the Credit Event Redemption Method and “Mod R” is specified as applicable in the applicable Final Terms or Pricing Supplement and (ii) Restructuring is the only Credit Event specified in a Credit Event Notice delivered by the Calculation Agent, then, unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may only be specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, if it (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the Restructuring Maturity Limitation Date, in each case, as of the Delivery Date.

(b) *Modified Restructuring Maturity Limitation*

- (i) If (i) “Physical Redemption” is specified as the Credit Event Redemption Method and “Mod R” is specified as applicable in the applicable Final Terms or Pricing Supplement and (ii) Restructuring is the only Credit Event specified in a Credit Event Notice delivered by the Calculation Agent, then, unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may only be specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, if it (i) is a Conditionally Transferable Obligation and (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date in each case, as of the Delivery Date. Notwithstanding the foregoing, for the purposes of this paragraph, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the 10-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring.
- (ii) Where “Modified Restructuring Maturity Limitation” applies and a Deliverable Obligation specified in the Notice of Physical Settlement (or in any NOPS Amendment Notice, if applicable) is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer, and the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Physical Redemption Date (in which case it shall be deemed to have been refused), the Calculation Agent shall promptly notify the Issuer and the Issuing and Paying Agent of such refusal (or deemed refusal) and if the Noteholder does not designate a third party or the Noteholder does not take Delivery on or prior to the Loan Alternative Procedure Start Date, then Credit Linked Asset Condition 6(h) (*Alternative Procedures Relating to Loans not Delivered*) shall apply.

(c) *Determination of Final Maturity Date*

For the purposes of making a determination under sub-paragraph (a) or (b)(i) of this Credit Linked Asset Condition 14, the relevant final maturity date shall, subject to the definition of “Conditionally Transferable Obligation”, be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

(d) *Multiple Holder Obligation*

Unless “Multiple Holder Obligation” is specified as not applicable in the applicable Final Terms or Pricing Supplement, then none of the events described in sub-paragraphs (i) to (iv) of the definition of “Restructuring” shall constitute a Restructuring unless the Obligation is a Multiple Holder Obligation, where “**Multiple Holder Obligation**” means an Obligation that (i) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other and (ii) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six-and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event (provided that sub-paragraph (ii) shall be deemed to be satisfied where the Obligation is a Bond).

15 Reference Obligation

(a) *Standard Reference Obligation and Non-Standard Reference Obligation*

- (i) If “Standard Reference Obligation” is specified as applicable in the applicable Final Terms or Pricing Supplement, then the Reference Obligation for the relevant Reference Entity will be the Standard Reference Obligation which is the obligation of the relevant Reference Entity with the relevant Seniority Level specified from time to time on the SRO List published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA for such purposes.
- (ii) If “Standard Reference Obligation” is specified as not applicable in the applicable Final Terms or Pricing Supplement then the Reference Obligation(s) for the relevant Reference Entity will be each Non-Standard Reference Obligation specified in the applicable Final Terms or Pricing Supplement for such Reference Entity.

(b) *Substitute Reference Obligation*

- (i) If a Substitution Event has occurred with respect to a Non-Standard Reference Obligation, the Calculation Agent may identify a Substitute Reference Obligation in accordance with sub-paragraphs (iii), (iv) and (v) of this Credit Linked Asset Condition 15(b) to replace such Non-Standard Reference Obligation, provided that the Calculation Agent will not identify an obligation as the Substitute Reference Obligation if, at the time of the determination, such obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such obligation has not changed materially since the date of the relevant DC Resolution.
- (ii) If any of the events set forth under sub-paragraph (a) or (c) of the definition of “Substitution Event” have occurred with respect to a Non-Standard Reference Obligation, such Non-Standard Reference Obligation will cease to be the Reference Obligation (other than for the purposes of the “Not Subordinated” Obligation Characteristic or “Not Subordinated” Deliverable Obligation Characteristic and sub-paragraph (iii)(B) of this Credit Linked Asset Condition 15(b)). If the event set forth in sub-paragraph (b) of the definition of “Substitution

Event” has occurred with respect to a Non-Standard Reference Obligation and no Substitute Reference Obligation is available, such Non-Standard Reference Obligation will continue to be a Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set forth under sub-paragraph (a) or (c) of the definition of “Substitution Event” occur with respect to such Non-Standard Reference Obligation.

- (iii) The Substitute Reference Obligation shall be an obligation that on the Substitution Date:
- (A) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee);
 - (B) satisfies the Not Subordinated Deliverable Obligation Characteristic as of the date it was issued or incurred (without reflecting any change the priority of payment after such date) and on the Substitution Date; and
 - (C)
 - (I) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:
 - 1. is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of “Deliverable Obligation”, or, if no such obligation is available,
 - 2. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of “Deliverable Obligation”;
 - (II) if the Non-Standard Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:
 - 1. is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,
 - 2. is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of “Deliverable Obligation”, or, if no such obligation is available,
 - 3. is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan), or, if no such obligation is available,
 - 4. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of “Deliverable Obligation”; or
 - (III) if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:
 - 1. is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan), or, if no such obligation is available,
 - 2. is a Non-Conforming Substitute Reference Obligation (other than a Loan), or, if no such obligation is available,

3. is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of “Deliverable Obligation”, or, if no such obligation is available,
 4. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of “Deliverable Obligation”.
- (iv) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in sub-paragraph (iii) of this Credit Linked Asset Condition 15(b), the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Issuer under the relevant Series, as determined by the Calculation Agent. The Calculation Agent will (if a Substitute Reference Obligation has not been identified) notify the Issuer and the Issuing and Paying Agent of a Substitute Reference Obligation as soon as reasonably practicable after it has been identified in accordance with sub-paragraph (iii) of this Credit Linked Asset Condition 15(b) and the Substitute Reference Obligation shall replace the Non-Standard Reference Obligation immediately upon such notification.
- (v) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation then, subject to sub-paragraph (i) of this Credit Linked Asset Condition 15(b) and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with sub-paragraph (ii) of this Credit Linked Asset Condition 15(b), the Calculation Agent may continue to attempt to identify the Substitute Reference Obligation.
- (c) *Reference Obligation Only Series*
- (i) If the event set out in sub-paragraph (a) of the definition of “Substitution Event” occurs with respect to the Reference Obligation in a Series of Notes in respect of a Reference Entity to which “Reference Obligation Only” applies, and such Reference Obligation is the only Reference Obligation for such Reference Entity, the Applicable Proportion of the Notes shall be redeemed at the fair market value of the Applicable Proportion of the Notes determined by the Calculation Agent as at the Substitution Event Date and adjusted to take into account any Credit Event Unwind Costs, if applicable. The Calculation Agent shall instruct the Issuing and Paying Agent to deliver (and the Issuing and Paying shall so deliver) a notice in accordance with General Conditions 23 (*Notices*) to the Noteholders stating the occurrence of such Substitution Event and setting out the Redemption Date in respect thereof, which shall be a date not earlier than the relevant Substitution Event Date.
- (ii) Notwithstanding the definition of “Substitute Reference Obligation” (a) no Substitute Reference Obligation shall be determined in respect of the Reference Obligation for a Reference Entity to which “Reference Obligation Only” applies, and (b) if the events set out in sub-paragraph (b) or (c) of the definition of “Substitution Event” occur with respect to the Reference Obligation to which “Reference Obligation Only” applies, such Reference Obligation shall continue to be the Reference Obligation.
- (d) *DC Substitute Reference Obligation Resolution*
- Notwithstanding the provision of this Credit Linked Asset Condition 15(b), the Calculation Agent may, but shall not be obliged to, select as the Substitute Reference Obligation for a Series of Notes an obligation of the relevant Reference Entity which is determined by DC Resolution to be the Substitute Reference Obligation to a Non-Standard Reference Obligation.

16 Calculation Agent

- (a) The “Calculation Agent” responsible for making calculations and determinations in respect of the Credit Linked Notes and for the purposes of these Credit Linked Asset Conditions shall be the entity specified as such in the applicable Final Terms or Pricing Supplement. Except as otherwise specified in the applicable Final Terms or Pricing Supplement, any determination, discretion or calculation of the Calculation Agent as may be specified in these Credit Linked Asset Conditions will be made at the discretion, acting in a commercially reasonable manner, of the Calculation Agent, as applicable, and the Calculation Agent shall not assume any obligation to, or relationship of agency or trust with, any Noteholders or any other person and shall be (save in the case of manifest error at the time the relevant determination is made) final and binding on the Issuer, the Trustee and the Noteholders. Furthermore, each Noteholder agrees that the Calculation Agent is not acting as fiduciary for or as an advisor to such Noteholder and acts in all respects as an arm’s length contractual counterparty in respect of its duties as Calculation Agent. In making any such determination or calculation or exercising any such discretion, the Calculation Agent shall not be required to take into account any person’s interest other than its own.
- (b) The Calculation Agent is responsible for, *inter alia*:
- (i) determining a Successor or Successors and making any other determinations required to be made under Credit Linked Asset Condition 13 (*Successor Provisions*);
 - (ii) determining whether (A) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments) (B) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of a Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of such Reference Entity enforceable in accordance with its terms, or (C) for any reason other than as described in (A) or (B) above and other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of a Reference Entity;
 - (iii) identifying and determining a Substitute Reference Obligation;
 - (iv) in the event that multiple Credit Event Notices with respect to an M(M)R Restructuring are delivered pursuant to Credit Linked Asset Condition 4 (*Credit Event Notice after M(M)R Restructuring*), making any modifications required pursuant to that Credit Linked Asset Condition;
 - (v) obtaining Quotations (and, if necessary, determining whether such Quotations shall include or exclude accrued but unpaid interest) and determining the Final Price in accordance with the applicable Valuation Method;
 - (vi) converting the Quotation Amount into the relevant Obligation Currency;
 - (vii) determining the Quotation Dealers (where none have been specified in the applicable Final Terms or Pricing Supplement) and substituting Quotation Dealers;
 - (viii) determining the Currency Rate;
 - (ix) determining the number of Business Days in each Physical Settlement Period;
 - (x) determining the Outstanding Principal Balance or Due and Payable Amount of the Deliverable Obligations to be included in the Physical Redemption Assets; and

- (xi) if “Include Accrued Interest” is specified in the applicable Final Terms or Pricing Supplement with respect to Deliverable Obligations, determining accrued but unpaid interest.
- (c) Except as otherwise expressly specified herein, whenever the Calculation Agent is required to act or to exercise judgment, it will do so in good faith and in a commercially reasonable manner.
- (d) The Calculation Agent shall as soon as practicable after making any of the determinations specified in sub-paragraphs (b)(i) to (b)(xi) of this Credit Linked Asset Condition 16 notify the Issuer of such determination.
- (e) If any of the matters set out in this Credit Linked Asset Condition 16 are decided and/or determined by a Credit Derivatives Determinations Committee, the Calculation Agent may follow such decision or determination to the extent such decision and/or determination is applicable to any Credit Linked Notes. In certain circumstances, the Calculation Agent shall be required to follow the decisions or determinations of a Credit Derivatives Determinations Committee or determinations made by the Calculation Agent may be overridden by subsequent determinations made by a Credit Derivatives Determinations Committee.

17 Notices

(a) *Notices required to be delivered*

The Calculation Agent shall instruct the Issuing and Paying Agent to deliver (and the Issuing and Paying Agent shall so deliver) a notice to the Noteholders of the following, to the extent required to be delivered pursuant to the terms of the Credit Linked Notes:

- (i) a Credit Event Notice and, if applicable, a Notice of Publicly Available Information;
- (ii) a Notice of Physical Settlement and, if applicable, any NOPS Amendment Notice;
- (iii) a Successor Notice and, if applicable, details of any amendments to the weighting of each Reference Entity within the Reference Portfolio (provided that no Successor Notice shall be required following a determination by a Credit Derivatives Determinations Committee that a Succession Event has occurred);
- (iv) if the terms of any Credit Linked Notes provide for the Reference Portfolio to be amended from time to time other than as a result of the identification of any Successor, details of any amendments to the Reference Portfolio;
- (v) the designation of any Substitute Reference Obligation (provided that (A) no such notice shall be required following a determination by a Credit Derivatives Determinations Committee of a Substitute Reference Obligation has occurred and (B) the failure of the Issuing and Paying Agent to deliver a notice to the Noteholders pursuant to this Credit Linked Asset Condition 17 (*Notices*) shall not affect the effectiveness of any designation of such Substitute Reference Obligation by the Calculation Agent (such designation to be in accordance with these Credit Linked Asset Conditions);
- (vi) following the determination of the Cash Redemption Amount with respect to any Credit Linked Notes subject to the provisions of Credit Linked Asset Condition 7 (*Cash Redemption Terms*), a notice specifying, to the extent applicable:
 - (A) the Deliverable Obligation(s) which were the subject of the Quotation;
 - (B) the Valuation Date;
 - (C) the Quotation Amount;

- (D) the Quotations obtained;
 - (E) the Final Price (if applicable);
 - (F) the Fixed Recovery Percentage (if applicable);
 - (G) the Principal Protected Amount (if applicable);
 - (H) the Cash Redemption Amount; and
 - (I) if applicable, any Credit Event Unwind Costs;
- (vii) following the determination of the Auction Redemption Amount with respect to any Credit Linked Notes subject to the provisions of Credit Linked Asset Condition 5 (*Auction Redemption Terms*), a notice specifying the Auction Redemption Amount (including the Auction Final Price and, if applicable, the Credit Event Unwind Costs);
 - (viii) a Notice to Exercise Movement Option;
 - (ix) a Repudiation/Moratorium Extension Notice;
 - (x) an Additional Disruption Event Notice; or
 - (xi) a Redemption Suspension Notice.
- (b) ***Effectiveness of Notices***
- (i) Any notice required to be delivered by the Calculation Agent to Noteholders in accordance with these Credit Linked Asset Conditions shall be deemed to have been delivered to Noteholders upon delivery of such notice by the Calculation Agent to the Issuing and Paying Agent. Such notice shall instruct the Issuing and Paying Agent to, and the Issuing and Paying Agent will then deliver such notice to the Noteholders. The failure of the Calculation Agent or the Issuing and Paying Agent to deliver any such notice to Noteholders shall not affect the effectiveness of any notice delivered by the Calculation Agent, or the effectiveness of any determinations by the Calculation Agent or the right of the Issuer to redeem the Credit Linked Notes (or, with respect to Linear Basket Credit Linked Notes, the Applicable Proportion thereof) pursuant to and in accordance with Credit Linked Asset Condition 1 (*Redemption of Credit Linked Notes*).
 - (ii) A notice delivered by the Calculation Agent to the Issuing and Paying Agent on or prior to 2:00 p.m. (London time) on a Bank Business Day will be effective on such Bank Business Day. A notice delivered after 2:00 p.m. (London time) on a Bank Business Day will be deemed effective on the next following Bank Business Day, regardless of the form in which it is delivered.
 - (iii) Other than as specified herein, Clauses 20 (*Communications*) and 21 (*Notices*) of the Agency Agreement shall apply to any relevant communications and notices delivered in accordance with these Credit Linked Asset Conditions.
- (c) ***Confidentiality***

Noteholders will treat as confidential any information about a Reference Entity which is designated by the Calculation Agent as confidential information and conveyed to the Noteholders for the purposes of identifying the Credit Event or giving rise to its determination of a Credit Event.

18 Definitions and Interpretations Applicable to Credit Linked Notes

The following definitions which relate to the Credit Linked Notes should be read in conjunction with the Credit Linked Asset Conditions:

“Additional Disruption Event” means any of Change in Law, Hedging Disruption, Force Majeure, Illegality and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms or Pricing Supplement.

“Additional Disruption Event Notice” has the meaning given to it in Credit Linked Asset Condition 12 (*Additional Disruption Events*).

“Affiliate” means in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, **“control”** of any entity or person means ownership of a majority of the voting power of the entity or person.

“Aggregate Nominal Amount” means, on the Issue Date, the aggregate nominal amount of the Notes of such Series specified in the applicable Final Terms or Pricing Supplement and, on any date thereafter, the aggregate nominal amount of the Notes of such Series outstanding on such date (taking into account the aggregate nominal amount of the Notes of such Series on the Issue Date and any amortisations, partial redemptions, including pursuant to the Credit Linked Asset Conditions, or further issues of the Notes of such Series on or prior to such date).

“Applicable Auction” means an Auction which the Calculation Agent determines is relevant to a Credit Event with respect to a Reference Entity and Obligations thereof and which relates to deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s), as applicable, under the Notes (or if an Asset Package Credit Event has occurred, which relates to the Asset Package for obligations which would constitute Prior Deliverable Obligation(s) or Package Observable Bond(s), as applicable, under the Notes) (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s) and the relevant seniority level thereof, credit event, reference entity, obligations and deliverable obligations to which the Auction relates and, if the Auction relates to an M(M)R Restructuring, the scheduled maturity date of the Notes and the scheduled termination date of the credit derivatives transactions covered by the Auction and the maturity date of the deliverable obligations to which the Auction relates, and (b) any credit hedging transaction that the Issuer or the Note Swap Counterparty has entered or may enter into in connection with the Notes).

“Applicable Credit Derivatives Auction Settlement Terms” means with respect to a Reference Entity, a Credit Event and an Applicable Auction, the Credit Derivatives Auction Settlement Terms (if any) which the Calculation Agent determines are relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s) and the relevant seniority level thereof, credit event, reference entity, obligation(s), deliverable obligations, Package Observable Bonds and Prior Deliverable Obligations (as applicable) which are the subject of the relevant Credit Derivatives Auction Settlement Terms and the Credit Events, Reference Entities and Obligations and Deliverable Obligations under the Notes and (b) any credit hedging transaction that the Issuer or the Note Swap Counterparty has entered or may enter into in connection with the Notes). The Calculation Agent shall, as soon as practicable after the relevant Applicable Credit Derivatives Auction Settlement Terms are published, notify the Issuer and the Issuing and Paying Agent that Applicable Credit Derivatives Auction Settlement Terms have been published with respect to a Reference Entity and a Credit Event and make a copy thereof available for inspection by Noteholders at the specified office of the Issuing and Paying Agent.

“Applicable DC Credit Event Announcement” means a DC Credit Event Announcement which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof to which such DC Credit Event Announcement relates and the terms of the Notes and (b) any credit hedging transaction that the Issuer or the Note Swap Counterparty has entered or may enter into in connection with the Notes).

“Applicable DC Credit Event Meeting Announcement” means a DC Credit Event Meeting Announcement which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof which are the subject of the DC Credit Event Meeting Announcement) and (b) any credit hedging transaction that the Issuer or the Note Swap Counterparty has entered or may enter into in connection with the Notes).

“Applicable DC Credit Event Question” means a DC Credit Event Question which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof which are the subject of the DC Credit Event Question) and (b) any credit hedging transaction that the Issuer or the Note Swap Counterparty has entered or may enter into in connection with the Notes).

“Applicable DC Credit Event Question Dismissal” means a DC Credit Event Question Dismissal which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof which are the subject of the DC Credit Event Question Dismissal) and (b) any credit hedging transaction that the Issuer or the Note Swap Counterparty has entered or may enter into in connection with the Notes).

“Applicable DC No Credit Event Announcement” means a DC No Credit Event Announcement which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof which are the subject of the DC No Credit Event Announcement and the Credit Events, Reference Entities and Obligations thereof under the Notes and (b) any credit hedging transaction that the Issuer or the Note Swap Counterparty has entered or may enter into in connection with the Notes).

“Applicable Proportion” means in respect of a redemption of a Credit Linked Note:

- (a) if the redemption is not as a result of an M(M)R Restructuring and the Note is not a Linear Basket Credit Linked Note, 100 per cent.;
- (b) if the redemption is not as a result of an M(M)R Restructuring and the Note is a Linear Basket Credit Linked Note, the Weighting of the affected Reference Entity or, if no Weighting is specified for such Reference Entity, an amount (expressed as a percentage) equal to the Reference Entity Notional Amount of the Reference Entity to which the relevant Credit Event or the relevant redemption relates divided by the Aggregate Nominal Amount of the Notes outstanding as at the related Event Determination Date (in respect of a Credit Event) or the Redemption Date (in respect of any other redemption); or
- (c) if the redemption is a result of an M(M)R Restructuring, an amount (expressed as a percentage) equal to the Exercise Amount specified in the relevant Credit Event Notice relating to the relevant Reference Entity and Credit Event divided by the Aggregate Nominal Amount of the Notes outstanding as at the related Event Determination Date.

“Applicable Resolution” means a DC Resolution which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, succession event, reference entity and obligation(s) thereof and any other factor to which the DC Resolution relates and the terms of the Notes and (b) any hedging transaction that the Issuer or the Note Swap Counterparty has entered or may enter into in connection with the Notes).

“Applicable Transaction Auction Settlement Terms” means, with respect to a Reference Entity and a Credit Event, the relevant Credit Derivatives Auction Settlement Terms which the Calculation Agent determines constitute Applicable Credit Derivatives Auction Settlement Terms.

“Asset” means each obligation, equity, amount of cash, security, fee (including any “early-bird” or other consent fee), right and/or other asset, whether tangible or otherwise and whether issued, incurred, paid or provided by the Reference Entity or a third party (or any value which was realised or capable of being realised in circumstances where the right and/or other asset no longer exists).

“Asset Market Value” means the market value of an Asset, as the Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology determined by the Credit Derivatives Determinations Committee.

“Asset Package” means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Holder in connection with such relevant Asset Package Credit Event (which may include the Prior Deliverable Obligation or Package Observable Bond, as the case may be). If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero. An Asset package shall be treated as having the same currency and Outstanding Principal Balance as that of the Prior Deliverable Obligation or Package Observable Bond (as applicable) to which it corresponds immediately prior to the Asset Package Credit Event.

“Asset Package Credit Event” means:

- (a) if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement and “Governmental Intervention” is specified as a Credit Event in the applicable Final Terms or Pricing Supplement: (i) a Governmental Intervention or (ii) a Restructuring in respect of the Reference Obligation of the relevant Reference Entity, if “Restructuring” is specified as a Credit Event in the applicable Final Terms or Pricing Supplement and such Restructuring does not constitute a Governmental Intervention; and
- (b) if the Reference Entity is a Sovereign and “Restructuring” is specified as a Credit Event in the applicable Final Terms or Pricing Supplement, a Restructuring,

in each case, whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement.

“Asset Swap” means (if any) the interest rate swap agreement, cross-currency swap agreement and/or any other swap agreement, excluding the CDS, entered into between the Issuer and the Note Swap Counterparty.

“Asset Swap Early Termination Amount” means the amount, determined by the Calculation Agent in its sole and absolute discretion, due from one party to the other upon termination of the Asset Swap (or, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof) as of the Valuation Date. The Asset Swap Early Termination Amount shall be expressed as a positive number if it is due from the Issuer to the Note Swap Counterparty or a negative number if it is due from the Note Swap Counterparty to the Issuer.

“Auction” means, with respect to a Reference Entity and a Credit Event, unless otherwise specified in the Applicable Transaction Auction Settlement Terms an auction pursuant to which an Auction Final Price is to be determined in accordance with the auction procedure set out in the relevant Credit Derivatives Auction Settlement Terms.

“Auction Cancellation Date” means, with respect to an Auction, unless otherwise specified in the relevant Applicable Transaction Auction Settlement Terms, the date on which such Auction was deemed to have been cancelled as announced by the DC Secretary (and/or the administrators specified in the relevant Credit Derivatives Auction Settlement Terms) on its website or such other date as determined and announced in accordance with the relevant Applicable Transaction Auction Settlement Terms.

“Auction Final Price” means, with respect to an Applicable Auction, unless otherwise specified in the relevant Applicable Transaction Auction Settlement Terms, the price (expressed as a percentage) in

respect of the deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) under the Notes of if an Asset Package Credit Event has resulted in such Applicable Auction, in respect of the Asset Package which results from either a Prior Deliverable Obligation or a Package Observable Bond under the Notes, determined to be the Auction Final Price in accordance with the relevant Applicable Transaction Auction Settlement Terms. The Calculation Agent shall as soon as practicable after publication of the Auction Final Price in respect of an Applicable Auction make available for inspection by Noteholders at the specified office of the Issuing and Paying Agent a copy of the relevant Applicable Transaction Auction Settlement Terms and copies of the relevant publication of the Auction Final Price. If an Asset Package Credit Event has occurred and the Calculation Agent determines that the Auction Final Price does not reflect the entire relevant Asset Package (including any cash forming part of the Asset Package and any cash in respect of the Asset Market Value of any Non-Financial Instrument or Non-Transferable Instrument), the Calculation Agent may make such adjustment as it deems necessary to the Auction Final Price in accordance with Credit Linked Asset Condition 5(d) (*Auction Final Price of the Asset Package*).

“Auction Final Price Determination Date” means, with respect to an Applicable Auction, the day, if any, on which the Auction Final Price is determined or such other date as specified in the relevant Applicable Transaction Auction Settlement Terms.

“Auction Redemption Amount” means, in respect of each Credit Linked Note, unless otherwise specified in the applicable Pricing Supplement, such Note’s *pro rata* share of an amount calculated by the Calculation Agent equal to the greater of (i) zero and (ii) the Net Recovery Proceeds minus the Credit Loss.

“Auction Redemption Date” means the date as notified by the Calculation Agent that is not earlier than the date which is the number of Business Days specified in the Applicable Transaction Auction Settlement Terms (or, if a number of Business Days is not specified, three Business Days) immediately following the Auction Final Price Determination Date (the **“Auction Settlement Date”**) and not later than five Business Days following the Auction Settlement Date.

“Bank Business Day” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in London.

“Bankruptcy” means the Reference Entity (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger), (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due, (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective, (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof, (e) has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger), (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets, (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter, or (h) causes or is subject to any event

with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in sub-paragraphs (a) to (g) of this definition.

“Cash Redemption Amount” means, in respect of each Credit Linked Note, unless otherwise specified in the applicable Pricing Supplement, such Note’s *pro rata* share of an amount calculated by the Calculation Agent equal to the greater of (i) zero and (ii) the Net Recovery Proceeds minus the Credit Loss.

“Cash Redemption Date” means (a) if the Notes are not Fixed Recovery Credit Linked Notes, subject to the provisions of Credit Linked Asset Condition 9 (*Effect of DC Announcements*), the date that is the number of Business Days specified in the applicable Final Terms or Pricing Supplement (or, if a number of Business Days is not so specified, five Business Days) following the calculation of the Final Price, (b) if the Notes are Fixed Recovery Credit Linked Notes, the date that is the number of Business Days specified in the applicable Final Terms or Pricing Supplement (or, if a number of Business Days is not so specified, five Business Days) following (i) the Event Determination Date, or (ii) if the Event Determination Date occurs pursuant to sub-paragraph (a)(ii) of the definition of “Event Determination Date” or sub-paragraph (b)(i) of the definition of “Non-Standard Event Determination Date”, the day on which the Applicable DC Credit Event Announcement occurs and (c) if “Cash Redemption” is specified as the Fallback Redemption Method in the applicable Final Terms or Pricing Supplement, the date that is the number of Business Days specified in the applicable Final Terms or Pricing Supplement (or, if a number of Business Days is not so specified, five Business Days) following any Auction Cancellation Date or any No Auction Announcement Date, if later.

“CDS” means, in respect of a Series of Credit Linked Notes the credit default swap entered into between the Issuer and the Note Swap Counterparty in respect of such Series of Credit Linked Notes.

“Change in Law” means that, on or after the Trade Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines in its discretion, acting in a commercially reasonable manner, that (A) it has become illegal to hold, acquire or dispose of any relevant asset, hedge or related trading position or (B) the Issuer and/or any of its Affiliates or agents will incur a materially increased cost in performing the obligations of the Issuer in relation to the Credit Linked Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“Clearstream, Luxembourg” means Clearstream Banking, *société anonyme*.

“Conditionally Transferable Obligation” means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of the Delivery Date, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor of the Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer to so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for the purposes of this definition of “Conditionally Transferable Obligation”.

“Conforming Reference Obligation” means a Reference Obligation which is a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of “Deliverable Obligation”.

“Continuing Redemption Failure Event” has the meaning given to it in Credit Linked Asset Condition 8(b) (*Continuing Redemption Failure Event*).

“Credit Derivatives Auction Settlement Terms” means any Credit Derivatives Auction Settlement Terms published by ISDA a form of which will be published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and may be amended from time to time. The Calculation Agent shall be authorised to construe any Credit Derivatives Auction Settlement Terms (including any Transaction Auction Settlement Terms or Parallel Auction Settlement Terms) in such manner as it shall determine in its discretion, acting in a commercially reasonable manner, to be necessary in order to give effect to the meaning of any word or expression used herein which is defined by reference to such Credit Derivatives Auction Settlement Terms.

“Credit Derivatives Determinations Committee” means each committee established pursuant to the DC Rules for the purposes of reaching certain DC Resolutions.

“Credit Event” means, as determined by the Calculation Agent, the occurrence of one or more of the following Credit Events as specified in the applicable Final Terms or Pricing Supplement: Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring or Governmental Intervention. If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (a) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;
- (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

“Credit Event Backstop Date” means (a) for the purposes of any event that constitutes a Credit Event (or, with respect to a Repudiation/Moratorium, if applicable, the event described in sub-paragraph (b) of the definition thereof), as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date or (b) otherwise, the date that is 60 calendar days prior to the earlier of (i) the Notice Delivery Date, if the Notice Delivery Date occurs during the Notice Delivery Period and (ii) the Credit Event Resolution Request Date, if the Notice Delivery Date occurs during the Post Dismissal Additional Period. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

“Credit Event Notice” means an irrevocable notice from the Calculation Agent to the Issuer and the Issuing and Paying Agent which the Calculation Agent has the right but not the obligation to deliver that:

- (a) identifies the Series of Credit Linked Notes to which the Credit Event Notice relates;
- (b) states that all (or, with respect to Linear Basket Credit Linked Notes, the Applicable Proportion thereof) of the Credit Linked Notes will be redeemed and the relevant Credit Event Redemption Method; and
- (c) describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date.

Any Credit Event Notice that describes a Credit Event that occurred after the Credit Observation End Date must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

A Credit Event Notice that describes a Credit Event other than an M(M)R Restructuring must be in respect of the full principal amount of the Notes in the relevant Series.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

“Credit Event Redemption Method” means “Auction Redemption”, “Physical Redemption”, “Cash Redemption”, “Principal Protected Redemption” or “Fixed Recovery Redemption” as specified in the applicable Final Terms or Pricing Supplement.

“Credit Event Resolution Request Date” means, with respect to a DC Credit Event Question, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which the DC Credit Event Question was effective and on which the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

“Credit Event Unwind Costs” means an amount determined by the Calculation Agent, in its sole and absolute discretion, equal to the sum of all costs, fees, charges, expenses, tax and duties incurred (or reasonably expected to be incurred) by or on behalf of the Issuer in connection with the redemption of the Notes (or, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof). For the avoidance of doubt, the Credit Event Unwind Costs shall not include (i) any Asset Swap Early Termination Amount or (ii) any amount payable by the Issuer to the Note Repo Counterparty in connection with the acceleration of the Note Repo Agreement.

“Credit Loss” means, as determined by the Calculation Agent:

- (a) if the Notes are being redeemed pursuant to Credit Linked Asset Condition 5 (*Auction Redemption Terms*), the aggregate principal amount of the Notes of that Series then outstanding (or, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof) multiplied by $(100\% - \text{Auction Final Price})$, subject to a minimum of zero; or
- (b) if the Notes are being redeemed pursuant to Credit Linked Asset Condition 7 (*Cash Redemption Terms*), the aggregate principal amount of the Notes of that Series then outstanding (or, if the Notes are Linear Basket Credit Linked Notes or if the Credit Event is an M(M)R Restructuring, the Applicable Proportion thereof) multiplied by $(100\% - \text{Final Price})$, subject to a minimum of zero.

“Credit Observation End Date” means the date specified as such in the applicable Final Terms or Pricing Supplement or, if no such date is specified, the Maturity Date.

“Currency Amount” means, with respect to (a) a Deliverable Obligation specified in a Notice of Physical Settlement that is denominated in a currency other than the Settlement Currency, an amount converted to the Settlement Currency using a conversion rate determined by reference to the Currency Rate and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice into the currency of denomination of the relevant Replacement Deliverable Obligation.

“Currency Rate” means with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation is denominated that is either (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time or (ii) if such rate is not available at such time, as the Calculation Agent shall determine and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

“Currency Rate Source” means the mid-point rate of conversion published by WM/Reuters at 4:00 p.m. (London time), or any successor rate source approved by the relevant Credit Derivatives Determinations Committee.

“CUSIP” means, with respect to a security, the “CUSIP” identification number assigned to such security (if any).

“DC Announcement Coverage Cut-off Date” means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is 14 calendar days following the No Auction Announcement Date, if any, as applicable.

“DC Credit Event Announcement” means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event for the purposes of the relevant Series has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date provided that if the Credit Event occurred after the Credit Observation End Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

“DC Credit Event Meeting Announcement” means, with respect to the relevant Reference Entity, a public announcement by the DC Secretary that a Credit Derivatives Determinations Committee will be convened to Resolve the matters described in a DC Credit Event Question.

“DC Credit Event Question” means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event in respect to a Reference Entity of the relevant Series has occurred.

“DC Credit Event Question Dismissal” means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

“DC No Credit Event Announcement” means, with respect to the relevant Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event with respect to such Reference Entity.

“DC Resolution” means a resolution of the Credit Derivatives Determinations Committee in accordance with the definition of “Resolve” below.

“DC Rules” means the Credit Derivatives Determinations Committee Rules, as published by ISDA on its website www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms hereof.

“DC Secretary” means ISDA or such other entity designated as DC Secretary in accordance with the DC Rules.

“Default Requirement” means the amount specified as such in the applicable Final Terms or Pricing Supplement or its equivalent in the relevant Obligation Currency (or, if no such amount is specified,

USD 10,000,000 or its equivalent in the relevant Obligation Currency) in either case, as of the occurrence of the Relevant Credit Event.

“Deliver” means to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title (or, with respect to Deliverable Obligations where any equitable title is customarily conveyed, all equitable title) and interest in the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to the relevant Noteholder free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a relevant clearing system, but including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in sub-paragraphs (a) to (d) of the definition of “Credit Event”) or right of set-off by or of the Reference Entity or any applicable Underlying Obligor) provided that (i) if a Deliverable Obligation is a Direct Loan Participation, **“Deliver”** means to create (or procure the creation of) a participation in favour of the relevant Noteholder and (ii) if a Deliverable Obligation is a Guarantee, **“Deliver”** means to Deliver both the Underlying Obligation and the Guarantee, provided further that if the Guarantee has a Fixed Cap, **“Deliver”** means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap. **“Delivery”** and **“Delivered”** will be construed accordingly. In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time provided further that each of the Issuer and each Noteholder agrees to comply with the provisions of any documentation (which shall be deemed to include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves is appropriate, which is consistent with the delivery and payment obligations of the parties hereunder. The Issuer and each Noteholder further agrees that compliance by it with the provisions of any such documentation, shall be required for, and, without further action, constitute, Delivery for the purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and neither the Issuer nor any Noteholder shall be permitted to request that the other take, nor shall it be required to take, any action under Credit Linked Asset Condition 6(b) (*Physical Redemption Assets*) unless otherwise contemplated by such documentation.

“Deliverable Obligation” means:

- (a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the “Method for determining Deliverable Obligations” below;
- (b) the Reference Obligation of the relevant Reference Entity;
- (c) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless “Asset Package Delivery” is specified as applicable in the applicable Final Terms or Pricing Supplement, any Sovereign Restructured Deliverable Obligation; and
- (d) if “Asset Package Delivery” is specified as applicable in the applicable Final Terms or Pricing Supplement, any Prior Deliverable Obligation (if, “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement) or any Package Observable Bond (if the Reference Entity is a Sovereign),

in each case, (i) unless it is an Excluded Deliverable Obligation and (ii) provided that the obligation has an Outstanding Principal Balance or Due and Payable Amount that is greater than zero (determined for

the purposes of sub-paragraph (d) of this definition, immediately prior to the relevant Asset Package Credit Event).

(A) *Method for determining Deliverable Obligations*

A Deliverable Obligation shall be each obligation of the Reference Entity described by the Deliverable Obligation Category specified in the applicable Final Terms or Pricing Supplement, and, subject to Credit Linked Asset Condition 19 (*Interpretation of Obligation Characteristics and Deliverable Obligation Characteristics*), having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms or Pricing Supplement, in each case, as of the Delivery Date (unless otherwise specified in the applicable Final Terms or Pricing Supplement). The following terms shall have the following meanings:

- (I) **"Deliverable Obligation Category"** means one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan (each as defined in the definition of "Obligation" below, except that, for the purposes of determining Deliverable Obligations, the definition of "Reference Obligation Only" shall be amended to state that no Deliverable Obligation Characteristics shall be applicable to Reference Obligation Only).
- (II) **"Deliverable Obligation Characteristics"** means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance, (each as defined in the definition of "Obligation" below), Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.

If an obligation would have been capable of being specified as a Deliverable Obligation immediately prior to a Credit Event in respect of a Reference Entity, such obligation (as in effect after such Credit Event) shall continue to be able to constitute a Deliverable Obligation after the occurrence of such Credit Event. If it is not possible or reasonably practicable to specify any Obligation as a Deliverable Obligation of the Reference Entity because there is or will be no Deliverable Obligation in existence at any time, the Calculation Agent shall designate by notice (which shall be in writing (including by facsimile and/or by email)) to the Issuer and the Issuing and Paying Agent one or more bonds, loans, instruments, certificates or other obligations which have been or will be issued in exchange, whether pursuant to a mandatory or voluntary exchange, for one or more bonds, loans, instruments, certificates or obligations of the Reference Entity that would have been capable of being specified as a Deliverable Obligation immediately prior to the occurrence of the Relevant Credit Event of the Reference Entity, provided, that failure to deliver such notice shall not affect the effectiveness of such designation.

- (1) **"Accelerated or Matured"** means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws;
- (2) **"Assignable Loan"** means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if the Reference Entity is guaranteeing such Loan) or any agent;
- (3) **"Consent Required Loan"** means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the Reference Entity is guaranteeing such Loan) or any agent;

- (4) **“Direct Loan Participation”** means a Loan in respect of which, pursuant to a participation agreement, Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Noteholder that provides each Noteholder with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each Noteholder and either (A) the Issuer (to the extent the Issuer is then a lender or a member of the relevant lending syndicate), or (B) any lender or member of the relevant lending syndicate nominated by the Issuer or the Calculation Agent;
- (5) **“Maximum Maturity”** means an obligation that has a remaining maturity of not greater than the period specified in the applicable Final Terms or Pricing Supplement (or if no such period is specified, 30 years);
- (6) **“Not Bearer”** means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system; and
- (7) **“Transferable”** means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction provided that none of the following shall be considered contractual, statutory or regulatory restrictions:
 - (a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the US Notes Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation);
 - (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or
 - (c) restrictions in respect of blocked periods on or around payment dates or voting periods.

“Deliverable Obligation Notice” has the meaning given to it in Credit Linked Asset Condition 6(a)(iii)(B) (*Delivery of Physical Redemption Assets*).

“Deliverable Obligation Notice Long-stop Date” means the number of calendar days specified in the applicable Final Terms or Pricing Supplement following the date of the Notice of Physical Settlement or, if relevant, the last NOPS Amendment Notice, or, if no such date is specified, the 90th calendar day following such date.

“Deliverable Obligation Provisions” means the provisions of the Credit Linked Notes that specify criteria for establishing what obligations may constitute Deliverable Obligations.

“Deliverable Obligation Terms” has the meaning given to it in the relevant Credit Derivatives Auction Settlement Terms.

“Delivery Date” means, with respect to a Deliverable Obligation or an Asset Package, the date on which such Deliverable Obligation is Delivered (or deemed to be delivered in accordance with the definition of “Deliver”).

“Delivery Expenses” means all costs, taxes, duties and/or expenses, including stamp duty, stamp duty reserve tax and/or other costs, duties or taxes arising from the delivery of the Physical Redemption Assets.

“Domestic Currency” means the currency specified as such in the applicable Final Terms or Pricing Supplement and any successor currency thereto (or if no such currency is specified, the lawful currency

and any successor currency of (a) the relevant Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if the Reference Entity is not a Sovereign).

“Domestic Law” means each of the laws of (a) the Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if such Reference Entity is not a Sovereign.

“Downstream Affiliate” means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent owned, directly or indirectly, by the Reference Entity.

“Due and Payable Amount” means the amount that is due and payable by the Reference Entity under the obligation whether by reason of maturity, acceleration, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts) less all or any portion of such amount which, pursuant to the terms of the obligation (a) is subject to any Prohibited Action, or (b) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (i) payment or (ii) a Permitted Contingency), in each case, determined in accordance with the terms of the obligation in effect on either (A) the Delivery Date) or (B) the Valuation Date, as applicable.

“Eligible Information” means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

“Eligible Transferee” means

- (a) any
 - (i) bank or other financial institution;
 - (ii) insurance or reinsurance company;
 - (iii) mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in sub-paragraph (c)(i) of this definition); and
 - (iv) registered or licensed broker or dealer (other than a natural person or proprietorship),
provided, however, in each case that such entity has total assets of at least USD 500,000,000;
- (b) an Affiliate of an entity specified in the sub-paragraph (a) of this definition;
- (c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
 - (i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligation, commercial paper conduit or other special purpose vehicle) that (A) has total assets of at least USD 100,000,000 or (B) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least USD 100,000,000;
 - (ii) that has total assets of at least USD 500,000,000; or
 - (iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support or other agreement by an entity described in sub-paragraph (a), (b), (c)(ii) or (d) of this definition; and
- (d)
 - (i) any Sovereign; or

- (ii) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

All references in this definition of “Eligible Transferee” to USD include equivalent amounts in other currencies as determined by the Calculation Agent.

“**Euroclear**” means Euroclear Bank S.A./N.V.

“**Event Determination Date**” means, with respect to a Credit Event and:

- (a) a Series where “Auction Redemption” is specified as the Credit Event Redemption Method and “Event Determination Date Version B” is not specified to be applicable in the applicable Final Terms or Pricing Supplement:
 - (i) subject to sub-paragraph (ii) of this definition, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (A) a DC Credit Event Announcement has occurred nor (B) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
 - (ii) notwithstanding sub-paragraph (i) of this definition, the Credit Event Resolution Request Date, if a DC Credit Event Announcement has occurred, the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) and either:
 - (A) (I) the Credit Event is not an M(M)R Restructuring and (II) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; or
 - (B) (I) the Credit Event is an M(M)R Restructuring and (II) a Credit Event Notice is delivered by a Notifying Party to the other party and is effective on or prior to the Exercise Cut-off Date,

provided that:

- (1) no Redemption Date, in respect of the relevant Reference Entity has occurred on or prior to the date on which the Applicable DC Credit Event Meeting Announcement occurs;
- (2) if any Valuation Date or Delivery Date, as applicable, in respect of the relevant Reference Entity has occurred on or prior to the date on which the Applicable DC Credit Event Meeting Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to the portion of the Aggregate Nominal Amount of the Credit Linked Notes or, if the Notes are Linear Basket Credit Linked Notes, the Reference Entity Notional Amount of the Reference Entity to which the Event Determination Date relates, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and
- (3) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer and the Issuing and Paying Agent, (aa) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the Applicable DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, (bb) unless, and to the extent that, the Exercise Amount specified in such Credit Event Notice was less than the Aggregate Nominal Amount of the Credit Linked Notes or, if the Notes are Linear Basket Credit Linked Notes, the Reference Entity Notional Amount of the affected Reference Entity, or

(cc) unless a credit derivatives transaction with the same tenor and deliverable obligation provisions as the Credit Linked Notes would be an “Auction Covered Transaction” for the purpose of the relevant Credit Derivatives Auction Settlement Terms and the Deliverable Obligations set out on the Final List are identical to the Permissible Deliverable Obligations for such Series; or

- (b) a Series where sub-paragraph (a) of this definition does not apply, the Non-Standard Event Determination Date.

Notwithstanding the foregoing, and unless the Calculation Agent otherwise elects by notice to the Issuer and the Issuing and Paying Agent, no Event Determination Date will occur with respect to an event, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a Valuation Date, the Physical Redemption Date (or, if earlier, a Delivery Date), or the Maturity Date or the Extended Maturity Date, as applicable, a DC No Credit Event Announcement occurs with respect to such event.

“Excluded Deliverable Obligation” means:

- (a) any obligation of the Reference Entity specified as such or of a type described in the applicable Final Terms or Pricing Supplement;
- (b) any principal only component of a Bond from which some or all of the interest components have been stripped; and
- (c) if “Asset Package Delivery” is specified as applicable in the applicable Final Terms or Pricing Supplement, any obligation issued or incurred on or after the date of the relevant Asset Package Credit Event.

“Excluded Obligation” means:

- (a) any obligation of a Reference Entity specified as such or of a type specified in the applicable Final Terms or Pricing Supplement;
- (b) if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement and the relevant Reference Entity is a Senior Reference Entity, then for the purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and
- (c) if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement and the relevant Reference Entity is a Subordinated Reference Entity, then for the purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

“Exercise Amount” has the meaning given to it in Credit Linked Asset Condition 4(a) (*M(M)R Restructuring*).

“Exercise Cut-Off Date” means either:

- (a) with respect to an M(M)R Restructuring and a Series to which sub-paragraph (a) of the definition of “Event Determination Date” applies:
 - (i) if the DC Secretary publishes a Final List applicable to the Applicable Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms may be published, the date that is seven Relevant City Business Days following the date on which such Final List is published; or
 - (ii) otherwise, the date that is 14 calendar days following the relevant No Auction Announcement Date; or

- (b) with respect to a Credit Event and a Series to which sub-paragraph (a) of the definition of “Event Determination Date” does not apply, the Non-Standard Exercise Cut-off Date,

or, in each case, such other date as the relevant Credit Derivatives Determinations Committee Resolves.

“**Extended Maturity Date**” means, if Maturity Date Extension applies pursuant to Credit Linked Asset Condition 3 (*Maturity Date Extension*) and no Relevant Event Determination Date occurs on or prior to the Notes Extension Date, the date falling 5 Business Days after the Notes Extension Date or, if Maturity Date Extension applies pursuant to Credit Linked Asset Condition 3 (*Maturity Date Extension*) and a Relevant Event Determination Date occurs on or prior to the Notes Extension Date, the Auction Redemption Date, the Cash Redemption Date or, in respect of Credit Linked Notes subject to the provisions of Credit Linked Asset Condition 6 (*Physical Redemption Terms*), the Final Delivery Date or such date as is determined in accordance with the partial cash settlement terms in Credit Linked Asset Condition 6(d) (*Partial Cash Redemption due to Impossibility or Illegality*) or the Cash Redemption Date determined pursuant to the partial cash settlement terms set out in Credit Linked Asset Condition 6(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*).

“**Extension Date**” means, with respect to a Reference Entity, the latest of (a) the Credit Observation End Date, (b) the Grace Period Extension Date if (i) “Failure to Pay” is specified as a Credit Event in the applicable Final Terms or Pricing Supplement and “Grace Period Extension” is specified as applicable in the applicable Final Terms or Pricing Supplement, and (ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Credit Observation End Date and (c) the Repudiation/Moratorium Evaluation Date (if any) if “Repudiation/Moratorium” is specified as a Credit Event in the applicable Final Terms or Pricing Supplement, as applicable.

“**Failure to Pay**” means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

If an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

“**Fallback Redemption Method**” means, with respect to a Series for which “Auction Redemption” is the Credit Event Redemption Method, if “Cash Redemption” is specified as the Fallback Redemption Method in the applicable Final Terms or Pricing Supplement, “Cash Redemption”, otherwise “Physical Redemption”.

“**Final Delivery Date**” means, in respect of a Physical Redemption Date, the final Delivery Date to occur with respect to Deliverable Obligations comprised in the Physical Redemption Assets pertaining to such Physical Redemption Date.

“**Final List**” means the final list of Deliverable Obligations, Package Observable Bonds, Prior Deliverable Obligations (as applicable) and/or Assets which are the subject of the related Auction determined by the Credit Derivatives Determinations Committee in accordance with the DC Rules.

“**Final Price**” means the price of the Deliverable Obligation(s) selected by the Calculation Agent in its discretion, acting in a commercially reasonable manner, expressed as a percentage, determined in accordance with the specified Valuation Method, provided that (i) for the purposes of identifying the

Deliverable Obligations for the purposes of determining the Final price, references to “Delivery Date in the definition of “Deliverable Obligation” and in Credit Linked Asset Condition 19 (*Interpretation of Obligation Characteristics and Deliverable Obligation Characteristics*) shall be deemed to be reference to “Valuation Date” and provided further that if an Asset Package Credit Event has occurred any Deliverable Obligation which is a Prior Deliverable Obligation or a Package Observable Bond (as applicable) shall include the resulting Asset Package and the Final Price for such Deliverable Obligation or Package Observable Bond shall be the Final Price for the relevant Asset Package determined in accordance with Credit Linked Asset Condition 7(b)(iii) (*Determination of Final Price*).

“**Fixed Cap**” means, with respect to a Guarantee, a specified numerical limit or cap on the liability of the Reference Entity in respect of some or all payments due under the Underlying Obligation, provided that a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

“**Fixed Recovery Credit Linked Notes**” means a Series of Notes in respect of which the Cash Redemption Amount per Note is a fixed percentage of the Applicable Proportion of the outstanding principal amount of the Note.

“**Fixed Recovery Percentage**” means, in respect of a Fixed Recovery Credit Linked Note, the percentage specified as such in the applicable Final Terms or Pricing Supplement.

“**Force Majeure**” means that the Calculation Agent shall have determined, acting in a commercially reasonable manner, that the performance of any of the Issuer’s obligations under the Credit Linked Notes and/or that any arrangements made to hedge the Issuer’s obligations under the Credit Linked Notes shall have or will become or would be (as the case may be), in whole or in part as a result of a force majeure or act of state impossible or impracticable to comply with.

“**Full Quotation**” means, in accordance with the Quotation Method, each firm quotation obtained from a Quotation Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation with an Outstanding Principal Balance or Due and Payable Amount, as applicable, equal to the Quotation Amount.

“**Fully Transferable Obligation**” means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of the Delivery Date. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent, for a Deliverable Obligation shall not be considered to be a requirement for consent for the purposes of this definition of “Fully Transferable Obligation”.

“**Further Subordinated Obligation**” means, if the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

“**Governmental Authority**” means:

- (a) any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof);
- (b) any court, tribunal, administrative or other governmental authority, inter-governmental or supranational body;
- (c) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or all of its obligations; or

- (d) any other authority which is analogous to the entities specified in sub-paragraph (a), (b) or (c) of this definition.

“Governmental Intervention” means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:

- (a) any event which would affect creditors’ rights so as to cause:
 - (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
 - (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
 - (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium; or
 - (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;
- (b) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;
- (c) a mandatory cancellation, conversion or exchange; or
- (d) any event which has an analogous effect to any of the events specified in sub-paragraphs (a)(i) to (iii) of this definition.

For the purposes of sub-paragraph (a) of this definition, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

“Grace Period” means:

- (a) subject to sub-paragraphs (b) and (c) of this definition, the applicable grace period with respect to payments under and in accordance with the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (b) if “Grace Period Extension” is specified as applicable in the applicable Final Terms or Pricing Supplement, a Potential Failure to Pay has occurred on or prior to the Credit Observation End Date and the applicable grace period cannot, by its terms, expire on or prior to the Credit Observation End Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the applicable Final Terms or Pricing Supplement or, if no period is specified, 30 calendar days; and
- (c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation, provided that, unless “Grace Period Extension” is specified as applicable in the applicable Final Terms or Pricing Supplement, such deemed Grace Period shall expire no later than the Credit Observation End Date.

“Grace Period Business Day” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation or, if a place or places are not so specified, (a) if the Obligation Currency is the

euro, a TARGET Settlement Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

“Grace Period Extension Date” means, if (a) “Grace Period Extension” is specified as applicable in the applicable Final Terms or Pricing Supplement and (b) a Potential Failure to Pay occurs on or prior to the Credit Observation End Date, as the case may be, the date that is five Business Days following the day falling after the number of days in the Grace Period after the date of such Potential Failure to Pay. If “Grace Period Extension” is specified as not applicable in the applicable Final Terms or Pricing Supplement, Grace Period Extension shall not apply.

“Guarantee” means a Relevant Guarantee or a guarantee which is the Reference Obligation.

“Hedging Disruption” means, in the opinion of the Calculation Agent, any event as a result of which the Note Swap Counterparty and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or (ii) receive the relevant Deliverable Obligations under the terms of any transaction entered into by the Note Swap Counterparty and/or any of its Affiliates, that the Note Swap Counterparty deems necessary to hedge the obligations or position of the Note Swap Counterparty in respect of the CDS.

“Illegality” means that the Calculation Agent shall have determined, acting in a commercially reasonable manner, that the performance of any of the Issuer’s obligations under the Credit Linked Notes and/or that any arrangements made to hedge the Issuer’s obligations under the Credit Linked Notes and/or under any hedging arrangements shall have or will become or would be (as the case may be), in whole or in part, unlawful, illegal or otherwise contrary to any present or future law, rule, regulation, judgment, order, directive, policy or request of any governmental, administrative, legislative or judicial authority or power (but, if not having the force of law, only if compliance with it is in accordance with the general practice of persons to whom it is intended to apply), or any change in the interpretation thereof.

“Increased Cost of Hedging” means, in the opinion of the Note Swap Counterparty, that the Note Swap Counterparty and/or any of its Affiliates or agents would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity, price, credit or other risk of the Issuer issuing and performing its obligations with respect to the CDS, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

“ISDA” means the International Swaps and Derivatives Association Inc., (or any successor organisation thereto).

“Latest Maturity Restructured Bond or Loan” has the meaning given to it in the definition of “Restructuring Maturity Limitation Date”.

“Latest Permissible Physical Settlement Date” means, (i) in respect of the provisions of Credit Linked Asset Condition 6(d) (*Partial Cash Redemption due to Impossibility or Illegality*), the date that is thirty calendar days after the Physical Redemption Date, (ii) in respect of the provisions of Credit Linked Asset Conditions 6(e) (*Partial Cash Redemption of Consent Required Loans*), 6(f) (*Partial Cash Settlement of Assignable Loans*) and 6(g) (*Partial Cash Redemption of Participations*), the date that is 15 Business Days after the Physical Redemption Date, and (iii) in respect of the provisions of Credit Linked Asset Conditions 6(a)(vi) (*Physical Redemption Assets*), and 8(b) (*Continuing Redemption Failure Event*), the 90th calendar day following the date of the Notice of Physical Settlement or, if relevant, the last NOPS Amendment Notice.

“Limitation Date” means the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the

Restructuring Date: 2.5 years (the “**2.5-year Limitation Date**”), 5 years, 7.5 years, 10 years (the “**10-year Limitation Date**”), 12.5 years, 15 years or 20 years, as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention.

“**Linear Basket Credit Linked Notes**” means a Series of Notes in respect of which the Issuer purchases credit protection from Noteholders in respect of two or more Reference Entities and pursuant to which, on each occasion on which a Credit Event and a Relevant Event Determination Date occurs with respect to any of the Reference Entities, the Notes will be redeemed in part in an amount determined by reference to the Reference Entity Notional Amount relating to such Reference Entity in accordance with the relevant Credit Event Redemption Method.

“**Liquidation Proceeds**” means the sum of any cash sums derived from the Liquidation of Collateral (or the Applicable Proportion thereof as the case may be), excluding any CSA Posted Collateral or Note Repo Posted Collateral.

“**Loan Alternative Procedure Start Date**” has the meaning given to it in Credit Linked Asset Condition 6(h) (*Alternative Procedures Relating to Loans not Delivered*).

“**Market Value**” means, with respect to the Reference Obligation on a Valuation Date, (a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one of such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded), (b) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one of such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded), (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations, (d) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation, (e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained, subject to sub-paragraph (ii) of the definition of “Quotation”, an amount that the Calculation Agent shall determine on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation is obtained and (f) if two or more Full Quotations or a Weighted Average Quotation are not obtained within the ten Business Day period set forth in sub-paragraph (b) of the definition of “Quotation” the Market Value shall be determined as provided in such definition.

“**Maturity Date**” means, in respect of an issue of Notes, the date specified as such in the applicable Final Terms or Pricing Supplement.

“**Maturity Date Extension**” means an extension determined in accordance with Credit Linked Asset Condition 3 (*Maturity Date Extension*).

“**Minimum Quotation Amount**” means the amount specified as such in the applicable Final Terms or Pricing Supplement (or its equivalent in the relevant Obligation Currency) or, if no amount is so specified, the lower of (a) USD 1,000,000 (or its equivalent in the relevant Obligation Currency) and (b) the Quotation Amount.

“**M(M)R Restructuring**” means a Restructuring Credit Event in respect of which either “Mod R” or “Mod Mod R” is specified as applicable in the applicable Final Terms or Pricing Supplement.

“**Modified Eligible Transferee**” means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, notes and other financial assets.

“**Modified Restructuring Maturity Limitation Date**” means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Credit Observation End Date.

Subject to the foregoing, if the Credit Observation End Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Credit Observation End Date.

“Movement Option” means an M(M)R Restructuring to which a No Auction Announcement Date has occurred pursuant to sub-paragraph (b) or (c)(ii) of the definition of “No Auction Announcement Date” the option of the Calculation Agent to apply the Parallel Auction Settlement Terms, if any, so that the Credit Linked Notes may be redeemed by way of “Auction Redemption” for the purposes of which the Permissible Deliverable Obligations are more limited than the Deliverable Obligations that the Calculation Agent could specify in any Notice of Physical Settlement or any NOPS Amendment Notice (provided that if more than one such set of Parallel Auction Settlement Terms are published, the Parallel Auction Settlement Terms specifying the greatest number of such Permissible Deliverable Obligations shall apply). If the Calculation Agent does not deliver an effective Notice to Exercise Movement Option to the Issuer and the Issuing and Paying Agent on or prior to the Movement Option Cut-off Date, the Credit Linked Notes will be redeemed in accordance with the Fallback Redemption Method.

“Movement Option Cut-off Date” the date that is one Relevant City Business Day following the Exercise Cut-off Date, or such other date as the relevant Credit Derivatives Determinations Committee has Resolved.

“Multiple Holder Obligation” has the meaning given to it in Credit Linked Asset Condition 14(d) (*Multiple Holder Obligation*).

“Net Recovery Proceeds” means an amount, determined by the Calculation Agent in its sole and absolute discretion, equal to:

- (a) Liquidation Proceeds plus (if applicable) the amount payable to the Issuer by the Note Repo Counterparty in connection with the acceleration of the Note Repo Agreement; minus
- (b) the Asset Swap Early Termination Amount, the amount payable by the Issuer to the Note Repo Counterparty in connection with the acceleration of the Note Repo Agreement (if applicable) and the Credit Event Unwind Costs.

“Net Recovery Proceeds Excess” means, in respect of a Noteholder of a Credit Linked Note in respect of which the provisions of Credit Linked Asset Condition 6 (*Physical Redemption Terms*) apply, such Noteholder’s *pro rata* share of an amount of cash equal to the greater of:

- (a) zero; and
- (b) the Net Recovery Proceeds minus the Applicable Proportion of the Aggregate Nominal Amount (on the date of the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable),

determined by the Calculation Agent in accordance with the proportion of the outstanding nominal amount of Notes held by such Noteholder.

“Next Currency Fixing Time” means 4:00 p.m. (London time) on a day on which commercial banks and foreign exchange markets are generally open to settle payments and which immediately follows the date on which the Notice of Physical Settlement or relevant NOPS Amendment Notice, as applicable, is effective.

“No Auction Announcement Date” means, with respect to a Credit Event, the date as determined by the Calculation Agent on which the DC Secretary first publicly announces that (a) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published, (b) following the occurrence of an M(M)R Restructuring no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published or (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held following a prior public announcement by the DC Secretary to the contrary, in circumstances where either (i) no Parallel Auction

will be held, or (ii) one or more Parallel Auctions will be held. For the avoidance of doubt, a No Auction Announcement Date will not occur solely by reason of the Credit Linked Notes not being covered by any Credit Derivatives Auction Settlement Terms.

“Non-Conforming Reference Obligation” means a Reference Obligation which is not a Conforming Reference Obligation.

“Non-Conforming Substitute Reference Obligation” means an obligation which would be a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of “Deliverable Obligation” on the Substitution Date but for one or more of the same reasons which resulted in the Reference Obligation constituting a Non-Conforming Reference Obligation on the date it was issued or incurred and/or immediately prior to the Substitution Event Date (as applicable).

“Non-Financial Instrument” means any Asset which is not of the type typically traded in, or suitable for being traded in, financial markets.

“Non-Standard Event Determination Date” means, with respect to a Credit Event and a Series to which “Non-Standard Event Determination Date” applies:

- (a) subject to sub-paragraph (b) of this definition, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (i) a DC Credit Event Announcement has occurred nor (ii) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
- (b) notwithstanding sub-paragraph (a) of this definition, if a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) either:
 - (i) the Credit Event Resolution Request Date, if either:
 - (A) “Event Determination Date Version B” is specified as not applicable and “Auction Settlement” is not specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement, (II) the relevant Credit Event is not an M(M)R Restructuring and (III) the Trade Date occurs on or prior to the date of the DC Credit Event Announcement; or
 - (B) either:
 - (I)
 - (1) “Event Determination Date Version B” is specified as applicable and “Auction Settlement” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement; or
 - (2) “Event Determination Date Version B” is specified as not applicable in the applicable Final Terms or Pricing Supplement and the relevant Credit Event is an M(M)R Restructuring; and
 - (II) a Credit Event Notice is delivered by the Calculation Agent to the Issuer and the Issuing and Paying Agent and is effective on or prior to the Non-Standard Exercise Cut-off Date, or
 - (ii) the first date on which a Credit Event Notice is delivered by the Calculation Agent to the Issuer and the Issuing and Paying Agent and is effective during either the Notice Delivery Period or the period from and including the date of the DC Credit Event Announcement to and including the date that is 14 calendar days thereafter (provided, in each case, that the

relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)), if either:

(A)

- (I) “Event Determination Date Version B” is specified as not applicable and “Auction Settlement” is not specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement;
- (II) the relevant Credit Event is not an M(M)R Restructuring; and
- (III) the Trade Date occurs and following the date of the related DC Credit Event Announcement on or prior to a DC Announcement Coverage Cut-off Date; or

(B)

- (I) “Event Determination Date Version B” is specified as applicable and the Trade Date occurs and
- (II) either:
 - (1) “Auction Settlement” is not specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement; or
 - (2) “Auction Settlement” is specified as the Credit Event Redemption Method in the applicable Final Terms or Pricing Supplement and a Credit Event Notice is delivered by the Calculation Agent to the Issuer and the Issuing and Paying Agent and is effective on a date that is later than the relevant Non-Standard Exercise Cut-off Date.

provided that:

- (1) no Redemption Date in respect of the relevant Reference Entity has occurred on or prior to the date on which the Applicable DC Credit Event Meeting Announcement occurs;
- (2) if any Valuation Date or Delivery Date in respect of the relevant Reference Entity has occurred on or prior to the date on which the Applicable DC Credit Event Meeting Announcement occurs, a Non-Standard Event Determination Date shall be deemed to have occurred only with respect to the portion of the Aggregate Nominal Amount of the Credit Linked Notes or, if the Notes are Linear Basket Credit Linked Notes, the Reference Entity Notional Amount of the Reference Entity to which the Event Determination Date relates, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and
- (3) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer and the Issuing and Paying Agent, (aa) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the Applicable DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, (bb) unless, and to the extent that, the Exercise Amount specified in any such Credit Event Notice was less than the Aggregate Nominal Amount of the Credit Linked Notes or, if the Notes are Linear Basket Credit Linked Notes, the Reference Entity Notional Amount of the affected Reference Entity

or (cc) unless a credit derivatives transaction with the same tenor and deliverable obligation provisions as the Credit Linked Notes would be an “Auction Covered Transaction” for the purpose of the relevant Credit Derivatives Auction Settlement Terms and the Deliverable Obligations set out on the Final List are identical to the Permissible Deliverable Obligations for such Series.

“Non-Standard Exercise Cut-off Date” means, with respect to a Credit Event and a Series to which sub-paragraph (a) of the definition of “Event Determination Date” does not apply:

- (a) if such Credit Event is not an M(M)R Restructuring, either:
 - (i) the Relevant City Business Day prior to the Auction Final Price Determination Date, if any;
 - (ii) the Relevant City Business Day prior to the Auction Cancellation Date, if any; or
 - (iii) the date that is 14 calendar days following the No Auction Announcement Date, if any, as applicable; or
- (b) if such Credit Event is an M(M)R Restructuring and:
 - (i) the DC Secretary publishes a Final List applicable to the Applicable Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is seven Relevant City Business Days following the date on which such Final List is published; or
 - (ii) otherwise, the date that is 14 calendar days following the relevant No Auction Announcement Date.

“Non-Standard Reference Obligation” means each Original Non-Standard Reference Obligation or if a Substitute Reference Obligation has been determined in respect of any such Original Non-Standard Reference Obligation, the Substitute Reference Obligation.

“Non-Transferable Instrument” means any Asset which is not capable of being transferred to institutional investors, excluding due to market conditions.

“NOPS Amendment Notice” has the meaning given to it in the definition of “Notice of Physical Settlement”.

“Notes Delivery Shortfall Proceeds” has the meaning given to it in Credit Linked Asset Condition 6(c) (*Notes Delivery Shortfall Proceeds*).

“Notes Extension Date” means the later to occur of (a) the last applicable day specified in the definition of “Notice Delivery Period” in respect of each Reference Entity with respect to which Maturity Date Extension applies pursuant to Credit Linked Asset Condition 3 (*Maturity Date Extension*) and (b) 14 calendar days after the DC Credit Announcement or (c) the last day of the Post Dismissal Additional Period.

“Notice Delivery Date” means the first date on which both an effective Credit Event Notice and, unless “Notice of Publicly Available Information” is specified as not applicable in applicable Final Terms or Pricing Supplement, an effective Notice of Publicly Available Information, has been delivered by the Calculation Agent to the Issuer and the Issuing and Paying Agent.

“Notice Delivery Period” means the period from and including the Trade Date to and including the date that is 14 calendar days after the Extension Date.

“Notice of Physical Settlement” means a notice from the Calculation Agent to the Issuer and the Issuing and Paying Agent that (a) confirms that the Credit Linked Notes should be redeemed (unless the applicable Final Terms or Pricing Supplement provide for multiple Deliveries) and requires performance

in accordance with the provisions of Credit Linked Asset Condition 6 (*Physical Redemption Terms*), (b) specifies (i) the proposed Delivery Date, (ii) if applicable, the Credit Event Unwind Costs and (iii) if applicable, the Delivery Expenses, (c) contains a detailed description of each Deliverable Obligation that will, subject to Credit Linked Asset Condition 6 (*Physical Redemption Terms*), be Delivered to Noteholders (in aggregate) and, if available and applicable, the CUSIP or ISIN number (or, if such identifying number is not available, the rate and tenor) of each such Deliverable Obligation and (d) specifies the Outstanding Principal Balance or Due and Payable Amount, as applicable, or the equivalent amount in the Settlement Currency (in each case, the “**Outstanding Amount**”) and, if different, the face amount, of each such Deliverable Obligation and the aggregate Outstanding Amount of all Deliverable Obligations specified in the Notice of Physical Settlement that should be Delivered to the Noteholders (the “**Aggregate Outstanding Amount**”). The Calculation Agent may, from time to time, give notice to the Issuer and the Issuing and Paying Agent in the manner specified above (each such notification, a “**NOPS Amendment Notice**”) that one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, will be replaced in whole or in part (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective). A NOPS Amendment Notice shall contain a revised detailed description of each replacement Deliverable Obligation that should be Delivered to Noteholders (each, a “**Replacement Deliverable Obligation**”) and shall also specify the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced (with respect to each such Deliverable Obligation, the “**Replaced Deliverable Obligation Outstanding Amount**”). The Outstanding Amount of each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. The Outstanding Amount of the Replacement Deliverable Obligations specified in any NOPS Amendment Notice in aggregate with the Outstanding Amount of the Deliverable Obligations specified in the Notice of Physical Settlement or any earlier NOPS Amendment Notice which, in each case, are not being replaced must not be greater than the Aggregate Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Physical Redemption Date (determined without reference to any change resulting from such NOPS Amendment Notice). Notwithstanding the foregoing, (x) the Calculation Agent may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to the Issuer and the Issuing and Paying Agent prior to the relevant Delivery Date and (y) if Asset Package Delivery is applicable, the Calculation Agent shall, on or prior to the Delivery Date, notify the Issuer and the Issuing and Paying Agent of the description of the Asset Package, if any, that should be Delivered to the Noteholders in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, it being understood in each case that such notice shall not constitute a NOPS Amendment Notice.

“**Notice of Publicly Available Information**” means an irrevocable notice from the Calculation Agent to the Issuer and the Issuing and Paying Agent that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. The notice given must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If “Notice of Publicly Available Information” is specified as applicable in the applicable Final Terms or Pricing Supplement and the Credit Event Notice or Repudiation/Moratorium Extension Notice contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

“**Notice to Exercise Movement Option**” with respect to a Series where (a) an M(M)R Restructuring is applicable and (b) the Fallback Redemption Method would otherwise be applicable pursuant to Credit Linked Asset Condition 5(b)(ii) (*Fallback Redemption*), a notice from the Calculation Agent to the Issuer

and the Issuing and Paying Agent that (i) specifies the Parallel Auction Settlement Terms which shall be applicable in accordance with the Issuer's exercise of the Movement Option and (ii) is dated on or prior to the Movement Option Cut-off Date.

"Obligation" means (a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in "Method for Determining Obligations" below, (b) the Reference Obligation, in each case, unless it is an Excluded Obligation and (c) any other obligation of a Reference Entity specified as such in the applicable Final Terms or Pricing Supplement.

Method for Determining Obligations: For the purposes of sub-paragraph (a) of the definition of "Obligation" above, an Obligation is each obligation of the Reference Entity described by the Obligation Category specified in the applicable Final Terms or Pricing Supplement and having each of the Obligation Characteristics, if any, specified in the applicable Final Terms or Pricing Supplement, in each case, immediately prior to the Credit Event which is the subject of either the Credit Event Notice or the Applicable DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

- (a) **"Obligation Category"** means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the applicable Final Terms or Pricing Supplement, and:
 - (i) **"Bond"** means any obligation of a type included in the "Borrowed Money" Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt notes or other debt notes and shall not include any other type of Borrowed Money;
 - (ii) **"Bond or Loan"** means any obligation that is either a Bond or a Loan;
 - (iii) **"Borrowed Money"** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit);
 - (iv) **"Loan"** means any obligation of a type included in the "Borrowed Money" Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money;
 - (v) **"Payment"** means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money; and
 - (vi) **"Reference Obligation Only"** means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligation Only.
- (b) **"Obligation Characteristics"** means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance, and:
 - (i)
 - (A) **"Not Subordinated"** means an obligation that is not Subordinated to (I) the Reference Obligation or (II) the "Prior Reference Obligation" if applicable;
 - (B) **"Subordination"** means, with respect to an obligation (the **"Second Obligation"**) and another obligation of the Reference Entity to which such obligation is being compared (the **"First Obligation"**), a contractual, trust or similar arrangement providing that (I) upon the liquidation, dissolution, reorganisation or winding up of the Reference Entity, claims of the holders of the First Obligation are required to be

satisfied prior to the claims of the holders of the Second Obligation or (II) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the First Obligation. **“Subordinated”** will be construed accordingly. For the purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (1) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (2) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and “Standard Reference Obligation” is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date; and

- (C) **“Prior Reference Obligation”** means, in circumstances where there is no Reference Obligation applicable to a Series, (I) the Reference Obligation most recently applicable thereto, if any, and otherwise, (II) the obligation specified in the applicable Final Terms or Pricing Supplement as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity;
- (ii) **“Specified Currency”** means an obligation that is payable in the currency or currencies specified as such in the applicable Final Terms or Pricing Supplement (or, if “Specified Currency” is specified in the applicable Final Terms or Pricing Supplement and no currency is so specified, any Standard Specified Currency), provided that if the euro is a Specified Currency, “Specified Currency” shall also include an obligation that was previously payable in the euro, regardless of any redenomination thereafter if such redenomination occurred as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority;
- (iii) **“Not Sovereign Lender”** means any obligation that is not primarily owed to (A) a Sovereign or (B) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development, which shall include, without limitation, obligations generally referred to as “Paris Club debt”;
- (iv) **“Not Domestic Currency”** means any obligation that is payable in any currency other than the applicable Domestic Currency, provided that a Standard Specified Currency shall not constitute a Domestic Currency;
- (v) **“Not Domestic Law”** means any obligation that is not governed by the applicable Domestic Law, provided that the laws of England and the laws of the State of New York shall not constitute Domestic Law;
- (vi) **“Listed”** means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange; and

- (vii) **“Not Domestic Issuance”** means any obligation other than an obligation that was issued (or reissued, as the case may be) or intended to be offered for sale primarily in the domestic market of the relevant Reference Entity. Any obligation that is registered or, as a result of some other action having been taken for such purpose, is qualified for sale outside the domestic market of the relevant Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the Reference Entity) shall be deemed not to be issued (or reissued as the case may be) or intended to be offered for sale primarily in the domestic market of the Reference Entity.

“Obligation Acceleration” means one or more Obligations in an aggregate amount of not less than the Default Requirement have become due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

“Obligation Currency” means the currency or currencies in which an Obligation is denominated.

“Obligation Default” means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

“Original Non-Standard Reference Obligation” means each obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as a Reference Obligation in the applicable Final Terms or Pricing Supplement (if any is so specified).

“Outstanding Amount” has the meaning given to it in the definition of “Notice of Physical Settlement”.

The **“Outstanding Principal Balance”** of an obligation will be calculated as follows:

- (a) first, by determining, in respect of the obligation, the amount of the Reference Entity’s principal payment obligations and, where applicable in accordance with the definition of “Accrued Interest”, the Reference Entity’s accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (i) the Outstanding Principal Balance (including accrued but unpaid interest, where applicable) of the Underlying Obligation (determined as if references to the Reference Entity were references to the Underlying Obligor) and (ii) the amount of the Fixed Cap, if any);
- (b) second, by subtracting all or any portion of such amount which, pursuant to the terms of the obligation, (i) is subject to any Prohibited Action, or (ii) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (A) payment or (B) a Permitted Contingency) (the amount determined in sub-paragraph (a) of the definition of “Outstanding Principal Balance” less any amounts subtracted in accordance with this sub-paragraph (b), the **“Non-Contingent Amount”**); and
- (c) third, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance, in each case, determined: (i) unless otherwise specified, in accordance with the terms of the obligation in effect on the Delivery Date), or (B) the Valuation Date, as applicable, and (ii) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

in each case, determined:

- (A) unless otherwise specified, in accordance with the terms of the obligation in effect on the Delivery Date, or (II) the Valuation Date, as applicable; and
- (B) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

For the purpose of this definition of “Outstanding Principal Balance”, “**Quantum of the Claim**” means the lowest amount of the claim which could be validly asserted against the Reference Entity in respect of the Non-Contingent Amount if the obligation had become redeemable, been accelerated, terminated or had otherwise become due and payable at the time of the relevant determination, provided that the Quantum of the Claim cannot exceed the Non-Contingent Amount.

“**Package Observable Bond**” means, in respect of a Reference Entity which is a Sovereign, any obligation (a) which is identified as such and published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time and (b) which fell within the definition of Deliverable Obligation set out in sub-paragraph (a) or (b) of the definition of “Deliverable Obligation”, in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective.

“**Parallel Auction**” means the “Auction” which is the subject of the relevant Parallel Auction Settlement Terms.

“**Parallel Auction Cancellation Date**” means the “Auction Cancellation Date” in respect of the relevant Parallel Auction Settlement Terms.

“**Parallel Auction Settlement Terms**” means, following the occurrence of an M(M)R Restructuring”, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such an M(M)R Restructuring if the Calculation Agent determines in its discretion, acting in a commercially reasonable manner, that the relevant Deliverable Obligation Terms are substantially the same as the Deliverable Obligation Provisions applicable to the relevant Credit Linked Notes and for which a credit derivatives transaction with the same tenor as Series of the Credit Linked Notes would not be an “Auction Covered Transaction” for the purpose of the relevant Credit Derivatives Auction Settlement Terms.

“**Partial Nominal Amount**” has the meaning given to it in Credit Linked Asset Condition 13 (*Successor Provisions*).

“**Payment Requirement**” means the amount specified as such in the applicable Final Terms or Pricing Supplement or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, USD 1,000,000 or its equivalent in the relevant Obligation Currency) in either case as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as appropriate.

“**Permissible Deliverable Obligation**” has the meaning given to it in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included on the Final List pursuant to the Deliverable Obligation Terms that are applicable to that Auction.

“**Permitted Contingency**” means, with respect to an obligation, any reduction to the Reference Entity’s payment obligations:

- (a) as a result of the application of:
 - (i) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of the Reference Entity;
 - (ii) provisions implementing the Subordination of the obligation;

- (iii) provisions allowing for a Permitted Transfer in the case of a Qualifying Guarantee (or provisions allowing for the release of the Reference Entity from its payment obligations in the case of any other Guarantee);
 - (iv) any Solvency Capital Provisions, if “Subordinated European Insurance Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement; or
 - (v) provisions which permit the Reference Entity’s obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement; or
- (b) which is within the control of the holders of the obligation or a third party acting on their behalf (such as an agent or trustee) in exercising their rights under or in respect of such obligation

“**Permitted Transfer**” means, with respect to a Qualifying Guarantee, a transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee.

“**Physical Redemption Assets**” means, in respect of Credit Linked Notes for which the provisions of Credit Linked Asset Condition 6 (*Physical Redemption Terms*) apply, subject to Credit Linked Asset Condition 10 (*Effect of DC Announcements*), such Deliverable Obligations as may be selected by the Calculation Agent (the “**Relevant Deliverable Obligations**”) with:

- (a) an Outstanding Principal Balance (as determined by the Calculation Agent in its discretion, acting in a commercially reasonable manner, on the date of the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable), in respect of Deliverable Obligations that are Borrowed Money Obligations (or the equivalent Currency Amount thereof); or
- (b) a Due and Payable Amount, in respect of Deliverable Obligations that are not Borrowed Money Obligations (or the equivalent Currency Amount thereof),

equal to or closest to, after consideration of the smallest unit or units of transfer of such Deliverable Obligations:

- (i) the Applicable Proportion of the Aggregate Nominal Amount (on the date of the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable); minus
- (ii)
 - (A) if the Net Recovery Proceeds are less than the Applicable Proportion of the Aggregate Nominal Amount (on the date of the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable), the Outstanding Principal Balance or Due and Payable Amount (as the case may be) of Relevant Deliverable Obligations having a market value equal to (I) the Applicable Proportion of the Aggregate Nominal Amount (on the date of the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable) minus (II) the Net Recovery Proceeds; or
 - (B) if the Net Recovery Proceeds are equal to or greater than the Applicable Proportion of the Aggregate Nominal Amount (on the date of the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable), zero,

(such aggregate amount, the “**Physical Delivery Nominal Amount**”),

as determined by the Calculation Agent in its discretion, acting in a commercially reasonable manner (the difference, if any, between the Physical Delivery Nominal Amount and the aggregate nominal amount of

the Physical Delivery Nominal Amount (as a result of rounding), the “**Physical Redemption Assets Shortfall**”).

If the amount of the Physical Redemption Assets is less than zero, no Deliverable Obligations will be required to be Delivered and the amount of the Physical Redemption Assets will be deemed to be zero. If an Asset Package Credit Event has occurred and a Prior Deliverable Obligation or Package Observable Bond which would otherwise have been included in the Physical Redemption Assets has been converted into an Asset Package, then references in this definition of “Physical Redemption Assets” to “Deliverable Obligations” shall be references to the resulting Asset Package and the Asset Package shall be treated as having the same currency and Outstanding Principal Balance as the relevant Prior Deliverable Obligation or Package Observable Bond. The Outstanding Principal Balance of the Deliverable Obligations being Delivered will exclude accrued but unpaid interest, unless “Include Accrued Interest” is specified in the applicable Final Terms or Pricing Supplement, in which case, the Outstanding Principal Balance of the Deliverable Obligations being Delivered will include accrued but unpaid interest (as the Calculation Agent shall determine). In respect of a Noteholder, the “Physical Redemption Assets” and “Physical Redemption Assets Shortfall” means such Noteholder’s *pro rata* share of the Physical Redemption Assets or an amount of cash equal to the Physical Redemption Assets Shortfall, respectively, determined by the Calculation Agent and, in respect of “Physical Redemption Assets”, rounded down in accordance with Credit Linked Asset Condition 6(c) (*Notes Delivery Shortfall Proceeds*).

“**Physical Redemption Date**” means the last day of the longest Physical Settlement Period following the date specified in the Notice Physical Settlement or NOPS Amendment Notice. If all Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable are Delivered on or before that Physical Redemption Date, the date that the Issuer completes Delivery of such Deliverable Obligations shall be the Maturity Date.

“**Physical Settlement Matrix**” means the “Credit Derivatives Physical Settlement Matrix” as most recently amended or supplemented as at the Issue Date (unless otherwise specified in the applicable Final Terms or Pricing Supplement) and as published by ISDA on its website at www.isda.org (or any successor website). The Physical Settlement Matrix may be applicable to any Series of Notes (notwithstanding that the Credit Event Redemption Method for such Notes may not be “Physical Redemption”) where “Physical Settlement Matrix Standard Terms” are specified as applicable in the applicable Final Terms or Pricing Supplement and one or more Transaction Type(s) are specified as applying to the Reference Entity(ies) of such Series of Notes.

“**Physical Settlement Period**” means, subject to the provisions of Credit Linked Asset Condition 9 (*Effect of DC Announcements*), the number of Business Days specified as such in the applicable Final Terms or Pricing Supplement or, if a number of Business Days is not so specified, then, with respect to a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, the longest number of Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as the Calculation Agent shall determine, provided that if the Calculation Agent has notified the Issuer and the Issuing and Paying Agent that an Asset Package should be Delivered in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be 30 Business Days.

“**Post Dismissal Additional Period**” means the period from and including the date of the Applicable DC Credit Event Question Dismissal to and including the date that is 14 calendar days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)).

“**Potential Failure to Pay**” means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more

Obligations in accordance with the terms of such obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.

“Potential Repudiation/Moratorium” means the occurrence of an event described in sub-paragraph (a) of the definition of “Repudiation/Moratorium”.

“Principal Protected Amount” means the amount specified as such in the applicable Final Terms or Pricing Supplement, which may be described as a percentage of the Specified Denomination of each Note, provided that if no amount is so specified the Principal Protected Amount will be the Final Redemption Amount.

“Principal Protected Credit Linked Notes” means a Series of Notes which will, following the occurrence of a Credit Event and a Relevant Event Determination Date, be redeemed at their Principal Protected Amount.

“Prior Deliverable Obligation” means:

- (a) if a Governmental Intervention has occurred (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the Applicable DC Credit Event Announcement), any obligation of the Reference Entity which (i) existed immediately prior to such Governmental Intervention, (ii) was the subject of such Governmental Intervention and (iii) fell within the definition of Deliverable Obligation set out in sub-paragraph (a) or (b) of the definition of “Deliverable Obligation”, in each case, immediately preceding the date on which such Governmental Intervention was legally effective; or
- (b) if a Restructuring which does not constitute a Governmental Intervention has occurred in respect of the Reference Obligation of the relevant Reference Entity (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the Applicable DC Credit Event Announcement), such Reference Obligation, if any.

“Private-side Loan” means a Loan in respect of which the documentation governing its terms is not publicly available or capable of being made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such information.

“Prohibited Action” means any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in sub-paragraphs (a) to (d) in the definition of “Credit Event” or right of set-off by or of the Reference Entity or any applicable Underlying Obligor

“Public Source” means each source of Publicly Available Information specified as such in the applicable Final Terms or Pricing Supplement (or, if no such source is specified, each of Bloomberg, Reuters, Dow Jones Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, AsahiShimbun, YomiuriShimbun, Financial Times, La Tribune, Les Echos, The Australian Financial Review and Debtwire (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

“Publicly Available Information” means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice have occurred and which (a) has been published in or on not less than the Specified Number of Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information, (b) is information received from or published by (i) the Reference Entity (or if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign) or (ii) a trustee, fiscal agent, administrative

agent, clearing agent, paying agent, facility agent or agent bank for an Obligation or (c) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body, provided that where any information of the type described in sub-paragraphs (a) to (c) of this definition above is not publicly available, it can only constitute Publicly Available Information if it can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

In relation to any information of the type described in sub-paragraphs (b) and (c) above in the first paragraph of this definition of “Publicly Available Information”, the party receiving such information may assume that such information has been disclosed to it without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information and that the party delivering such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to the party receiving such information.

Without limitation, Publicly Available Information need not state (a) in relation to the definition of “Downstream Affiliate”, the percentage of Voting Shares owned by the Reference Entity and (b) that the relevant occurrence (i) has met the Payment Requirement or Default Requirement, (ii) is the result of exceeding any applicable Grace Period or (iii) has met the subjective criteria specified in certain Credit Events.

In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in sub-paragraphs (a) and (b) of the definition of “Repudiation/Moratorium”.

“Qualifying Affiliate Guarantee” means a Qualifying Guarantee provided by the Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of the Reference Entity.

“Qualifying Guarantee” means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

- (i) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (ii) in respect of which, pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance other than: (i) by payment, (ii) by way of Permitted Transfer, (iii) by operation of law, (iv) due to the existence of a Fixed Cap or (v) due to: (A) provisions permitting or anticipating a Governmental Intervention, if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement or (B) any Solvency Capital Provisions, if “Subordinated European Insurance Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (A) a non-payment in respect of the guarantee or the Underlying Obligation, or (B) an event of the type described in the definition of “Bankruptcy” in respect of the Reference Entity or the

Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee: (I) the benefit of such a guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation and (II) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being Delivered together with the Delivery of such guarantee.

“Quotation” means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of the Deliverable Obligation’s Outstanding Principal Balance or Due and Payable Amount (or if a Quotation is being obtained in respect of the Asset Package resulting from any Prior Deliverable Obligation or Package Observable Bond, the Outstanding Principal Balance of the relevant Prior Deliverable Obligation or Package Observable Bond immediately prior to the Asset Package Credit Event), as applicable, with respect to a Valuation Date in the manner that follows:

- (a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Quotation Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation.
- (b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the tenth Business Day following the applicable Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

“Quotation Amount” means an amount determined by the Calculation Agent not in excess of the Aggregate Nominal Amount of the Credit Linked Notes or its equivalent in the relevant Obligation Currency, which shall be converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained). Where an Asset Package Credit Event has occurred and a Deliverable Obligation has been converted into an Asset Package, the Quotation Amount for all or any part of the Asset Package shall be such amount as the Calculation Agent determines appropriate in its sole and absolute discretion.

“Quotation Dealer” means, as selected by the Calculation Agent in its discretion, acting in a commercially reasonable manner, a dealer in obligations of the type for which Quotations are to be obtained, including each Quotation Dealer specified in the applicable Final Terms or Pricing Supplement. Upon a Quotation Dealer no longer being in existence (with no successors), or not being an active dealer in the obligations of the type for which Quotations are to be obtained, the Calculation Agent may, in its discretion, acting in a commercially reasonable manner, substitute any other Quotation Dealer(s) for one or more of the foregoing.

“Quotation Method” means the applicable Quotation Method specified in the applicable Final Terms or Pricing Supplement by reference to one of the following terms (or, if no Quotation Method is specified, Bid shall apply),

where:

- (a) **“Bid”** means that only bid quotations shall be requested from Quotation Dealers;
- (b) **“Offer”** means that only offer quotations shall be requested from Quotation Dealers; or
- (c) **“Mid-market”** means that bid and offer quotations shall be requested from Quotation Dealers and shall be averaged for the purposes of determining a relevant Quotation Dealer’s quotation,

provided that in respect of any Asset Package which is the subject of a Quotation, the Quotation Method shall be any of the above Quotation Methods selected by the Calculation Agent in its sole and absolute discretion, or any other method of quotation provided in the market for the relevant Asset as determined by the Calculation Agent, notwithstanding the Quotation Method specified in the applicable Final Terms or Pricing Supplement.

“Redemption Date” means the Auction Redemption Date, Cash Redemption Date and Physical Redemption Date.

“Redemption Failure Event” means, in each case as determined by the Calculation Agent in its discretion, acting in a commercially reasonable manner, that (a) it is impossible, impracticable or illegal for the Issuer to pay (due to an event beyond the control of the Issuer), or for a Noteholder to accept payment of (due to an event beyond the control of such Noteholder), any cash amount (including, without limitation, any portion of the Auction Redemption Amount or the Cash Redemption Amount in respect of the Credit Linked Notes) required to be paid on the date scheduled for such payment, (b) the failure of a Noteholder to surrender a Credit Linked Note for cancellation on or before the Maturity Date, first Delivery Date in respect of the applicable Physical Redemption Date, the Auction Redemption Date or the Cash Redemption Date, as the case may be, or (c) the failure of any relevant person to duly execute, deliver and/or accept a transfer certificate or other transfer document on or before any Delivery Date and/or specify a date for transfer of the relevant Deliverable Obligation that is on or before any Delivery Date, in each case in accordance with the terms of the relevant Deliverable Obligation.

“Redemption Suspension Notice” has the meaning given to it in Credit Linked Asset Condition 9 (*Effect of DC Announcements*).

“Reference Entity” means the entity specified as such in the applicable Final Terms or Pricing Supplement. Any Successor to the Reference Entity either (a) identified by the Calculation Agent pursuant to the definition of “Successor” on or following the Trade Date or (b) identified pursuant to a DC Resolution in respect of a Successor Resolution Request Date and publicly announced by the DC Secretary on or following the Trade Date shall, in each case, with effect from the Succession Date, be the Reference Entity.

“Reference Entity Notional Amount” means, in respect of each Reference Entity, the amount specified in the applicable Final Terms or Pricing Supplement, subject to amendment as provided herein.

“Reference Obligation” means:

- (a) if “Standard Reference Obligation” is specified as applicable in the applicable Final Terms or Pricing Supplement, the Standard Reference Obligation;
- (b) if “Standard Reference Obligation” is specified as not applicable in the applicable Final Terms or Pricing Supplement, in which case the Reference Obligation(s) will be the Non-Standard Reference Obligation(s), if any; or

- (c) if (i) “Standard Reference Obligation” is specified as applicable in the applicable Final Terms or Pricing Supplement, (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified in the applicable Final Terms or Pricing Supplement, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

“Reference Portfolio” means the Reference Entity and Reference Obligation or the portfolio of Reference Entities and Reference Obligations, as the case may be, specified in the applicable Final Terms or Pricing Supplement, as the same may be amended from time to time in accordance with the provisions of the Credit Linked Asset Conditions and the applicable Final Terms or Pricing Supplement

“Relevant City Business Day” has the meaning given to it in the DC Rules.

“Relevant Credit Event” means:

- (a) in the case of Single Name Credit Linked Notes and Fixed Recovery Credit Linked Notes, the first Credit Event to occur with respect to the Reference Entity; and
- (b) in the case of Linear Basket Credit Linked Notes, each Credit Event to occur with respect to any Reference Entity in the Reference Portfolio.

“Relevant Event Determination Date” means the Event Determination Date occurring with respect to a Relevant Credit Event.

“Relevant Guarantee” means a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms or Pricing Supplement, a Qualifying Guarantee.

“Relevant Holder” means a holder of the Prior Deliverable Obligation or Package Observable Bond, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, immediately prior to the relevant Asset Package Credit Event, equal to the Outstanding Amount specified in respect of such Prior Deliverable Obligation or Package Observable Bond in the Notice of Physical Settlement, or NOPS Amendment Notice, as applicable.

“Relevant Obligations” means the Obligations of the Reference Entity which fall within the Obligation Category “Bond or Loan” and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), provided that:

- (a) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
- (b) if there is a Steps Plan, the Calculation Agent shall, for the purposes of the determination required to be made under the definition of “Successor”, make the appropriate adjustments required to take account of any Obligations of the Reference Entity which fall within the Obligation Category “Bond or Loan” that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;
- (c) if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement and the Reference Entity is a Senior Reference Entity, the Relevant Obligations shall only include the Senior Obligations of the Reference Entity which fall within the Obligation Category “Bond or Loan”; and
- (d) if “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement, and the relevant Reference Entity is a Subordinated Reference Entity, Relevant Obligations shall exclude Senior Obligations and any Further Subordinated Obligations of the Reference Entity which fall within the Obligation Category “Bond or Loan”, provided that if

no such Relevant Obligations exist, “Relevant Obligations” shall have the same meaning as it would if the relevant Reference Entity were a Senior Reference Entity.

“**Replacement Deliverable Obligation**” has the meaning given to it in the definition of “notice of Physical Settlement”.

“**Replacement Deliverable Obligation Outstanding Amount**” has the meaning given to it in the definition of “notice of Physical Settlement”.

“**Repudiation/Moratorium**” means the occurrence of both of the following events: (a) an authorised officer of the Reference Entity or a Governmental Authority (i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement or (ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation that occurs on or prior to the Repudiation/Moratorium Evaluation Date.

“**Repudiation/Moratorium Evaluation Date**” means, if a Potential Repudiation/Moratorium occurs on or prior to the Credit Observation End Date, (a) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (i) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (ii) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (b) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium, provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Credit Observation End Date unless the Repudiation/Moratorium Extension Condition is satisfied.

The “**Repudiation/Moratorium Extension Condition**” is satisfied (a) if the DC Secretary publicly announces, pursuant to a valid request that was delivered and effectively received on or prior to the date that is fourteen calendar days after the Credit Observation End Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity and that such event occurred on or prior to the Credit Observation End Date and such resolution constitutes an Applicable Resolution or (b) otherwise, by the delivery by the Calculation Agent to the Issuer and the Issuing and Paying Agent of a Repudiation/Moratorium Extension Notice and, unless “Notice of Publicly Available Information” is specified as not applicable in the applicable Final Terms or Pricing Supplement, a Notice of Publicly Available Information that is effective on or prior to the date that is fourteen calendar days after the Credit Observation End Date. In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (i) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the Reference Entity or (ii) an event that constitutes a Potential Repudiation/Moratorium for the purposes of the relevant Credit Linked Notes has occurred with respect to an Obligation of the relevant Reference Entity but that such event occurred after the Credit Observation End Date.

“**Repudiation/Moratorium Extension Notice**” means an irrevocable notice from the Calculation Agent to the Issuer and the Issuing and Paying Agent that describes a Potential Repudiation/Moratorium that occurred on or prior to the Credit Observation End Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential

Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

“Resolve” means, with respect to a Credit Derivatives Determinations Committee, the making of a specific determination in accordance with the DC Rules, and **“Resolved”** and **“Resolves”** shall be construed accordingly.

“Restructured Bond or Loan” means an Obligation that is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

“Restructuring” means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of exchange) and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date applicable to the relevant Credit Linked Notes and the date as of which such Obligation is issued or incurred:

- (a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (b) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (c) a postponement or other deferral of a date or dates for either (i) the payment or accrual of interest or (ii) the payment of principal or premium;
- (d) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
- (e) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

Notwithstanding the above in this definition of “Restructuring”, none of the following shall constitute a Restructuring:

- (i) the payment in euros of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
- (ii) the redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;
- (iii) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a) to (e) of this definition of “Restructuring” due to an administrative adjustment,

accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and

- (iv) the occurrence of, agreement to or announcement of any of the events described in subparagraphs (a) to (e) of this definition of “Restructuring” in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of sub-paragraph (e) of this definition of “Restructuring” only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

For the purposes of this definition of “Restructuring”, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the Reference Entity in this definition shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in this definition of “Restructuring” shall continue to refer to the Reference Entity.

If an exchange has occurred, the determination as to whether one of the events described under subparagraphs (a) to (e) of this definition has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

“Restructuring Date” means the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

“Restructuring Maturity Limitation Date” means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Credit Observation End Date. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a **“Latest Maturity Restructured Bond or Loan”**) and the Credit Observation End Date occurs prior to the final maturity date of such Latest Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan.

“Revised Currency Rate” means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time or (b) if such rate is not available at such time, as the Calculation Agent shall determine in a commercially reasonable manner.

“Senior Obligation” means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity.

“Senior Reference Entity” means a Reference Entity for which (a) the Reference Obligation(s) or Prior Reference Obligation(s), as applicable, is/are a Senior Obligation provided that if there is more than one Reference Obligation for a Reference Entity, and not all of the Reference Obligations are Senior Obligations, then “Senior Reference Entity” means a Reference Entity in respect of which “Senior Level” is specified as the Seniority Level in the applicable Final Terms or Pricing Supplement, or (b) there is no Reference Obligation or Prior Reference Obligation.

“Seniority Level” means, with respect to a Reference Entity, (a) “Senior Level” or “Subordinated Level” as specified in the applicable Final Terms or Pricing Supplement, or (b) if no such seniority level is specified in the applicable Final Terms or Pricing Supplement, “Senior Level” if the only Original Non-

Standard Reference Obligation is a Senior Obligation or “Subordinated Level” if the only Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which (c) “Senior Level”.

“Settlement Currency” means the currency specified in the applicable Final Terms or Pricing Supplement, or if no currency is specified in the applicable Final Terms or Pricing Supplement, the Specified Currency of the Credit Linked Notes.

“Single Name Credit Linked Notes” means any Series of Notes in respect of which the Issuer purchases credit protection from Noteholders in respect of one Reference Entity alone.

“Solvency Capital Provisions” means any terms in an obligation which permit the Reference Entity's payment obligations thereunder to be deferred, suspended, cancelled, converted, reduced or otherwise varied and which are necessary in order for the obligation to constitute capital resources of a particular tier.

“Sovereign” means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority acting in a governmental capacity (including, without limiting the foregoing, the central bank) thereof.

“Sovereign Restructured Deliverable Obligation” means an Obligation of a Reference Entity which is a Sovereign (either directly or as provider of a Relevant Guarantee) (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice or Applicable DC Credit Event Announcement has occurred and (b) which fell within the definition of a Deliverable Obligation immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

“Sovereign Succession Event” means, with respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

“Specified Number” means the number of Public Sources specified in the applicable Final Terms or Pricing Supplement (or, if no such number is specified, two).

“SRO List” means the list of Standard Reference Obligations as published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time.

“Standard Reference Obligation” means the obligation of the Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List.

“Standard Specified Currency” means each of the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

“Steps Plan” means a plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities.

“Subordinated Obligation” means any obligation which is Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity or which would be so Subordinated if any unsubordinated Borrowed Money obligation of the Reference Entity existed.

“Subordinated Reference Entity” means a Reference Entity for which the Reference Obligation(s) or Prior Reference Obligation(s), as applicable, is/are a Subordinated Obligation provided that, if there is more than one Reference Obligation and not all of the Reference Obligations are Subordinated Reference Obligations, then “Subordinated Reference Entity” means a Reference Entity specified as such in the applicable Final Terms or Pricing Supplement.

“Substitute Reference Obligation” means, with respect to a Non-Standard Reference Obligation to which a Substitution Event has occurred, the obligation that may replace the Non-Standard Reference Obligation, determined by the Calculation Agent in accordance with Credit Linked Asset Condition 15 (*Reference Obligation*).

Notwithstanding the definition of “Substitute Reference Obligation” (a) no Substitute Reference Obligation shall be determined in respect of a Reference Obligation Only Series and (b) if the events set out in sub-paragraph (b) or (c) of the definition of “Substitution Event” occur with respect to the Reference Obligation in a Reference Obligation Only Series, such Reference Obligation shall continue to be the Reference Obligation.

“Substitution Date” means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent notifies the Issuer and the Issuing and Paying Agent of the Substitute Reference Obligation that it has identified in accordance with the definition of “Substitute Reference Obligation”.

“Substitution Event” means, with respect to a Non-Standard Reference Obligation:

- (a) the Non-Standard Reference Obligation is redeemed in whole;
- (b) the aggregate amounts due under the Non-Standard Reference Obligation have been reduced by redemption or otherwise below USD 10,000,000 or its equivalent in the relevant Obligation Currency, as determined by the Calculation Agent); or
- (c) for any other reason, other than due to the existence or occurrence of a Credit Event, the Non-Standard Reference Obligation is no longer an obligation of the Reference Entity, (either directly or as provider of a guarantee).

For the purposes of the identification of a Non-Standard Reference Obligation, any change in the Non-Standard Reference Obligation’s CUSIP or ISIN number or other similar identifier will not, in and of itself, constitute a Substitution Event.

If an event described in sub-paragraph (a) or (b) of this definition has occurred on or prior to the Trade Date, then a Substitution Event shall be deemed to have occurred pursuant to sub-paragraph (a) or (b) of this definition, as the case may be, on the Trade Date.

“Substitution Event Date” means, with respect to the Reference Obligation, the date of the occurrence of the relevant Substitution Event.

“Successor” means:

- (a) subject to Credit Linked Asset Conditions 13(e) (*Eligible Successors*), the entity or entities, if any, determined by the Calculation Agent or the Credit Derivatives Determination Committee (as applicable) as follows:
 - (i) subject to sub-paragraph (vii) of this definition, if one entity succeeds, either directly or as a provider of a Relevant Guarantee to seventy five per cent. or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor in respect of (i) the entire Aggregate Nominal Amount of the Notes outstanding as at the Succession Date or (ii) if the Notes are Linear Basket Credit Linked Notes, the entire Reference Entity Notional Amount of that original Reference Entity outstanding as at the Succession Date;
 - (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee to more than twenty five per cent. (but less than seventy five per cent.) of the Relevant Obligations of the Reference Entity and not more than twenty five per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty five per cent. of the Relevant Obligations will be the sole Successor in respect of (i) the entire Aggregate Nominal Amount of the Notes outstanding as at the Succession

- Date or (ii) if the Notes are Linear Basket Credit Linked Notes, the entire Reference Entity Notional Amount of that original Reference Entity outstanding as at the Succession Date;
- (iii) if more than one entity each succeeds, either directly or as provider of a Relevant Guarantee to more than twenty five per cent. of the Relevant Obligations of the Reference Entity, and not more than twenty five per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty five per cent. of the Relevant Obligations will each be a Successor in respect of a portion of the Aggregate Nominal Amount of the Notes outstanding as at the Succession Date or, if the Notes are Linear Basket Credit Linked Notes, in respect of a portion of the Reference Entity Notional Amount of the original Reference Entity outstanding as at the Succession Date (subject to Credit Linked Asset Condition 13 (*Successor Provisions*));
 - (iv) if one or more entities each succeeds, either directly or as provider of a Relevant Guarantee to more than twenty five per cent. of the Relevant Obligations of the Reference Entity, and more than twenty five per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a in respect of a portion of the Aggregate Nominal Amount of the Notes outstanding as at the Succession Date or, if the Notes are Linear Basket Credit Linked Notes, in respect of a portion of the Reference Entity Notional Amount of the original Reference Entity outstanding as at the Succession Date subject to and in accordance with Credit Linked Asset Condition 13 (*Successor Provisions*);
 - (v) if one or more entities succeeds, either directly or as provider of a Relevant Guarantee to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity and the Credit Linked Notes will not be changed in any way as a result of such succession; and
 - (vi) if one or more entities succeeds either directly or as provider of a Relevant Guarantee to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor) subject to and in accordance with the provisions of Credit Linked Asset Condition 13 *Successor Provisions*).
 - (vii) in respect of a Reference Entity which is not a Sovereign, if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (i) the Reference Entity has ceased to exist, or (ii) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the “**Universal Successor**”) will be the sole Successor in respect of the relevant Series.

For the purposes of this definition, “**succeed**” means, with respect to the Reference Entity and its Relevant Obligations, that an entity other than the Reference Entity (A) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (B) issues Bonds or incurs loans (the “**Exchange Bonds or Loans**”) that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case

the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to the Relevant Obligations or such Exchange Bonds or Loans, as applicable. For the purposes of this definition, “**succeeded**” and “**succession**” shall be construed accordingly.

“**Successor Backstop Date**” means for the purposes of any Successor determination determined by DC Resolution, the date that is 90 calendar days prior to the Successor Resolution Request Date otherwise, the date that is 90 calendar days prior to the earlier of (a) the date on which the Successor Notice is effective and (b) in circumstances where (i) a Successor Resolution Request Date has occurred, (ii) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (iii) the Successor Notice is delivered by the Calculation Agent to the Issuer and the Issuing and Paying Agent not more than 14 calendar days after the day on which the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, the Successor Resolution Request Date. The Successor Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

“**Succession Date**” means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity, provided that if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final succession in respect of such Steps Plan, or if earlier (a) the date on which a determination pursuant to sub-paragraph (a) of the definition of “Successor” would not be affected by any further related successions in respect of such Steps Plan, or (b) the occurrence of an Event Determination Date in respect of the Reference Entity or any entity which would constitute a Successor.

“**Successor Notice**” means an irrevocable notice from the Calculation Agent to the Issuer and the Issuing and Paying Agent that describes a succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) in respect of which a Succession Date has occurred and pursuant to which one or more Successors to the Reference Entity can be determined. A Successor Notice must contain a description in reasonable detail of the facts relevant to the determination to be made pursuant to sub-paragraph (a) of the definition of “Successor”

“**Successor Resolution Request Date**” means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve one or more Successors to the Reference Entity, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

“**Term**” means the period commencing on and including the Trade Date and ending on and including the Credit Observation End Date (or, if applicable, Extended Maturity Date) of the Credit Linked Notes.

“**Trade Date**” means the date specified as such in the applicable Final Terms or Pricing Supplement.

“**Transaction Auction Settlement Terms**” means the relevant Credit Derivatives Auction Settlement Terms, whether or not the Credit Linked Notes are covered by such Credit Derivatives Auction Settlement Terms, provided that the Calculation Agent determines in its discretion, acting in a commercially reasonable manner, that (a) the relevant Deliverable Obligations Terms are substantially the same as the Deliverable Obligations Provisions with respect to the Credit Linked Notes, and (b) if such Credit Event is a Restructuring for which either “Restructuring Maturity Limitation and Fully Transferable Obligation” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation” is applicable or deemed to be applicable, a credit derivatives transaction with the same tenor as the Credit Linked Notes would be an “Auction Covered Transaction” for the purposes of the relevant Credit Derivatives Auction Settlement Terms.

“**Transaction Type**” means, for the purposes of the application of the Physical Settlement Matrix to a Series where “Physical Settlement Matrix Standard Terms” is specified as applicable in the applicable

Final Terms or Pricing Supplement, each Reference Entity designated as one of the following in the applicable Final Terms or Pricing Supplement:

- (a) North American Corporate;
- (b) European Corporate;
- (c) European Financial Corporate;
- (d) Australia Corporate;
- (e) Australia Financial Corporate;
- (f) New Zealand Corporate;
- (g) New Zealand Financial Corporate;
- (h) Japan Corporate;
- (i) Japan Financial Corporate;
- (j) Singapore Corporate;
- (k) Singapore Financial Corporate;
- (l) Asia Corporate;
- (m) Asia Financial Corporate;
- (n) Asia Sovereign;
- (o) Emerging European & Middle Eastern Sovereign;
- (p) Japan Sovereign;
- (q) Australia Sovereign;
- (r) New Zealand Sovereign;
- (s) Singapore Sovereign;
- (t) Latin America Sovereign; and
- (u) Western European Sovereign,

and any other Transaction Type which may be added to the Physical Settlement Matrix from time to time.

“Undeliverable Deliverable Obligations” has the meaning given to it in Credit Linked Asset Condition 6(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*).

“Undelivered Deliverable Obligation” has the meaning given to it in Credit Linked Asset Condition 6(i) (*Partial Cash Redemption Terms and Fallback Cash Redemption Terms*).

“Underlying Obligation” means, with respect to a guarantee, the obligation which is the subject of the guarantee.

“Underlying Obligor” means, with respect to an Underlying Obligation, the issuer in the case of a Bond, the borrower in the case of a Loan, or the principal obligor in the case of any other Underlying Obligation.

“Universal Successor” has the meaning given to it in the definition of “Successor”.

“Valuation Date” means:

- (a) if “Single Valuation Date” is specified in the applicable Final Terms or Pricing Supplement, subject to the provisions of Credit Linked Asset Condition 9 (*Effect of DC Announcements*), the date that is the number of Business Days specified in the applicable Final Terms or Pricing Supplement after the Event Determination Date (or, if the Event Determination Date occurs pursuant to sub-paragraph (a)(ii) of the definition of “Event Determination Date” or sub-paragraph (b)(i) of the definition of “Non-standard Event Determination Date”, the day on which the DC Credit Announcement occurs) or, if the number of Business Days is not so specified, any day falling on or before the 90th Business Day after the Relevant Event Determination Date or, following any Auction Cancellation Date or No Auction Announcement Date, after such Auction Cancellation Date or No Auction Announcement Date (in each case, as selected by the Calculation Agent in its discretion, acting in a commercially reasonable manner);
- (b) if “Multiple Valuation Dates” is specified in the applicable Final Terms or Pricing Supplement, subject to the provisions of Credit Linked Asset Condition 9 (*Effect of DC Announcements*), each of the following dates:
 - (i) the date that is the number of Business Days specified in the applicable Final Terms or Pricing Supplement after the Event Determination Date (or, if the Event Determination Date occurs pursuant to sub-paragraph (a)(ii) of the definition of “Event Determination Date” or sub-paragraph (b)(i) of the definition of “Non-standard Event Determination Date”, the day on which the DC Credit Announcement occurs), Auction Cancellation Date or No Auction Announcement Date (or, if the number of Business Days is not specified, 5 Business Days); and
 - (ii) each successive date that is the number of Business Days specified in the applicable Final Terms or Pricing Supplement (or if the number of Business Days is not so specified, 5 Business Days) after the date on which the Calculation Agent obtains a Market Value with respect to the immediately preceding Valuation Date.

When “Multiple Valuation Dates” is specified in the applicable Final Terms or Pricing Supplement, the total number of Valuation Dates shall be equal to the number of Valuation Dates specified in the applicable Final Terms or Pricing Supplement (or, if the number of Valuation Dates is not so specified, five Valuation Dates).

- (c) if neither “Single Valuation Date” nor “Multiple Valuation Dates” is specified in the applicable Final Terms or Pricing Supplement, the terms of sub-paragraph (a) of this definition shall apply as if “Single Valuation Date” had been specified in the applicable Final Terms or Pricing Supplement.

“Valuation Method” means:

- (a) where there is only one Valuation Date, Highest, Lowest or Market, as specified in the applicable Final Terms or Pricing Supplement.

If no Valuation Method is specified in the applicable Final Terms or Pricing Supplement, the Valuation Method shall be Highest.

- (b) where there is more than one Valuation Date, Average Highest, Average Market or Highest, as specified in the applicable Final Terms or Pricing Supplement.

If no Valuation Method is specified in the applicable Final Terms or Pricing Supplement, the Valuation Method shall be Average Highest.

Where:

- (i) **“Average Highest”** means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent (or in accordance with sub-paragraph (b) of the definition of “Quotation”) with respect to each Valuation Date;
- (ii) **“Average Market”** means the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to each Valuation Date;
- (iii) **“Highest”** means the highest Quotation obtained by the Calculation Agent (or in accordance with sub-paragraph (b) of the definition of “Quotation”) with respect to any Valuation Date;
- (iv) **“Lowest”** means the lowest Quotation obtained by the Calculation Agent (or in accordance with sub-paragraph (b) of the definition of “Quotation”) with respect to any Valuation Date; and
- (v) **“Market”** means the Market Value determined by the Calculation Agent with respect to the Valuation Date.

Notwithstanding sub-paragraphs (a) and (b) of this definition, if Quotations include Weighted Average Quotations or fewer than two Full Quotations, the Valuation Method shall be Market or Average Market, as the case may be.

“Valuation Time” means the time specified as such in the applicable Final Terms or Pricing Supplement or, if no such time is specified, the time determined by the Calculation Agent, which shall be as close as reasonably practicable to 11:00 a.m. London time, unless the Calculation Agent determines that the principal market valuing the Reference Obligation would be closed at such time or such transactions are not being conducted in sufficient volume (as determined by the Calculation Agent in its discretion, acting in a commercially reasonable manner) at such time, in which event the Valuation Time shall be such other time as may be specified by the Calculation Agent that such principal market is open.

“Voting Shares” means the shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

“Weighted Average Quotation” means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Quotation Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation with an Outstanding Principal Balance or Due and Payable Amount, as applicable, of as large a size as available but less than the Quotation Amount (but of a size at least equal to the Minimum Quotation Amount) that in aggregate are approximately equal to the Quotation Amount.

“Weighting” means in respect of a Reference Entity, (i) as at the Trade Date, the weighting specified for such Reference Entity in the applicable Final Terms or Pricing Supplement (if any) and (ii) thereafter, the Reference Entity Notional Amount in respect of such Reference Entity divided by the Aggregate Nominal Amount.

19 Interpretation of Obligation Characteristics and Deliverable Obligation Characteristics

- (a) If either of the Obligation Characteristics “Listed” or “Not Domestic Issuance” is specified in the applicable Final Terms or Pricing Supplement, the applicable Final Terms or Pricing Supplement shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds;
- (b) If (i) either of the Deliverable Obligation Characteristics “Listed”, “Not Domestic Issuance” or “Not Bearer” is specified in the applicable Final Terms or Pricing Supplement, the applicable Final Terms or Pricing Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds, (ii) the Deliverable Obligation Characteristic “Transferable” is specified in the applicable

Final Terms or Pricing Supplement, such Final Terms or Pricing Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Deliverable Obligations that are not Loans or (iii) any of the Deliverable Obligation Characteristics “Assignable Loan”, “Consent Required Loan” or “Direct Loan Participation” is specified in the applicable Final Terms or Pricing Supplement, such Final Terms or Pricing Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans; and

- (c) If more than one of “Assignable Loan”, “Consent Required Loan” and “Direct Loan Participation” are specified as Deliverable Obligation Characteristics in the applicable Final Terms or Pricing Supplement, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.
- (d) If an Obligation or a Deliverable Obligation is a Relevant Guarantee, the following will apply:
 - (i) For the purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation;
 - (ii) For the purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms or Pricing Supplement from the following list: “Not Subordinated”, “Specified Currency”, “Not Sovereign Lender”, “Not Domestic Currency” and “Not Domestic Law”;
 - (iii) For the purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms or Pricing Supplement from the following list: “Listed”, “Not Domestic Issuance”, “Assignable Loan”, “Consent Required Loan”, “Direct Loan Participation”, “Transferable”, “Maximum Maturity”, “Accelerated or Matured” and “Not Bearer”; and
 - (iv) For the purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.
- (e) For the purposes of the application of the Deliverable Obligation Characteristic “Maximum Maturity”, remaining maturity shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the remaining maturity shall be zero.
- (f) If “Financial Reference Entity Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement and “Governmental Intervention” is specified as a Credit Event in the applicable Final Terms or Pricing Supplement, if an obligation would otherwise satisfy a particular Obligation Characteristic or Deliverable Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity’s obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic or Deliverable Obligation Characteristic.

- (g) For the purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in sub-paragraph (a) of the definition of “Mod R” and sub-paragraph (a) of the definition of “Mod Mod R” to a Prior Deliverable Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event.
- (h) If “Subordinated European Insurance Terms” is specified as applicable in the applicable Final Terms or Pricing Supplement, if an obligation would otherwise satisfy the “Maximum Maturity” Deliverable Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Deliverable Obligation Characteristic.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

If the Global Notes or the Global Certificates are stated in the applicable Final Terms or Pricing Supplement to be issued in NGN form or to be held under the NSS (as the case may be), (i) the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper and (ii) the relevant clearing systems will be notified whether or not such Global Notes or such Global Certificates are intended to be held in a manner which would allow Eurosystem eligibility. Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global Notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a Common Depositary.

If the Global Note is a CGN, upon the initial deposit of a Global Note with a common depositary for Euroclear and Clearstream, Luxembourg (the “**Common Depositary**”) or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relevant Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is an NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the applicable Final Terms or Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (“**Alternative Clearing System**”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

Temporary Global Notes

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the applicable Final Terms or Pricing Supplement indicate that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “*Overview of the Programme – U.S. TEFRA Compliance*”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Note or, if so provided in the applicable Final Terms or Pricing Supplement, for Definitive Notes.

In relation to any issue of Notes which are represented by a Temporary Global Note which is expressed to be exchangeable for definitive Bearer Notes at the option of Noteholders, such Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) and multiples thereof.

Permanent Global Notes

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not in part for Definitive Notes if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Global Certificates

If the applicable Final Terms or Pricing Supplement state that the Notes are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear, Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to General Condition 2(b) (*Transfers of Registered Notes*) may only be made in part:

- (i) if the Notes represented by the Global Certificate are held on behalf of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (i) above, the Registered Holder has given the Registrar not less than 30 days' notice at its Specified Office of the Registered Holder's intention to effect such transfer. Where the holding of Notes represented by a Global Certificate is only transferable in its entirety, the Certificate issued to the transferee upon transfer of such

holding shall be a Global Certificate. Where transfers are permitted in part, Certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for, Euroclear, Clearstream, Luxembourg and/or an Alternative Clearing System.

Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note to, or to the order of, the Issuing and Paying Agent. In exchange for any Global Note, the Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes or, if the Global Note is a NGN, the Issuer will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system.

In this Base Prospectus, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

Exchange Date

“**Exchange Date**” means, in relation to a Temporary Global Note, the first day following the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the Specified Office of the Issuing and Paying Agent is located.

Electronic Consent and Written Resolution

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

- (i) approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes outstanding (an Electronic Consent as defined in the Trust Deed) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the Special Quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons, Talons and Receipts whether or not they participated in such Electronic Consent; and
- (ii) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by accountholders in the clearing system with entitlements to such Global Note or Global Certificate or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the

accountholder or via one or more intermediaries and provided that, in each case, the Issuer and the Trustee have obtained (a) commercially reasonable evidence to ascertain the validity of such holding and (b) an undertaking from the accountholder and/or beneficiary, as applicable, that they will not transfer any or all of such holding prior to the earlier of (I) the effecting of such amendment and (II) a specified long-stop date. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, “**commercially reasonable evidence**” includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream, Luxembourg’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

Amendment to Conditions

The Temporary Global Notes, Permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Master Conditions as completed by the provisions of Part A of the applicable Final Terms or as completed, supplemented and/or varied by the provisions of the applicable Pricing Supplement. The following is a summary of certain of those provisions.

Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. General Condition 7(d)(ii)(C) and General Condition 10(a)(ix) will apply to the Definitive Notes only. If the Global Note is an NGN or if the Global Certificate is held under the NSS, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under an NGN will be made to its holder. Each payment so made will discharge the Issuer’s obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge.

All payments in respect of Registered Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where

“Clearing System Business Day” means Monday to Friday inclusive except 25 December and 1 January.

For the purpose of any payments made in respect of a Global Note or a Global Certificate, the words “in the relevant place of presentation,” shall not apply in the definition of “business day” in General Condition 9(g) (*Non-Business Days*).

Prescription

Claims against the Issuer in respect of Notes that are represented by a Global Note will become void unless it is presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in the Conditions).

Meetings

The holder of a Global Note or of the Notes represented by a Global Certificate shall (unless such Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All the holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder’s holding, whether or not represented by a Global Certificate.

Cancellation

Cancellation of any Note represented by a Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by a reduction in the nominal amount of the relevant Global Note.

Purchase

Notes represented by a Global Note may only be purchased by the Issuer if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

NGN nominal amount

Where the Global Note is an NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

Trustee’s powers

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders or participants with entitlements to such Global Note or Registered Notes and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

Notices

So long as any Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for (i) in the case of a Global Note, publication as required by the Conditions, except that if and for so long as the Notes are listed on a stock exchange, all notices to holders of the Notes will be published in accordance with the rules of such stock exchange and (ii) in the

case of a Global Certificate, mail as required by the Conditions. Any such notice shall be deemed to have been given to the holders of the Notes on the Reference Business Day immediately following the day on which the said notice was given to Euroclear, Clearstream, Luxembourg or such other clearing system, as applicable.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be used to purchase the Collateral comprising the Mortgaged Property in respect of the relevant Series and/or make any payments required to be made pursuant to any Note Transaction Document.

DESCRIPTION OF THE ISSUER

General

The Issuer was incorporated in Jersey (registered number 114111) as a public company with limited liability under the Companies (Jersey) Law 1991 on 10 October 2013 for a period of unlimited duration.

The authorised share capital of the Issuer is £10,000 divided into 10,000 ordinary shares of £1 each, of which 2 shares of £1 each have been issued and are fully paid up. Pursuant to an Instrument of Trust dated 10 October 2013, the entire issued share capital of the Issuer is held upon trust for charitable purposes by or on behalf of Structured Finance Management Offshore Limited in its capacity as trustee of The Arion Securities Charitable Trust (in such capacity, the "**Share Trustee**"), a company incorporated in Jersey. The registered office of the Share Trustee is 47 Esplanade, St Helier, Jersey JE1 0BD. The Share Trustee will have no beneficial interest in and derive no benefit (other than fees for acting as Share Trustee) from its holding of shares in the Issuer.

The objects of the Issuer are unrestricted.

Registered Office and Telephone Number

The Issuer's registered office is at 47 Esplanade, St Helier Jersey JE1 0BD. The Issuer's telephone number is +44 (0)1534 835 600.

Management

The Directors of the Issuer are:

Name	Principal Occupation
Elizabeth Ann Mills	Trust Company Director
David Richard King	Trust Company Director

Description of directors' interests

Affiliates of the Directors of the Issuer provide ongoing administrative services to the Issuer at commercial rates.

The business address of each of the Directors of the Issuer is 47 Esplanade, St Helier, Jersey JE1 0BD.

The secretary of the Issuer is Structured Finance Management Offshore Limited of 47 Esplanade, St Helier, Jersey JE1 0BD.

Structured Finance Management Offshore Limited (in such capacity, the "**Corporate Administrator**") provides administration services to the Issuer pursuant to a corporate administration agreement dated 13 December 2013 (the "**Corporate Administration Agreement**") made between the Issuer, the Corporate Administrator, the Share Trustee and the Arranger.

Business

The Issuer has undertaken that, so long as any of the Notes remains outstanding, it will not, without the consent of the Trustee, the Note Swap Counterparty and the Note Repo Counterparty, engage in any business other than the issuance or entry into of bonds, notes or other securities or the entry into of loans or other agreements for the payment or repayment of borrowed money, declare any dividends

(except for those amounts declared, made or paid to the shareholders of the Issuer with funds received by the Issuer by way of any annual transactional fees or other funds so received (such dividends not to exceed £2,000 per annum)), have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property, consolidate or merge with any other person, sell, transfer or otherwise dispose of any of the Mortgaged Property or any right or interest therein or create any mortgage, charge or other security or right of recourse in respect thereof (other than as contemplated by the Conditions) or issue any shares (other than such shares as were in issue on the date of this Base Prospectus).

The Issuer has no outstanding indebtedness as at the date hereof.

Financial statements

The Issuer will prepare audited financial statements on an annual basis. The Issuer has an accounting reference date of 30 September, with its first accounting period ending 30 September 2014. The Issuer's audited financial statements must be filed with the Registrar of Companies in Jersey within 7 months of the end of each accounting period. The Issuer will not prepare interim accounts. The Issuer's most recently audited financial statements, for the year ended 30 September 2014, are set out in Annex 3 to this Base Prospectus. Since its incorporation on 10 October 2013, the Issuer's activities have related only to entering into contracts in connection with the Programme. The Issuer has no other business activity aside from the issue of Notes under the Programme.

Auditors

The auditors of the Issuer are PricewaterhouseCoopers CI LLP. The auditors are Certified Public Accountants and members of the Institute of Chartered Accountants in England and Wales (ICAEW).

DESCRIPTION OF LLOYDS BANK PLC IN ITS CAPACITY AS CALCULATION AGENT, NOTE SWAP COUNTERPARTY AND NOTE REPO COUNTERPARTY

The information set out below has been obtained from Lloyds Bank plc. Such information has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from information published by Lloyds Bank plc, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Lloyds Bank plc ("**Lloyds Bank**"), formerly Lloyds TSB Bank plc, was incorporated under the laws of England and Wales on 20 April 1865 (registration number 2065). Lloyds Bank's registered office is at 25 Gresham Street, London EC2V 7HN, United Kingdom. Lloyds Bank is authorised by the Prudential Regulation Authority ("**PRA**") and regulated by the Financial Conduct Authority ("**FCA**") and the PRA. Lloyds Bank is a wholly owned subsidiary of Lloyds Banking Group plc (together with its subsidiary undertakings from time to time, "**Lloyds Banking Group**").

Lloyds Banking Group is a leading UK based financial services group providing a wide range of banking and financial services, primarily in the UK, to individual and business customers. The businesses of Lloyds Banking Group are in or owned by Lloyds Bank. Lloyds Banking Group owns Lloyds Bank directly which in turn owns HBOS plc directly.

Lloyds Bank has debt securities admitted to the Official List of the UK Listing Authority and trading on the regulated market of the London Stock Exchange plc, amongst others.

Additional information, including copies of the most recent publicly available financial results of Lloyds Bank and Lloyds Banking Group, is available from Investor Relations, Lloyds Banking Group, 25 Gresham Street, London EC2V 7HN or from the following internet website address: <http://www.lloydsbankinggroup.com>. The information on this website does not form part of this Base Prospectus.

DESCRIPTION OF THE BANK OF NEW YORK MELLON, LONDON BRANCH IN ITS CAPACITY AS CALCULATION AGENT AND CUSTODIAN

The information set out below has been obtained from The Bank of New York Mellon, London Branch. Such information has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from information published by The Bank of New York Mellon, London Branch, no facts have been omitted that would render the reproduced information inaccurate or misleading.

The Bank of New York Mellon (formerly The Bank of New York), a wholly owned subsidiary of The Bank of New York Mellon Corporation, is incorporated, with limited liability by Charter, under the Laws of the State of New York by special act of the New York State Legislature, Chapter 616 of the Laws of 1871, with its Head Office situated at One Wall Street, New York, NY 10286, USA and having a branch registered in England & Wales with FC No 005522 and BR No 000818 with its principal office in the United Kingdom situated at One Canada Square, London E14 5AL.

The Bank of New York Mellon's corporate trust business services US\$12 trillion in outstanding debt from 55 locations around the world. It services all major debt categories, including corporate and municipal debt, mortgage-backed and asset-backed securities, collateralised debt obligations, derivative securities and international debt offerings. The Bank of New York Mellon's corporate trust and agency services are delivered through The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A.

The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 35 countries and serving more than 100 markets. The company is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. It has more than US\$26 trillion in assets under custody and administration and more than US\$1.4 trillion in assets under management. Additional information is available at bnymellon.com.

INITIAL COLLATERAL

The Initial Collateral in respect of a Series of Notes will be as specified in the applicable Final Terms or Pricing Supplement.

The Initial Collateral will be purchased by the Issuer from the Dealer(s) using the proceeds from the issue of the relevant Series of Notes.

Notes to be admitted to the Official List and to trading on the Main Securities Market may only be issued under this Base Prospectus by way of Final Terms for the purposes of Article 5.4 of the Prospectus Directive where the Initial Collateral is collateral having the following characteristics ("**Approved Initial Collateral**"):

Issuer of Approved Initial Collateral:	Any corporate or sovereign
Listing:	Listed on a regulated market (for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments), the New York Stock Exchange and/or the Tokyo Stock Exchange
Status:	Senior
Legal Nature:	Bonds or shares
Governing law:	New York law, English law or the law of any other member state of the European Economic Area

REFERENCE ENTITY

The Reference Entity or Reference Entities in respect of a Series of Credit Linked Notes will be as specified in the applicable Final Terms or Pricing Supplement.

Notes to be admitted to the Official List and to trading on the Main Securities Market may only be issued under this Base Prospectus by way of Final Terms for the purposes of Article 5.4 of the Prospectus Directive where the Reference Entity has securities (as defined in the Prospectus Directive) listed on a regulated market (for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments), the New York Stock Exchange and/or the Tokyo Stock Exchange ("**Approved Reference Entity**").

THE NOTE SWAP AGREEMENT

The following applies only in relation to Notes in connection with which there is a Note Swap Agreement in respect of which Lloyds Bank plc is the Note Swap Counterparty. If in respect of a Series, Lloyds Bank plc is not the Note Swap Counterparty, the applicable Pricing Supplement will specify which Note Swap Agreement applies.

General

In connection with the issue of the Notes, the Issuer may enter into a Note Swap Agreement as specified in the applicable Final Terms or Pricing Supplement. Any Note Swap Agreement will be governed by the laws of England and Wales.

Except as provided in the Trust Deed, the terms of a Note Swap Agreement may not be amended without the consent of the Trustee and, in respect of a material change only, the Noteholders themselves. The Trustee can agree, without the consent of the Noteholders, to any modification which is, in its opinion, of a formal, minor or technical nature or to correct a manifest error. The Trustee may (subject to limits set out in the Trust Deed) also agree to any modification that is, in its opinion, not materially prejudicial to the interests of the Noteholders.

Set out below are summaries of certain provisions of the Note Swap Agreement (and should be construed as such) that will be applicable if the Note Swap Counterparty is Lloyds Bank plc.

For so long as any listed Note remains outstanding, copies of the Note Swap Agreement will be available in printed form free of charge, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the registered office of the Issuer and at the specified office of the Issuing and Paying Agent.

Payments

The Note Swap Agreement sets out certain payments to be made from the Issuer to the Note Swap Counterparty and vice versa. Payments made by the Issuer under the Note Swap Agreement will be limited recourse obligations and will be funded from sums received (i) on the issue of the relevant Notes, (ii) in respect of the Collateral (if any) relating to such Notes and/or (iii) pursuant to the Note Repo Agreement (if any) relating to such Notes.

The payments required between the Issuer and the Note Swap Counterparty under the Note Swap Agreement are designed to ensure that following the making of such payments the Issuer will have such funds, when taken together with remaining amounts available to it from the issue of the relevant Notes and/or received in respect of the Collateral (if any) relating to such Notes, as are necessary for it to meet its obligations under such Notes and the related Note Transaction Documents. Such obligations may include, without limitation, its obligation:

- (i) to pay the purchase price for the Collateral (if any) relating to the relevant Series of Notes;
- (ii) to make payments of any Interest Amount (or any other amount payable by it by way of interest), Instalment Amount and Final Redemption Amount;
- (iii) to make payments under any Note Repo Agreement;
- (iv) to make payment of certain fees and expenses to Agents, rating agencies, accountants, auditors or other service providers which fees and expenses are associated with or are attributable to such Notes; and/or

- (v) to make payment of any fees payable to any portfolio manager (if any) appointed by the Issuer in respect of the Note Swap Agreement and/or the Notes or any other manager, administrator or adviser providing a service or performing a function with respect to any Collateral, the Note Swap Agreement and/or the Notes.

Long-dated Collateral and Swap Redemption

Notwithstanding the foregoing, if the Redemption/Payment Basis of any Notes is “Long-dated Collateral and Swap Redemption” as specified in the applicable Final Terms or Pricing Supplement on or around the Maturity Date of the Notes, an amount will be payable under the Notes Swap Agreement equal to the present value as at the Maturity Date of:

- (i) payments equal to the future scheduled interest payments on the Initial Collateral (being payable to the Note Swap Counterparty); and
- (ii) the future scheduled payments equivalent to the yield-to-maturity of the Initial Collateral from, but excluding, the Maturity Date to, and including, the scheduled maturity date of the Initial Collateral (calculated as at the Issue Date) (being payable to the Issuer).

Collateral

The exact payments due under the Note Swap Agreement for a particular Series will vary from Series to Series depending on the terms of the relevant Series. The exact payments will be agreed between the Issuer and the Note Swap Counterparty at the time of entry into of the relevant Note Swap Agreement. There is no restriction upon the payments that may be agreed. In addition, Collateral may be transferable to or from the Issuer under the Credit Support Annex. The Note Swap Counterparty will be acting as the Valuation Agent (as defined in the Credit Support Annex) on behalf of the Issuer when determining the Issuer's collateral posting requirements under the Credit Support Annex. As with payments under the Note Swap Agreement, the provisions of the Credit Support Annex will be agreed between the Issuer and the Note Swap Counterparty at the time of entry into of the relevant Note Swap Agreement. There is no restriction upon the provisions that may be agreed under the Credit Support Annex.

Alternative Currency

The Note Swap Counterparty is obliged to make all payments with respect to the Note Swap Agreement in the relevant Specified Currency. However, if “Alternative Currency Equivalent” is specified as applicable in the applicable Final Terms or Pricing Supplement, if access to the Specified Currency becomes restricted (as determined by the Note Swap Counterparty in its capacity as calculation agent under the Note Swap Agreement), the Note Swap Counterparty may in its sole and absolute discretion determine that it shall (i) postpone the payment of any such amounts, (ii) make any such payment in the relevant Alternative Currency, (iii) postpone the payment and make such payment in the relevant Alternative Currency (in each of cases (i) to (iii), at the rates, and in the manner, set out in the Note Swap Agreement) or (iv) give notice to terminate the Note Swap Agreement.

Events of Default

The Note Swap Agreement provides for certain “Events of Default” (as defined in the Note Swap Agreement) relating to the Issuer and the Note Swap Counterparty, the occurrence of which may lead to a termination of the Note Swap Agreement.

The Events of Default which relate to the Issuer are limited to:

- (i) failure by the Issuer to make, when due, any payment or delivery under the Note Swap Agreement required to be made by it if not remedied within the time period specified therein;

- (ii) certain bankruptcy events relating to the Issuer; and
- (iii) (where the Note Swap Agreement consists of an Unrated Note Master Agreement) the Issuer consolidating or amalgamating with, or merging with or into, or transferring all or substantially all its assets to, or reorganising, reincorporating or reconstituting into or as, another entity in circumstances where the resultant, surviving or transferee entity fails to assume all the obligations of the Issuer under the Note Swap Agreement.

The Events of Default which relate to the Note Swap Counterparty are limited to:

- (i) failure by the Note Swap Counterparty to make, when due, any payment or delivery under the Note Swap Agreement required to be made by it if not remedied within the time period specified therein;
- (ii) (where the Note Swap Agreement consists of a Rated Note Master Agreement) failure by the Note Swap Counterparty to comply with any obligation under the Note Swap Agreement other than those listed in paragraph (i) above if not remedied within the time period specified therein;
- (iii) (where the Note Swap Agreement consists of a Rated Note Master Agreement) any non-tax representation made by the Note Swap Counterparty pursuant to the Note Swap Agreement being materially incorrect or misleading;
- (iv) certain bankruptcy events relating to the Note Swap Counterparty;
- (v) the Note Swap Counterparty consolidating or amalgamating with, or merging with or into, or transferring all or substantially all its assets to, or reorganising, reincorporating or reconstituting into or as, another entity in circumstances where the resulting, surviving or transferee entity fails to assume all the obligations of the Note Swap Counterparty under the Note Swap Agreement; and
- (vi) (where the Note Swap Agreement consists of a Rated Note Master Agreement and a Credit Support Annex has been entered into) the Note Swap Counterparty's rating being downgraded below pre-determined levels and failure by the Note Swap Counterparty to post the required collateral pursuant to the Credit Support Annex if not remedied within the time period specified therein.

Upon the occurrence of an Event of Default under the Note Swap Agreement, the non-defaulting party may deliver a notice of termination designating an Early Termination Date in respect of all outstanding Note Swap Transactions under the Note Swap Agreement.

Termination Events

The Note Swap Agreement provides for certain "Termination Events" (as defined in the Note Swap Agreement) the occurrence of any of which may lead to termination of all outstanding Note Swap Transactions under the Note Swap Agreement. These include:

- (i) the occurrence of certain illegality and force majeure events;
- (ii) if sums paid or received (i) by either party (where the Note Swap Agreement consists of an Unrated Note Master Agreement) or (ii) by the Note Swap Counterparty only (where the Note Swap Agreement consists of a Rated Note Master Agreement) under the relevant Note Swap Transaction(s) are subject to a withholding or a deduction on account of tax and such withholding or deduction arises as a result of a change in tax law or as a result of any action taken by a taxing authority or a court after the entry into of the relevant Note Swap Transaction(s);

- (iii) if sums paid or received under the relevant Note Swap Transaction(s) are subject to a withholding or a deduction on account of tax as a result of certain merger events with respect to the Issuer or the Note Swap Counterparty;
- (iv) the occurrence of an Initial Collateral Default;
- (v) the occurrence of a Collateral Call;
- (vi) the Notes being subject to an early redemption (other than in respect of (v) above or where such early redemption is itself caused by a termination of the Note Swap Agreement or the bankruptcy of the Note Swap Counterparty);
- (vii) the Issuer failing to give an Early Redemption Notice to Noteholders when required to do so pursuant to the Conditions;
- (viii) the priorities of payments being amended such that the Note Swap Counterparty's obligations are further subordinated to the Issuer's;
- (ix) any Note Transaction Document being amended or waived without the Note Swap Counterparty's consent;
- (x) the Issuer breaching its covenants pursuant to the Principal Trust Deed;
- (xi) the occurrence of a mark-to-market trigger event (see "*Mark-to-market trigger event*" below);
- (xii) the occurrence of a regulatory trigger event (see "*Regulatory trigger event*" below);
- (xiii) (where the Note Swap Agreement consists of a Rated Note Master Agreement and a Credit Support Annex has been entered into) failure by the Note Swap Counterparty to perform its obligations under the Credit Support Annex and the Note Swap Counterparty's rating being downgraded below pre-determined levels; and
- (xiv) (where the Note Swap Agreement consists of a Rated Note Master Agreement) the Note Swap Counterparty's rating being downgraded below pre-determined levels and a possible replacement swap counterparty, which has a rating above pre-determined levels, offering to enter into a swap agreement with the Issuer.

The occurrence of the events described in paragraphs (i) to (iii) above will entitle the Issuer or the Note Swap Counterparty, depending on who is the "Affected Party" (as such term is defined in the Note Swap Agreement), to terminate the Note Swap Agreement (except, where the Note Swap Agreement consists of a Rated Note Master Agreement, only the Note Swap Counterparty may terminate pursuant to paragraph (ii) and only the Issuer may terminate pursuant to paragraph (iii) where the merger events were with respect to the Note Swap Counterparty).

The occurrence of the event described in paragraphs (iv) and (vii) to (xii) above will entitle the Note Swap Counterparty to terminate the Note Swap Agreement.

The occurrence of the events described in paragraphs (v) and (vi) will result in an automatic designation of an early termination date.

The occurrence of the events described in paragraphs (xiii) and (xiv) will entitle the Issuer to terminate the Note Swap Agreement.

Mark-to-market trigger event

If "Swap MTM Trigger" and/or "Collateral MTM Trigger" is specified as applicable in the applicable Final Terms or Pricing Supplement, a mark-to-market trigger event will occur where (i) the current market value of the Initial Collateral minus the mark-to-market value of the Note Swap Agreement (disregarding any collateral posted under a Credit Support Annex) (expressed as a positive if the Issuer is out-of-the-

money or a negative if the Issuer is in-the-money) is less than a pre-determined percentage of the nominal amount of the Notes then outstanding (referred to as the “Swap MTM Trigger” in the Note Swap Agreement); and/or (ii) the current market value of the Initial Collateral is less than a pre-determined percentage of the nominal amount of the Initial Collateral (referred to as the “Collateral MTM Trigger” in the Note Swap Agreement).

Regulatory Trigger Event

A regulatory trigger event will occur where (i) the Issuer’s classification for the purposes of EMIR change such that it is subject to increased regulatory requirements and it fails to notify the Note Swap Counterparty, (ii) the Issuer does so notify but is nonetheless subject to clearing obligations pursuant to EMIR, (iii) the Note Swap Counterparty is subject to increased regulatory requirements and the parties fail to amend the Note Swap Agreement to take account of such changes, or (iv) the parties do so amend the Note Swap Agreement but the Note Swap Counterparty is nonetheless subject to an adverse change in its regulatory treatment.

“**EMIR**” means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.

Early Termination Amount

In connection with any Early Termination Date, either the Note Swap Counterparty or the Issuer will be required to determine the balance payable pursuant to Section 6(e) (the “**Early Termination Amount**”) under the Note Swap Agreement and whether such amount is payable from the Issuer to the Note Swap Counterparty or vice versa. Which of the Note Swap Counterparty or the Issuer determines the Early Termination Amount will depend on the reason for the termination of the Note Swap Agreement. Where the termination is as a result of an Event of Default, it will be the non-defaulting party who makes the determination. Where the termination is as a result of a Termination Event, the Note Swap Agreement will specify for each event which of the parties will make such determination (or, in certain circumstances, that both parties will make such determination).

The Early Termination Amount is calculated by reference to the costs that would be incurred by the party making the calculation in replacing (or providing the economic equivalent of) the rights and obligations that have been terminated, or the gain that would be made in so doing (referred to in the Note Swap Agreement as the “**Close-out Amount**”) and taking into account the value of any collateral posted between the parties pursuant to any Credit Support Annex to the Note Swap Agreement.

Under the Note Swap Agreement, where the Issuer is the party required to make the calculation of the Close-out Amount, the Note Swap Counterparty has agreed to make the requisite calculation on behalf of the Issuer. If a Counterparty Bankruptcy Event occurs in such circumstances, there may be a delay in the determination of the Close-out Amount (and, as a result, in the payment of the Early Termination Amount).

The termination currency in respect of a Note Swap Agreement will be the currency in which the relevant Series to which such Note Swap Agreement relates is denominated.

THE NOTE REPO AGREEMENT

The following applies only in relation to Notes in connection with which there is a Note Repo Agreement in respect of which Lloyds Bank plc is the Note Repo Counterparty. If in respect of a Series where Lloyds Bank plc is not the Note Repo Counterparty, the applicable Pricing Supplement will specify which Note Repo Agreement applies.

General

In connection with the issue of the Notes, the Issuer may enter into a Note Repo Agreement as specified in the applicable Final Terms or Pricing Supplement. Any Note Repo Agreement will be governed by the laws of England and Wales.

Except as provided in the Trust Deed, the terms of a Note Repo Agreement may not be amended without the consent of the Trustee and, in respect of a material change only, the Noteholders themselves. The Trustee can agree, without the consent of the Noteholders, to any modification which is, in its opinion, of a formal, minor or technical nature or to correct a manifest error. The Trustee may (subject to limits set out in the Trust Deed) also agree to any modification that is in its opinion not materially prejudicial to the interests of the Noteholders.

Set out below are summaries of certain provisions of the Note Repo Agreement (and should be construed as such) that will be applicable if the Note Repo Counterparty is Lloyds Bank plc. Certain market standard annexes may also apply to the Note Repo Agreement, which will incorporate additional terms into the Note Repo Agreement specific to the type of security to which the Note Repo Agreement relates.

Payments

The Note Repo Agreement sets out certain payments to be made from the Issuer to the Note Repo Counterparty and vice versa. Payments by the Issuer under the Note Repo Agreement will be limited recourse obligations and will be funded from sums received (i) on the issue of the relevant Notes, (ii) in respect of the Collateral (if any) relating to such Notes and/or (iii) pursuant to the Note Swap Agreement (if any) relating to such Notes.

Under the Note Repo Agreement, the Issuer may (a) sell the Initial Collateral to the Note Repo Counterparty on or around the Issue Date and agree to purchase equivalent securities from the Note Repo Counterparty on or around the Maturity Date, (b) purchase certain securities from the Note Repo Counterparty on or around the Issue Date and agree to sell equivalent securities to the Note Repo Counterparty on or around the Maturity Date or (c) do both of (a) and (b) above. The applicable Final Terms or Pricing Supplement will specify whether option (a), (b) or (c) is being used and specify the securities being purchased or what the characteristics of such securities will be. If the Notes are to be admitted to the Official List and to trading on the Main Securities Market and issued under this Base Prospectus by way of Final Terms for the purposes of Article 5.4 of the Prospectus Directive, any such purchased securities shall have the same characteristics as Approved Initial Collateral (as set out in the section of this Base Prospectus headed "Initial Collateral").

The payments required between the Issuer and the Note Repo Counterparty under the Note Repo Agreement are designed to ensure that following the making of such payments the Issuer will have such funds, when taken together with remaining amounts available to it from the issue of the relevant Notes and/or received in respect of the Collateral (if any) relating to such Notes and/or received pursuant to the Note Swap Agreement, as are necessary for it to meet its obligations under such Notes and the related Note Transaction Documents. Such obligations may include, without limitation, its obligation:

- (i) to pay the purchase price for the Collateral (if any) relating to the relevant Series of Notes;
- (ii) to make payments of any Interest Amount (or any other amount payable by it by way of interest), Instalment Amount and Final Redemption Amount;
- (iii) to make payments under any Note Swap Agreement;
- (iv) to make payment of certain fees and expenses to Agents, rating agencies, accountants, auditors or other service providers which fees and expenses are associated with or are attributable to such Notes; and/or
- (v) to make payment of any fees payable to any portfolio manager (if any) appointed by the Issuer in respect of the Note Swap Agreement, the Note Repo Agreement and/or the Notes or any other manager, administrator or adviser providing a service or performing a function with respect to any Collateral, the Note Swap Agreement, the Note Repo Agreement and/or the Notes.

The exact payments due under the Note Repo Agreement for a particular Series will vary from Series to Series depending on the terms of the relevant Series. The exact payments will be agreed between the Issuer and the Note Repo Counterparty at the time of entry into of the relevant Note Repo Agreement. There is no restriction upon the payments that may be agreed. In addition, Collateral may be transferable to or from the Issuer in relation to the margining provisions of the Note Repo Agreement. As with payments under the Note Repo Agreement, the margining provisions will be agreed between the Issuer and the Note Repo Counterparty at the time of entry into of the relevant Note Repo Agreement. There is no restriction upon the margining provisions that may be agreed.

Events of Default

The Note Repo Agreement provides for certain “Events of Default” (as defined in the Note Repo Agreement) relating to the Issuer and the Note Repo Counterparty, the occurrence of which may lead to a termination of the Note Repo Agreement.

The Events of Default under the Note Repo Agreement include:

- (i) failure by the Issuer or the Custodian acting on its behalf, to make, when due, any payment or delivery of any asset required to be made by it if not remedied within the time period specified therein;
- (ii) the occurrence of an event which would, upon it being instructed to do so or upon it becoming aware of such event, as the case may be, entitle or require, or which has entitled or required, the Issuer (or another party acting on its behalf) to deliver an Early Redemption Notice under the Notes or if the Note Repo Counterparty reasonably determines that such an event is likely to occur (other than an Early Redemption Notice pursuant to General Condition 7(g) (*Redemption for Termination of Note Repo Agreement*)) or the Note Repo Counterparty reasonably determines that such an event is likely to occur;
- (iii) any Note Transaction Document relating to the relevant Series of Notes is amended or waived without the Note Repo Counterparty’s prior written consent, such that the Note Repo Counterparty would, immediately after such amendment or waiver, be required to pay more or receive less under the Note Repo Agreement on any following payment date than would otherwise have been the case immediately prior to such amendment or waiver, the rights of the Note Swap Counterparty are contractually subordinated to any other Secured Creditor, or the Issuer breaches certain covenants set out in the Trust Deed;
- (iv) failure by either party to make, when due, any payment or delivery under the Note Repo Agreement required to be made by it if not remedied within the time period specified therein;

- (v) failure by either party to comply with the relevant margin maintenance provisions under the Note Repo Agreement, to the extent applicable;
- (vi) failure by either party to transfer or credit to the other party a sum equal to (and in the same currency as) any sum it receives as income in respect of any securities transferred to it under the Note Repo Agreement, on the date it receives such income;
- (vii) certain insolvency events relating to either party;
- (viii) any representations made by either party in the Note Repo Agreement proving to be incorrect or misleading in any material respect when made or repeated;
- (ix) either party admitting to the other that it is unable to, or intends not to, perform its obligations under the Note Repo Agreement;
- (x) circumstances where either party is suspended or expelled from membership of or participation in any securities exchange or association or other self-regulating organisation, or suspended from dealing in securities by any government agency, or any of the assets of either party or the assets of investors held by, or to the order of, either party are transferred or ordered to be transferred to a trustee by a regulatory authority pursuant to any securities regulating legislation, and
- (xi) a breach by either party of its obligations under the Note Repo Agreement which are not following notice of such failure remedied within the time period specified therein.

Upon the occurrence of an Event of Default under the Note Repo Agreement, the non-defaulting party may deliver a notice of default designating an Event of Default and the Repurchase Date for each Note Repo Transaction under the Note Repo Agreement will be deemed immediately to occur subject to the provisions of the Note Repo Agreement.

Consequences of Early Termination

In connection with any “Event of Default” (as defined in the Note Repo Agreement) that triggers the acceleration of the Note Repo Agreement (either as a result of a “Default Notice” (as defined in the Note Repo Agreement) being served or where no such “Default Notice” is required to be served in respect of the particular Event of Default) (a “**Repo Acceleration**”), either the Note Repo Counterparty or the Issuer will be required to determine the amounts payable or securities deliverable from one party to the other under the Note Repo Agreement.

Other than where the relevant “Event of Default” is an insolvency event relating to either the Note Repo Counterparty or the Issuer (referred to as an “Act of Insolvency” under the Note Repo Agreement), (i) the Note Repo Counterparty will have the option upon the occurrence of a Note Repo Acceleration to elect whether to satisfy its obligations under the Note Repo Agreement wholly in cash or through a combination of cash (to the extent any cash amount is payable by it under the Note Repo Agreement) and securities (to the extent it owes an obligation to transfer securities to the Issuer) and (ii) the Issuer will be required to satisfy its obligations under the Note Repo Agreement through a combination of cash (to the extent any cash amount is payable by it under the Note Repo Agreement) and securities (to the extent it owes an obligation to transfer securities to the Note Repo Counterparty). If either party fails to make any payments or deliveries required to be made by it in such circumstances, any outstanding obligation to deliver securities by either party to the other will be valued and the cash value of such obligation will instead be payable by the relevant party. Where the relevant “Event of Default” is an “Act of Insolvency” relating to the Note Repo Counterparty or the Issuer, both the Note Repo Counterparty and the Issuer will be required to satisfy their respective obligations under the Note Repo Agreement wholly in cash.

Other than where the Note Repo Counterparty is subject to an “Act of Insolvency” under the Note Repo Agreement, in which case the Issuer will make any determinations under the Note Repo Agreement, the Note Repo Counterparty will make all determinations under the Note Repo Agreement relating to an early termination thereof. Where cash amounts are determined to be payable by one party to the other following an Event of Default, to the extent such amounts are in substitution of an obligation to transfer securities owed by one party to the other, such amount will be determined as either the sale price of such securities (taking into account fees, costs and expenses incurred by the party selling the securities) or their fair market value, in accordance with the Note Repo Agreement.

The termination currency in respect of a Note Repo Agreement will be the currency in which the relevant Series to which such Note Repo Agreement relates is denominated.

SECURITY ARRANGEMENTS

The Security may include a fixed charge over the Collateral which may be held by or through the Custodian through Euroclear, Clearstream, Luxembourg and/or an alternative clearing system (each a “**clearing system**”). The charge is intended to create a property interest in the Collateral in favour of the Trustee to secure the Issuer’s liabilities.

However, where the Collateral is held through a clearing system, neither the Issuer nor the Custodian is the legal owner of the physical collateral itself but instead they merely have interests in that physical collateral. As between the Issuer and the Custodian, such interests arise from the Custody Agreement. In turn, the Custodian will have rights either against an intermediary or against the relevant clearing system as an accountholder in that clearing system; the clearing system will have rights against the common depositary and the common depositary will have rights against the issuer of the Collateral. As a result, where Collateral is held in a clearing system, the Security will take the form of an assignment of the Issuer’s rights against the Custodian under the Custody Agreement, rather than a charge over the Collateral itself.

TAXATION

Jersey Taxation

The following summary of the anticipated treatment of the Issuer and holders of Notes (other than residents of Jersey) is based on Jersey taxation law and practice as they are understood to apply at the date of this document and is subject to changes in such taxation law and practice. It does not constitute legal or tax advice and does not address all aspects of Jersey tax law and practice (including such tax law and practice as they apply to any land or building situate in Jersey). Prospective investors in the Notes should consult their professional advisers on the implications of acquiring, buying, selling or otherwise disposing of the Notes under the laws of any jurisdiction in which they may be liable to taxation.

Taxation of the Issuer

The Issuer is regarded as resident for tax purposes in Jersey and on the basis that the Issuer is neither a financial services company nor a utility company for the purposes of the Income Tax (Jersey) Law 1961, as amended, the Issuer is subject to income tax in Jersey at a rate of zero per cent. Payments in respect of the Notes may be paid by the Issuer without withholding or deduction for or on account of Jersey income tax and holders of Notes (other than residents of Jersey) will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such Notes.

Stamp duty

In Jersey, no stamp duty is levied on the issue or transfer of the Notes except that stamp duty is payable on Jersey grants of probate and letters of administration, which will generally be required to transfer the Notes on the death of a holder of such Notes. In the case of a grant of probate or letters of administration, stamp duty is levied according to the size of the estate (wherever situate in respect of a holder of Notes domiciled in Jersey, or situate in Jersey in respect of a holder of Notes domiciled outside Jersey) and is payable on a sliding scale at a rate of up to 0.75% of such estate and such duty is capped at £100,000.

Jersey does not otherwise levy taxes upon capital, inheritances, capital gains or gifts nor are there other estate duties.

EU Savings Directive

As part of an agreement reached in connection with the European Union directive on the taxation of savings income (the “**Directive**”) in the form of interest payments, and in line with steps taken by other relevant third countries, Jersey has introduced a retention tax system in respect of payments of interest, or other similar income, made to an individual beneficial owner resident in a Member State by a paying agent established in Jersey. Such retention tax system will apply until 1 January 2015. On and after that date, the Jersey Comptroller of Taxes will be required to provide to the tax authorities of the Member State in which such a beneficial owner is resident, details of such payments made to such beneficial owner.

Where, before 1 January 2015: (i) such a beneficial owner has authorized such a paying agent to report to the Jersey Comptroller of Taxes all such payments; or (ii) such paying agent has elected to do so, the retention tax system will not apply and details of such payments will be provided by the Comptroller of Taxes to the tax authorities of such Member State.

These retention tax and exchange of information systems in Jersey are implemented by means of bilateral agreements with each of the Member States, the Taxation (Agreements with European Union Member States) (Jersey) Regulations 2005 and, in relation to retention tax, Guidance Notes issued by the Policy & Resources Department of the States of Jersey (being the predecessor to the Chief Minister's

Department of the States of Jersey). Based on these provisions and what is understood to be the current practice of the Jersey tax authorities, the Issuer would not be obliged under those provisions to (i) levy retention tax in Jersey in respect of interest payments made by it to a paying agent established outside Jersey or (ii) report such payments to the Jersey Comptroller of Taxes.

On 24 March 2014, the Council of the European Union adopted a Council Directive amending and broadening the scope of the Directive. 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.

Jersey, along with other dependent and associated territories, will consider the effect of the amendments to the Directive in the context of existing bilateral agreements and domestic law. If changes to the implementation of the Directive in Jersey are brought into effect, the treatment of payments by the Issuer in respect of Notes and the position of Noteholders in relation to the Directive may change from that set out above.

If you are in any doubt as to your tax position you should consult your professional tax adviser.

US Taxation

U.S. TEFRA CATEGORISATION

Notes in bearer form will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) unless (i) the applicable Final Terms or Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “**D Rules**”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the applicable Final Terms or Pricing Supplement as a transaction to which TEFRA is not applicable.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and conditions contained in the dealer agreement (constituted by the execution of the Programme Deed) (the “**Dealer Agreement**”), the Notes may be sold to Lloyds Bank plc or any other financial institution appointed as dealer under the Dealer Agreement (together, the “**Dealers**”), who shall act as principals in relation to such sales. The Dealer Agreement also provides for Notes to be issued in Series or Tranches which are jointly and severally underwritten by two or more Dealers.

The Issuer may pay a Dealer a commission as agreed between the Issuer and a Dealer in respect of the Notes subscribed by it.

By entering into the relevant Dealer Agreement, the Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement may be terminated in relation to all the Dealers or any of them by the Issuer or, in relation to itself and itself only, by any Dealer, at any time on giving not less than 10 days’ notice.

The Dealers may sell Notes to subsequent purchasers in individually negotiated transactions at negotiated prices, which may vary among different purchasers and which may be greater or less than the Issue Price of the Notes.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act, and may not at any time be offered or sold, or, in the case of Notes in bearer form, delivered, within the United States (as defined in Regulation S) or to, or for the account or benefit of, any person who is (a) a U.S. person (as defined in Regulation S) or (b) not a Non-United States person (as defined in CFTC Rule 4.7, but excluding, for the purposes of subsection (D) thereof, the exception to the extent that it would apply to persons who are not Non-United States persons).

Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not at any time be offered, sold or delivered within the United States or its possessions or to a United States person. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

The Issuer has the right, at its option, to refuse to recognise any such transfer or to compel any legal or beneficial owner of the Notes who contravenes such prohibition to void the transfer of such Notes to such legal or beneficial owner or to redeem any such Notes held by such legal or beneficial owner. Transfers may be voided by the Issuer by compelling a sale by such legal or beneficial owner or by the Issuer selling such Notes on behalf of such legal or beneficial owner at the lesser of the purchase price therefor or the value per Note prevailing at the time such transfer is voided.

Each Dealer has represented and agreed that it has not offered, sold or, in the case of Notes in bearer form, delivered and will not offer, sell or, in the case of Notes in bearer form, deliver the Notes of any identifiable Tranche as part of their distribution or otherwise at any time within the United States or to, or for the account or benefit of, (a) U.S. persons or (b) persons who are not Non-United States persons (but excluding, for the purposes of subsection (D) of CFTC Rule 4.7, the exception to the extent that it would apply to persons who are not Non-United States persons), and it will have sent to each dealer to which it sells Notes during the relevant distribution compliance period (as defined in Regulation S) in respect of such Tranche as determined, and certified to the relevant Dealer, by the Issuing and Paying Agent or, in the case of Notes issued on a syndicated basis, the lead manager, a confirmation or other notice setting

forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the applicable Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (iii) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in paragraphs (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (as amended, including Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their

businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Belgium

With regard to Notes having a maturity of less than 12 months (and which therefore fall outside the scope of the Prospectus Directive), the Base Prospectus has not been, and it is not expected that it will be, submitted for approval to the Belgian Financial Services and Markets Authority. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it shall refrain from taking any action that would be characterised as or result in a public offering of these Notes in Belgium in accordance with the law on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, as amended or replaced from time to time.

France

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) Offer to the public in France:

it has only made and will only make an offer of Notes to the public in France in the period beginning on the date of notification to the *Autorité des marchés financiers* (“AMF”) of the approval of the prospectus relating to those Notes by the competent authority of a member state of the European Economic Area, other than the AMF, which has implemented the EU Prospectus Directive 2003/71/EC (as amended by Directive 2010/73/EU), all in accordance with Articles L.412-1 and L.621-8 of the French Code *monétaire et financier* and the *Règlement général* of the AMF, and ending at the latest on the date which is 12 months after the date of the approval of the Base Prospectus; or

- (ii) Private placement in France:

it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the applicable Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), and/or (c) a limited circle of investors (*cercle restreint d’investisseurs*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French Code *monétaire et financier*.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Dealers has represented and agreed, and each further Dealer appointed under the

Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Jersey

The Notes may only be issued or allotted exclusively to:

- (i) a person whose ordinary activities involve him in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of his business or who it is reasonable to expect will acquire, hold, arrange or dispose of investments (as principal or agent) for the purposes of his business; or
- (ii) a person who has received and acknowledged a warning to the effect that (i) the Notes are only suitable for acquisition by a person who (x) has a significantly substantial asset base such as would enable him to sustain any loss that might be incurred as a result of acquiring the Notes and (y) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring the Notes and (ii) neither the issue of the Notes nor the activities of any functionary with regard to the issue of the Notes are subject to all of the provisions of the Financial Services (Jersey) Law 1998.

Each person who acquires Notes will be deemed, by such acquisition, to have represented that he or it is one of the foregoing persons.

Each of the Dealers has represented and agreed that (i) no prospectus, explanatory memorandum or other invitation offering the Notes for subscription, sale or exchange at any time has been or will be issued by it on behalf of the Issuer to any person other than a financial institution, dealer, market maker or any other person identified in any waiver letter issued to the Issuer by the Jersey Financial Services Commission pursuant to the Control of Borrowing, (Jersey) Order 1958, as amended and (ii) it has not prior to the consent of the Jersey Registrar pursuant to the Companies (General Provisions) (Jersey) Order 2002, as amended being obtained and becoming effective, circulated an invitation to acquire or apply for any Notes in circumstances where such invitation constitutes or may constitute a prospectus for the purposes of the Companies (Jersey) Law 1991, as amended or the Companies (General Provisions) (Jersey) Order 2002, as amended.

Monaco

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that the Notes shall not be marketed, offered or sold, directly or indirectly, to the public in Monaco other than by a Monaco duly authorized intermediary acting as a professional institutional investor which has such knowledge and experience in financial and business matters as to be capable of evaluating the risks and merits of an investment in the Notes. Consequently, the Notes may only be communicated to banks duly licensed by the *Autorité de Contrôle Prudentiel* and by the *Ministère d'Etat* and/or to fully licensed portfolio management companies the licence of which has been granted by the *Commission de Contrôle des Activités Financières* by virtue of Law n° 1.338 of September 7, 2007.

The recipient of this Prospectus is perfectly fluent in English and waives the option of obtaining a French version of the Programme.

Les destinataires du présent document reconnaissent être à même d'en prendre connaissance en langue anglaise et renoncent expressément à une traduction française.

Netherlands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that in relation to Notes that are not to be admitted on a regulated market, it will not make an offer of Notes to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive (as defined above under “Public Offer Selling Restriction under the Prospectus Directive” above) unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Dutch Financial Supervision Act or (ii) standard exemption wording is disclosed as required by Article 5:20(5) of the Dutch Financial Supervision Act, provided that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Portugal

No offer or sale of Notes may be made in Portugal except in circumstances that will result in compliance with the rules concerning marketing of Notes and the laws of Portugal generally.

The Base Prospectus has not been nor will be subject to the approval of the Portuguese Securities Market Commission (the “**CMVM**”). Each Dealer has represented and agreed, and each further Dealer appointed will be required to represent and agree that it has not offered or sold, and it will not offer or sell any Notes in Portugal or to residents of Portugal otherwise than in accordance with applicable Portuguese Law.

No approval has been or will be requested from the CMVM that would permit a public offering of any of the Notes referred to in this Base Prospectus, therefore the same cannot be offered to the public in Portugal. Accordingly, no Notes may be offered, sold or delivered except in circumstances that will result in compliance with any applicable laws and regulations. In particular, each Dealer has represented and agreed that no Notes have been or may be offered or sold to 150 or more addressees who are not Portuguese Qualified Investors and no offer has been preceded or followed by promotion or solicitation to unidentified investors, public advertisement or publication of any promotional material. In particular, this Base Prospectus and the offer of Notes is only intended for Qualified Investors. Qualified Investors within the meaning of Article 30 of the Securities Code (“*Código dos Valores Mobiliários*”) includes credit institutions, investment firms, insurance companies, collective investment institutions and their respective managing companies, pension funds and their respective pension fund-managing companies, other authorised or regulated financial institutions, notably securitisation funds and their respective management companies, all other financial companies, securitisation companies, venture capital companies, venture capital funds and their respective management companies, financial institutions incorporated in a state that is not a member state of the European Union that carry out activities similar to those previously mentioned, entities trading in financial instruments related to commodities and regional and national governments, central banks and public bodies that manage debt, supranational or international institutions, namely the European Central Bank, the European Investment Bank, the International Monetary Fund and the World Bank, people who provide investment services or carry out investment activities, which consist exclusively in dealing on own account in futures or cash markets, the latter for the sole purpose of hedging positions on derivatives markets, or deal or make prices on behalf of other members of said markets and which are guaranteed by a clearing member of the same markets, where responsibility for ensuring the performance of contracts is assumed by one of said members, as well as any legal entity which meets two of the following size requirements: (1) equity of € 2,000,000.00; (2) total assets of € 20,000,000.00 and (3) an annual net turnover of € 40,000,000.00 all as shown in its last annual accounts, and any person who has requested to be classified as such.

Republic of Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to any Notes

be distributed in Italy, except, in accordance with any Italian securities, tax and other applicable laws and regulations.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered, sold or delivered, and will not offer, sell or deliver any Notes or distribute any copy of this Base Prospectus or any other document relating to the Notes in Italy except:

- (i) to qualified investors (*investitori qualificati*), as referred to in Article 100 of Legislative Decree no. 58 of 24 February 1998 (the “**Financial Services Act**”) and Article 34-ter, paragraph 1, letter (b) of CONSOB regulation No. 11971 of 14 May 1999 (the “**Issuers Regulation**”), all as amended from time to time; or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Issuers Regulation.

In any event, any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in Italy under paragraphs (i) or (ii) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of 1 September 1993 (the “**Banking Act**”) and CONSOB Regulation No. 16190 of 29 October 2007, all as amended from time to time;
- (b) in compliance with Article 129 of the Banking Act, as amended from time to time, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and
- (c) in compliance with any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time by CONSOB or the Bank of Italy or other competent authority.

Spain

Neither the Notes nor this Base Prospectus have been or will be registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Notes may not be offered, sold or distributed in Spain nor any document or offer material be distributed in Spain or targeted at Spanish resident investors except in circumstances which do not constitute a public offering of securities within the meaning of article 30 bis of Law 24/1988 of 28 July 1988 of the Securities Market (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) and Royal Decree 1310/2005 of 4 November on admission to listing and on issues and public offers of securities (*Real Decreto 1310/2005 de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, de Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), both as amended, and supplemental rules enacted thereunder or in substitution thereof from time to time.

Switzerland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, except where explicitly permitted by the applicable Final Terms or Pricing Supplement:

- (i) it will not publicly offer the Notes in or from Switzerland, as such term is defined or interpreted under the Swiss Code of Obligations (“**CO**”); and
- (ii) to the extent the Notes qualify as structured products (the “**Structured Products**”) within the meaning of the Swiss Collective Investment Schemes Act (the “**CISA**”), it will not offer, sell,

advertise or distribute the Notes in or from Switzerland, as such terms are defined or interpreted under the CISA, except to qualified investors as defined in article 10 CISA (the “**Qualified Investors**”).

The Notes may not be publicly offered in or from Switzerland, except in the case of Notes, the Final Terms or Pricing Supplement of which explicitly permit a public offer in Switzerland. Offering or marketing material relating to Notes, the Final Terms or Pricing Supplement of which do not explicitly permit a public offer in Switzerland, may not be publicly distributed or otherwise made publicly available in Switzerland.

To the extent the Notes qualify as Structured Products, the Notes may not be offered, sold, advertised or distributed, directly or indirectly, in or from Switzerland, except (i) to Qualified Investors or (ii) in the case of Notes, the Final Terms or Pricing Supplement of which explicitly permit a public offer in Switzerland. Offering or marketing material relating to Notes, which qualify as Structured Products and the Final Terms or Pricing Supplement of which do not explicitly permit a public offer in Switzerland, may not be distributed or otherwise made available in Switzerland, except (i) to Qualified Investors or (ii) in the case of Notes, the Final Terms or Pricing Supplement of which explicitly permit a public offer in Switzerland.

The Notes do not constitute participations in a collective investment scheme within the meaning of the CISA. Therefore, the Notes are not subject to the approval of, or supervision by, the Swiss Financial Market Supervisory Authority FINMA (“**FINMA**”), and investors in the Notes will not benefit from protection under the CISA or supervision by FINMA.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Prospectus or any other offering material or any applicable Final Terms or Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus or any other offering material or any applicable Final Terms or Pricing Supplement and neither the Issuer nor any other Dealer shall have responsibility therefor.

GENERAL INFORMATION

- (i) The Issuer has obtained all necessary consents, approvals and authorisations in connection with the update of the Programme and with the issue and performance of the Notes issued by it. The annual update of the Programme was authorised by a resolution of the Board of Directors of the Issuer passed on or about 23 December 2014.
- (ii) There has been no significant change in the financial or trading position of the Issuer and no material adverse change in the financial position or prospects of the Issuer since the date of its last published financial statements on 30 September 2014.
- (iii) The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which such Issuer is aware) which may have or have had since the date of its incorporation a significant effect on its financial position or profitability.
- (iv) Each Bearer Note having a maturity of more than one year, Receipt and Coupon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”. There are restrictions on the offer, sale or delivery of the Notes at any time within the United States or to a U.S. person as described in the section headed “*Subscription and Sale – Selling Restrictions – United States*”.
- (v) Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the applicable Final Terms or Pricing Supplement.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms or Pricing Supplement.
- (vi) Where information in this Base Prospectus has been sourced from third parties this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
- (vii) The issue price and the amount of the relevant Notes will be determined, before filing of the applicable Final Terms or Pricing Supplement of each Tranche, based on then prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any Series of Notes or the Collateral.
- (viii) For so long as Notes may be issued pursuant to this Base Prospectus (in respect of sub-paragraphs (viii)(a) to (g)) and for so long as any listed Note remains outstanding, from the date of the relevant document (in respect of sub-paragraph (viii)(h)), the following documents will be available in printed form free of charge, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the registered office of the Issuer and at the specified office of the Issuing and Paying Agent:
 - (a) the Programme Deed;

- (b) the documents comprising the Principal Trust Deed (which includes the form of the Global Notes, the Global Certificate, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons);
 - (c) the documents comprising the Agency Agreement;
 - (d) the documents comprising the Custody Agreement;
 - (e) the Memorandum and Articles of Association of the Issuer;
 - (f) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further prospectus; and
 - (g) each applicable Final Terms or Pricing Supplement (save that a Pricing Supplement relating to a Note which is neither admitted to trading on a regulated market within the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Issuing and Paying Agent as to its holding of Notes and identity) and each subscription agreement (if any) and the related Supplemental Trust Deed, Note Swap Agreement and Note Repo Agreement for Notes which are listed on the Official List of the Irish Stock Exchange and admitted to trading on the Main Securities Market.
- (ix) This Base Prospectus and the applicable Final Terms for Notes that are listed on the Official List and admitted to trading on the Main Securities Market will be published on the website of the Central Bank of Ireland (<http://www.centralbank.ie>).
 - (x) Any websites included in this Base Prospectus are for information purposes only and do not form part of this Base Prospectus.
 - (xi) Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent in connection with the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the Main Securities Market for the purposes of the Prospectus Directive.

ANNEX 1
FORM OF FINAL TERMS

Final Terms dated [●]

ARION SECURITIES LIMITED
Issue of [AGGREGATE NOMINAL AMOUNT OF TRANCHE] [TITLE OF NOTES]
under its
Limited Recourse Secured Note Programme

PART A – CONTRACTUAL TERMS

The Notes issued by the Issuer will be subject to the Master Conditions and also to the following terms (such terms, the “**Final Terms**”) in relation to the Notes.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●] [and the Supplemental Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) (the “**Base Prospectus**”).

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4. of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus [as supplemented] is available for viewing at [●] [and during normal business hours at [●]] [and copies may be obtained from [●]].

These Final Terms and the Base Prospectus [as supplemented] are available for viewing at [www.centralbank.ie] [[and] during normal business hours at [●] [and copies may be obtained from [●]].

(Consideration should be given as to whether any matters may constitute “significant new factors” and may consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

(Note: Headings are for ease of reference only.)

SERIES DETAILS

1	Issuer:	Arion Securities Limited
2	[(i)] Series Number:	[●]
	[(ii)] Tranche Number:	[●]
	<i>(If fungible with an existing Series, provide details of that Series, including the date on which the Notes become fungible).</i>	
3	Specified Currency:	[●]
4	Aggregate Nominal Amount of Notes:	[●]
	[(i)] Series:	[●]
	[(ii)] Tranche:	[●]
5	Issue Price:	[●] per cent. of the Aggregate Nominal Amount
6	(i) Specified Denominations:	[●]

	(ii) Calculation Amount:	[•]
7	(i) Issue Date:	[•]
	(ii) Interest Commencement Date:	[Issue Date][Specify if other][Not Applicable]
8	Maturity Date:	[Specify date or (for Floating Rate Notes) Specified Interest Payment Date falling in or nearest to the relevant month and year]
9	Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
	Business Centre(s):	[•]
10	Interest Basis:	[Fixed Rate] [Floating Rate] [Zero Coupon] [Structured Floating Rate Coupon] [Spread Coupon] [Variable Rate Step-up/Step-down Coupon] [Fixed Rate Step-up/Step-down Coupon] [Fixed to Floating Coupon] [Floating to Fixed Coupon] [Fixed to Floating Switchable Coupon] [Floating to Fixed Switchable Coupon] [Fixed Rate Range Accrual Coupon] [Floating Rate Range Accrual Coupon] [Fixed Rate Spread Range Accrual Coupon] [Floating Rate Spread Range Accrual Coupon] [Inflation Linked Coupon] <i>(Further particulars specified below at "Provisions relating to interest (if any) payable")</i>
11	Redemption/Payment Basis:	[Redemption at the amount specified in Final Redemption Amount below] [Instalment] [Inflation Linked Redemption] [Long-dated Collateral Redemption] [Long-dated Collateral and Swap Redemption] [Credit Linked Redemption] <i>(Further particulars specified below at "Provisions relating to redemption")</i> <i>(Specify "Credit Linked Redemption" even if the Notes are Principal Protected Credit Linked Notes)</i>
12	Method of distribution:	[Syndicated][Non-syndicated]
13	Alternative Currency Equivalent	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-</i>

		<i>paragraphs of this paragraph)</i>
	(i) Alternative Currency:	[•]
	(ii) Number of Rate Calculation Business Days:	[•]
	(iii) Rate Calculation Jurisdiction(s):	[•]
	(iv) Rate Calculation Business Day:	[•]
	(v) Alternative Currency FX Rate:	
	(I) ISDA Determination:	[Applicable][Not Applicable]
	(a) Settlement Rate Option:	[•]
	(II) Calculation Agent Determination:	[Applicable][Not Applicable]
	(vi) Alternative Currency USD FX Rate:	
	(I) ISDA Determination:	[Applicable][Not Applicable]
	(b) Settlement Rate Option:	[•]
	(II) Calculation Agent Determination:	[Applicable][Not Applicable]
	(vii) Trade Date:	[•]
14	[Additional Ratings Provisions – Note Swap Subordinated Amounts:	[Applicable]] <i>(If not applicable, delete this paragraph)</i>
15	[Additional Ratings Provisions – Substitution of Collateral:	[Applicable]] <i>(If not applicable, delete this paragraph)</i>
16	Additional Ratings Provisions – Redemption for Termination of Swap Clause:	[Applicable][Not Applicable]
17	Additional Ratings Provisions – Redemption for Termination of Repo Clause:	[Applicable][Not Applicable]
18	[Additional Ratings Provisions – Replacement Swap Clause:	[Applicable]] <i>(If not applicable, delete this paragraph)</i>
19	[Additional Ratings Provisions – Replacement Repo Clause:	[Applicable]] <i>(If not applicable, delete this paragraph)</i>
20	Additional Ratings Provisions – Event of Default:	[Applicable][Not Applicable]
21	Calculation Agent:	[The Bank of New York Mellon, London Branch] [Lloyds Bank plc]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

22	Fixed Rate Note Provisions:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Rate(s) of Interest:	[•] per cent. per annum [payable [annually][semi-annually][quarterly][monthly][in arrear]

	(ii) [Interest Period Date(s):	[•]] <i>(Only specify if dates are to be different to the Interest Payment Date(s))</i>
	(iii) Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
	(iv) Fixed Coupon Amount(s):	[•] per Calculation Amount
	(v) Broken Amount(s):	[•] per Calculation Amount payable on the Interest Payment Date falling [in][on] [•]
	(vi) [Interest Amount:	[Specify]] <i>(If not specified, "Interest Amount" will be the Fixed Coupon Amount or Broken Amount, as applicable. If this is desirable, then this sub-paragraph (vi) can be deleted)</i>
	(vii) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
	(viii) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
	(ix) Business Centre(s):	[•]
	(x) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
23	Floating Rate Note Provisions:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) [Interest Period Date(s):	[•]] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
	(ii) Specified Interest Payment Dates:	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
	(iii) [Interest Period(s):	[•]] <i>(Only specify where no Specified Interest Payment</i>

	<i>Dates are specified)</i>
(iv) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
(v) Business Centre(s):	[•]
(vi) ISDA Rate:	
– Floating Rate Option:	[•]
– Designated Maturity:	[•]
– Reset Date:	[•]
(vii) Linear Interpolation:	[Applicable][Not Applicable] <i>(May specify which Interest Accrual Period linear interpolation applies to. If no such specification, linear interpolation will apply to all Interest Accrual Periods that are not equal to the Designated Maturity)</i>
(viii) ISDA Definitions:	[As defined in the Master Conditions][Specify other]
(ix) Margin(s):	[[+][-][•] per cent. per annum] <u>Interest Accrual Period</u> <u>Margin</u> [•][All Interest Accrual [•]] Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(x) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
(xi) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
(xii) Interest Determination Dates:	[[•] in each year][Not Applicable]
24 Structured Floating Rate Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>

- (i) [Interest Period Date(s): [•]]
(Only specify if dates are to be different to the Specified Interest Payment Date(s))
- (ii) Specified Interest Payment Dates: [•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
- (iii) [Interest Period(s): [•]]
(Only specify where no Specified Interest Payment Dates are specified)
- (iv) Business Day Convention: [Floating Rate Business Day Convention]
[Following Business Day Convention]
[Modified Following Business Day Convention]
[Preceding Business Day Convention]
- (v) Business Centre(s): [•]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [ISDA Determination]
[Rates Variance Determination]
- (vii) Relevant Rate: [•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(Repeat as required)
- (I) ISDA Rate: [Applicable][Not Applicable]
- (a) Floating Rate Option: [•]
- (b) Designated Maturity: [•]
- (c) Reset Date: [•]
- (II) Variable Rate: [Applicable][Not Applicable]
- (a) Relevant Rate₁
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (viii) Margin(s): [[+][-][•] per cent. per annum]
Interest Accrual Period Margin

	<p>[•][All Interest Accrual [•]] Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]</p>				
(ix) Day Count Fraction:	<p>[Actual/Actual][Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]</p>				
(x) Determination Dates:	<p>[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i></p>				
(xi) Interest Determination Dates:	<p>[[•] in each year][Not Applicable]</p>				
(xii) Spread:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Spread</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Spread</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Spread</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xiii) Leverage:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Leverage</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Leverage</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Leverage</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xiv) Floor:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Floor</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Floor</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Floor</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xv) Cap:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Cap</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Cap</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Cap</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
25 Spread Coupon:	<p>[Applicable][Not Applicable]</p>				

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) [Interest Period Date(s): [•]]
(Only specify if dates are to be different to the Specified Interest Payment Date(s))
- (ii) Specified Interest Payment Dates: [•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
- (iii) [Interest Period(s): [•]]
(Only specify where no Specified Interest Payment Dates are specified)
- (iv) Business Day Convention: [Floating Rate Business Day Convention]
 [Following Business Day Convention]
 [Modified Following Business Day Convention]
 [Preceding Business Day Convention]
- (v) Business Centre(s): [•]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [ISDA Determination]
- (vii) Relevant Rate₁: [•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(Repeat as required)
- (I) Floating Rate Option: [•]
- (II) Designated Maturity: [•]
- (III) Reset Date: [•]
- (viii) Relevant Rate₂: [•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(Repeat as required)
- (I) Floating Rate Option: [•]
- (II) Designated Maturity: [•]
- (III) Reset Date: [•]
- (ix) Margin(s): [[+][-][•] per cent. per annum]
[Interest Accrual Period] Margin
 [•][All Interest Accrual [•]]
 Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]
- (x) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]
 [Actual/365 (Fixed)]

		[Actual/360]				
		[30/360][360/360][Bond Basis]				
		[30E/360][Eurobond Basis]				
		[30E/360 (ISDA)]				
		[Actual/Actual-ICMA]				
(xi)	Determination Dates:	[[●] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>				
(xii)	Interest Determination Dates:	[[●] in each year][Not Applicable]				
(xiii)	Spread:	<table><tr><td><u>Interest Accrual Period</u></td><td><u>Spread</u></td></tr><tr><td>[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]</td><td>[●]</td></tr></table>	<u>Interest Accrual Period</u>	<u>Spread</u>	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
<u>Interest Accrual Period</u>	<u>Spread</u>					
[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]					
(xiv)	Leverage:	<table><tr><td><u>Interest Accrual Period</u></td><td><u>Leverage</u></td></tr><tr><td>[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]</td><td>[●]</td></tr></table>	<u>Interest Accrual Period</u>	<u>Leverage</u>	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
<u>Interest Accrual Period</u>	<u>Leverage</u>					
[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]					
(xv)	Floor:	<table><tr><td><u>Interest Accrual Period</u></td><td><u>Floor</u></td></tr><tr><td>[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]</td><td>[●]</td></tr></table>	<u>Interest Accrual Period</u>	<u>Floor</u>	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
<u>Interest Accrual Period</u>	<u>Floor</u>					
[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]					
(xvi)	Cap:	<table><tr><td><u>Interest Accrual Period</u></td><td><u>Cap</u></td></tr><tr><td>[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]</td><td>[●]</td></tr></table>	<u>Interest Accrual Period</u>	<u>Cap</u>	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
<u>Interest Accrual Period</u>	<u>Cap</u>					
[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]					
26	Variable Rate Step-up/Step-down Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>				
(i)	[Interest Period Date(s):	[●] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>				
(ii)	Specified Interest Payment Dates:	[●] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]				

- (iii) Interest Period(s): [•]
(Only specify where no Specified Interest Payment Dates are specified)
- (iv) Business Day Convention: [Floating Rate Business Day Convention]
[Following Business Day Convention]
[Modified Following Business Day Convention]
[Preceding Business Day Convention]
- (v) Business Centre(s): [•]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [ISDA Determination]
[Rates Variance Determination]
- (vii) Relevant Rate: [•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]
(Repeat as required)
- (I) ISDA Rate: [Applicable][Not Applicable]
- (a) Floating Rate Option: [•]
- (b) Designated Maturity: [•]
- (c) Reset Date: [•]
- (II) Variable Rate: [Applicable][Not Applicable]
- (a) Relevant Rate₁
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (viii) Margin(s): [[+][-][•] per cent. per annum]
Interest Accrual Period Margin
[•][All Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]
- (ix) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]

		[Actual/365 (Fixed)]
		[Actual/360]
		[30/360][360/360][Bond Basis]
		[30E/360][Eurobond Basis]
		[30E/360 (ISDA)]
		[Actual/Actual-ICMA]
(x) Determination Dates:		[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
(xi) Interest Determination Dates:		[[•] in each year][Not Applicable]
(xii) Spread:		<u>Interest Accrual Period</u> <u>Spread</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xiii) Floor:		<u>Interest Accrual Period</u> <u>Floor</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xiv) Cap:		<u>Interest Accrual Period</u> <u>Cap</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
27 Fixed Rate Step-up/Step-down Coupon:		[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Rate(s) of Interest:		<u>Interest Accrual Period</u> <u>Rate of Interest</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(ii) [Interest Period Date(s):		[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
(iii) Specified Interest Payment Date(s):		[•] in each year [adjusted in accordance with the

	Business Day Convention and the Business Centre(s) set out below / not adjusted]
(iv) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>
(v) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
(vi) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
(vii) Business Centre(s):	[•]
(viii) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
28 Fixed to Floating Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Coupon Flip Date:	[•]
<u>Fixed Rate Provisions</u>	
(ii) Fixed Rate of Interest:	<u>Interest Accrual Period</u> <u>Fixed Rate of Interest</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(iii) [Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
(iv) Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
(v) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment</i>

- Dates are specified)*
- (vi) Day Count Fraction: [Actual/Actual][Actual/Actual (ISDA)]
 [Actual/365 (Fixed)]
 [Actual/360]
 [30/360][360/360][Bond Basis]
 [30E/360][Eurobond Basis]
 [30E/360 (ISDA)]
 [Actual/Actual-ICMA]
- (vii) Business Day Convention: [Floating Rate Business Day Convention]
 [Following Business Day Convention]
 [Modified Following Business Day Convention]
 [Preceding Business Day Convention]
- (viii) Business Centre(s): [•]
- (ix) Determination Dates: [[•] in each year *(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)*][Not Applicable]
(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))

Floating Rate Provisions

- (i) [Interest Period Date(s): [•]]
(Only specify if dates are to be different to the Specified Interest Payment Date(s))
- (ii) Specified Interest Payment Dates: [•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
- (iii) [Interest Period(s): [•]]
(Only specify where no Specified Interest Payment Dates are specified)
- (iv) Business Day Convention: [Floating Rate Business Day Convention]
 [Following Business Day Convention]
 [Modified Following Business Day Convention]
 [Preceding Business Day Convention]
- (v) Business Centre(s): [•]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [ISDA Determination]
 [Rates Variance Determination]
- (vii) Relevant Rate: [•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(Repeat as required)
- (l) ISDA Rate: [Applicable][Not Applicable]

- (a) Floating Rate Option: [•]
- (b) Designated Maturity: [•]
- (c) Reset Date: [•]
- (II) Variable Rate: [Applicable][Not Applicable]
- (a) Relevant Rate₁
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (viii) Margin(s): [[+][-][•] per cent. per annum]
Interest Accrual Period Margin
 [•][All Interest Accrual [•]]
 Periods falling in the period
 from [and including][but
 excluding] [•] to [and
 including][but excluding] [•]
- (ix) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]
 [Actual/365 (Fixed)]
 [Actual/360]
 [30/360][360/360][Bond Basis]
 [30E/360][Eurobond Basis]
 [30E/360 (ISDA)]
 [Actual/Actual-ICMA]
- (x) Determination Dates: [[•] in each year (*Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.*)] [Not Applicable]
 (*Note: only relevant where Day Count Fraction is Actual/Actual(ICMA)*)
- (xi) Interest Determination Dates: [[•] in each year][Not Applicable]
- (xii) Spread: Interest Accrual Period Spread
 [•][All Interest Accrual [•]]
 Periods falling in the period

		[from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xiii) Leverage:	<u>Interest Accrual Period</u>	<u>Leverage</u>
	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
(xiv) Floor:	<u>Interest Accrual Period</u>	<u>Floor</u>
	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
(xv) Cap:	<u>Interest Accrual Period</u>	<u>Cap</u>
	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
29 Floating to Fixed Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
(i) Coupon Flip Date:	[●]	
	<u>Floating Rate Provisions</u>	
(ii) [Interest Period Date(s):	[●] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>	
(iii) Specified Interest Payment Dates:	[●] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]	
(iv) [Interest Period(s):	[●] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>	
(v) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]	
(vi) Business Centre(s):	[●]	
(vii) Manner in which the Rate(s) of Interest is/are to be determined:	[ISDA Determination] [Rates Variance Determination]	
(viii) Relevant Rate:	[●][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [●]	

- to [and including][but excluding] [●]
(Repeat as required)
- (I) ISDA Rate: [Applicable][Not Applicable]
- (a) Floating Rate Option: [●]
- (b) Designated Maturity: [●]
- (c) Reset Date: [●]
- (II) Variable Rate: [Applicable][Not Applicable]
- (a) Relevant Rate₁
- (A) Floating Rate Option: [●]
- (B) Designated Maturity: [●]
- (C) Reset Date: [●]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [●]
- (B) Designated Maturity: [●]
- (C) Reset Date: [●]
- (ix) Margin(s): [[+][-][●] per cent. per annum]
Interest Accrual Period Margin
 [●][All Interest Accrual [●]]
 Periods falling in the period
 from [and including][but
 excluding] [●] to [and
 including][but excluding] [●]
- (x) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]
 [Actual/365 (Fixed)]
 [Actual/360]
 [30/360][360/360][Bond Basis]
 [30E/360][Eurobond Basis]
 [30E/360 (ISDA)]
 [Actual/Actual-ICMA]
- (xi) Determination Dates: [[●] in each year *(Insert regular interest payment
 dates, ignoring issue date or maturity date in the
 case of a long or short first or last coupon.)*][Not
 Applicable]
*(Note: only relevant where Day Count Fraction is
 Actual/Actual(ICMA))*

(xii) Interest Determination Dates:	[[•] in each year][Not Applicable]	
(xiii) Spread:	<u>Interest Accrual Period</u>	<u>Spread</u>
	[•][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [•] to [and including][but excluding] [•]]	[•]
(xiv) Leverage:	<u>Interest Accrual Period</u>	<u>Leverage</u>
	[•][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [•] to [and including][but excluding] [•]]	[•]
(xv) Floor:	<u>Interest Accrual Period</u>	<u>Floor</u>
	[•][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [•] to [and including][but excluding] [•]]	[•]
(xvi) Cap:	<u>Interest Accrual Period</u>	<u>Cap</u>
	[•][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Fixed Rate Provisions</u>		
(xvii) Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>
	[•][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [•] to [and including][but excluding] [•]]	[•]
(xviii) [Interest Period Date(s):	[•]] (Only specify if dates are to be different to the Specified Interest Payment Date(s))	
(xix) Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]	
(xx) [Interest Period(s):	[•]] (Only specify where no Specified Interest Payment Dates are specified)	
(xxi) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)]	

		[Actual/365 (Fixed)]
		[Actual/360]
		[30/360][360/360][Bond Basis]
		[30E/360][Eurobond Basis]
		[30E/360 (ISDA)]
		[Actual/Actual-ICMA]
(xxii) Business Day Convention:		[Floating Rate Business Day Convention]
		[Following Business Day Convention]
		[Modified Following Business Day Convention]
		[Preceding Business Day Convention]
(xxiii) Business Centre(s):		[•]
(xxiv) Determination Dates:		[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable]
		<i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
30 Fixed to Floating Switchable Coupon:		[Applicable][Not Applicable]
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Coupon Switch Date:		[•]
(ii) Minimum Notice Period:		[•]
		<u>Fixed Rate Provisions</u>
(iii) Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>
	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
(iv) [Interest Period Date(s):	[•]]	
	<i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>	
(v) Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]	
(vi) [Interest Period(s):	[•]]	
	<i>(Only specify where no Specified Interest Payment Dates are specified)</i>	
(vii) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)]	
	[Actual/365 (Fixed)]	
	[Actual/360]	

	[30/360][360/360][Bond Basis]
	[30E/360][Eurobond Basis]
	[30E/360 (ISDA)]
	[Actual/Actual-ICMA]
(viii) Business Day Convention:	[Floating Rate Business Day Convention]
	[Following Business Day Convention]
	[Modified Following Business Day Convention]
	[Preceding Business Day Convention]
(ix) Business Centre(s):	[•]
(x) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable]
	<i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
<u>Floating Rate Provisions</u>	
(xi) [Interest Period Date(s):	[•]]
	<i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
(xii) Specified Interest Payment Dates:	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
(xiii) [Interest Period(s):	[•]]
	<i>(Only specify where no Specified Interest Payment Dates are specified)</i>
(xiv) Business Day Convention:	[Floating Rate Business Day Convention]
	[Following Business Day Convention]
	[Modified Following Business Day Convention]
	[Preceding Business Day Convention]
(xv) Business Centre(s):	[•]
(xvi) Manner in which the Rate(s) of Interest is/are to be determined:	[ISDA Determination]
	[Rates Variance Determination]
(xvii) Relevant Rate:	[•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
	<i>(Repeat as required)</i>
(I) ISDA Rate:	[Applicable][Not Applicable]
(a) Floating Rate Option:	[•]
(b) Designated Maturity:	[•]
(c) Reset Date:	[•]
(II) Variable Rate:	[Applicable][Not Applicable]

- (a) Relevant Rate₁
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (xviii) Margin(s): [[+][-][•] per cent. per annum]
Interest Accrual Period Margin
[•][All Interest Accrual [•]]
Periods falling in the period
from [and including][but
excluding] [•] to [and
including][but excluding] [•]
- (xix) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]
[Actual/365 (Fixed)]
[Actual/360]
[30/360][360/360][Bond Basis]
[30E/360][Eurobond Basis]
[30E/360 (ISDA)]
[Actual/Actual-ICMA]
- (xx) Determination Dates: [[•] in each year *(Insert regular interest payment
dates, ignoring issue date or maturity date in the
case of a long or short first or last coupon.)*][Not
Applicable]
*(Note: only relevant where Day Count Fraction is
Actual/Actual(ICMA))*
- (xxi) Interest Determination Dates: [[•] in each year][Not Applicable]
- (xxii) Spread: Interest Accrual Period Spread
[•][All Interest Accrual [•]]
Periods falling in the period
[from [and including][but
excluding] [•] to [and
including][but excluding] [•]]
- (xxiii) Leverage: Interest Accrual Period Leverage
[•][All Interest Accrual [•]]

		Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxiv)	Floor:	<u>Interest Accrual Period</u> <u>Floor</u> [●][All Interest Accrual [●] Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxv)	Cap:	<u>Interest Accrual Period</u> <u>Cap</u> [●][All Interest Accrual [●] Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
31	Floating to Fixed Switchable Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
	(i) Coupon Switch Date:	[●]
	(ii) Minimum Notice Period:	[●]
	<u>Floating Rate Provisions</u>	
	(iii) [Interest Period Date(s):	[●] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
	(iv) Specified Interest Payment Dates:	[●] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
	(v) [Interest Period(s):	[●] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>
	(vi) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
	(vii) Business Centre(s):	[●]
	(viii) Manner in which the Rate(s) of Interest is/are to be determined:	[ISDA Determination] [Rates Variance Determination]
	(ix) Relevant Rate:	[●][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●] <i>(Repeat as required)</i>
	(l) ISDA Rate:	[Applicable][Not Applicable]

- (a) Floating Rate Option: [•]
- (b) Designated Maturity: [•]
- (c) Reset Date: [•]
- (II) Variable Rate: [Applicable][Not Applicable]
- (a) Relevant Rate₁
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (x) Margin(s): [[+][-][•] per cent. per annum]
Interest Accrual Period Margin
 [•][All Interest Accrual [•]]
 Periods falling in the period
 from [and including][but
 excluding] [•] to [and
 including][but excluding] [•]
- (xi) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]
 [Actual/365 (Fixed)]
 [Actual/360]
 [30/360][360/360][Bond Basis]
 [30E/360][Eurobond Basis]
 [30E/360 (ISDA)]
 [Actual/Actual-ICMA]
- (xii) Determination Dates: [[•] in each year *(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)*][Not Applicable]
(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))
- (xiii) Interest Determination Dates: [[•] in each year][Not Applicable]
- (xiv) Spread: Interest Accrual Period Spread
 [•][All Interest Accrual [•]]
 Periods falling in the period

	[from [and including]][but excluding] [●] to [and including][but excluding] [●]]	
(xv) Leverage:	<u>Interest Accrual Period</u>	<u>Leverage</u>
	[●][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [●] to [and including][but excluding] [●]]	[●]
(xvi) Floor:	<u>Interest Accrual Period</u>	<u>Floor</u>
	[●][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [●] to [and including][but excluding] [●]]	[●]
(xvii) Cap:	<u>Interest Accrual Period</u>	<u>Cap</u>
	[●][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [●] to [and including][but excluding] [●]]	[●]
<u>Fixed Rate Provisions</u>		
(xviii) Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>
	[●][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [●] to [and including][but excluding] [●]]	[●]
(xix) [Interest Period Date(s):	[●]]	
	<i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>	
(xx) Specified Interest Payment Date(s):	[●] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]	
(xxi) [Interest Period(s):	[●]]	
	<i>(Only specify where no Specified Interest Payment Dates are specified)</i>	
(xxii) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)]	
	[Actual/365 (Fixed)]	
	[Actual/360]	
	[30/360][360/360][Bond Basis]	
	[30E/360][Eurobond Basis]	

		[30E/360 (ISDA)]	
		[Actual/Actual-ICMA]	
(xxiii)	Business Day Convention:	[Floating Rate Business Day Convention]	
		[Following Business Day Convention]	
		[Modified Following Business Day Convention]	
		[Preceding Business Day Convention]	
(xxiv)	Business Centre(s):	[•]	
(xxv)	Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable]	
		<i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>	
32	Fixed Rate Range Accrual Coupon:	[Applicable][Not Applicable]	
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
(i)	[Interest Period Date(s):	[•]]	
		<i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>	
(ii)	Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]	
(iii)	[Interest Period(s):	[•]]	
		<i>(Only specify where no Specified Interest Payment Dates are specified)</i>	
(iv)	Initial Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>
		[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
(v)	[Initial Fixed Rate Period Start Date:	[•]]	
(vi)	[Initial Fixed Rate Period End Date:	[•]]	
(vii)	Range Accrual Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Range Accrual Fixed Rate of Interest</u>
		[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
(viii)	Range Accrual Barrier Period:	[All Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and	

	including][but excluding] [●]
(ix) Range Accrual Observation Date:	[Each [day][Business Day] in each Range Accrual Observation Period]
	[●]
(x) [Range Accrual Observation Period:	[Each Range Accrual Fixed Rate Interest Accrual Period]
	[From and [including][excluding] [●]
	[days][Business Days] prior to each Specified Interest Payment Date to and [including][excluding] [●] [days][Business Days] prior to the following Specified Interest Payment Date]]
(xi) [Range Accrual Observation Time:	[●][Intraday]
(xii) Range Accrual Observation Period Cut-Off Date:	[[●] [days][Business Days] prior to the last day in each Range Accrual Observation Period]
	[Not Applicable]
(xiii) Lower Barrier Criterion:	[Excess][Excess/Equal][Not Applicable]
(xiv) Lower Barrier:	<u>Range Accrual Barrier Lower Barrier Period</u>
	[All Interest Accrual Periods [●][Not Applicable] falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xv) Upper Barrier Criterion:	[Less][Less/Equal][Not Applicable]
(xvi) Upper Barrier:	<u>Range Accrual Barrier Upper Barrier Period</u>
	[All Interest Accrual Periods [●][Not Applicable] falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xvii) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)]
	[Actual/365 (Fixed)]
	[Actual/360]
	[30/360][360/360][Bond Basis]
	[30E/360][Eurobond Basis]
	[30E/360 (ISDA)]
	[Actual/Actual-ICMA]
(xviii) Business Day Convention:	[Floating Rate Business Day Convention]
	[Following Business Day Convention]
	[Modified Following Business Day Convention]
	[Preceding Business Day Convention]
(xix) Business Centre(s):	[●]

(xx) Determination Dates:	<p><input type="checkbox"/> in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i><input type="checkbox"/>[Not Applicable]</p> <p><i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i></p>				
33 Floating Rate Range Accrual Coupon:	<p><input type="checkbox"/>[Applicable]<input type="checkbox"/>[Not Applicable]</p> <p><i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i></p>				
(i) [Interest Period Date(s):	<p><input type="checkbox"/>]</p> <p><i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i></p>				
(ii) Specified Interest Payment Dates:	<p><input type="checkbox"/> in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]</p>				
(iii) [Interest Period(s):	<p><input type="checkbox"/>]</p> <p><i>(Only specify where no Specified Interest Payment Dates are specified)</i></p>				
(iv) Fixed Rate of Interest:	<table border="0"> <tr> <td><u>Interest Accrual Period</u></td><td><u>Fixed Rate of Interest</u></td></tr> <tr> <td colspan="2"> <input type="checkbox"/>[All Interest Accrual Periods falling in the period [from [and including]]but excluding] <input type="checkbox"/> to [and including]]but excluding] <input type="checkbox"/>] </td></tr> </table>	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>	<input type="checkbox"/> [All Interest Accrual Periods falling in the period [from [and including]]but excluding] <input type="checkbox"/> to [and including]]but excluding] <input type="checkbox"/>]	
<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>				
<input type="checkbox"/> [All Interest Accrual Periods falling in the period [from [and including]]but excluding] <input type="checkbox"/> to [and including]]but excluding] <input type="checkbox"/>]					
(v) [Fixed Rate Period Start Date:	<input type="checkbox"/>]				
(vi) [Fixed Rate Period End Date:	<input type="checkbox"/>]				
(vii) Business Day Convention:	<p>[Floating Rate Business Day Convention]</p> <p>[Following Business Day Convention]</p> <p>[Modified Following Business Day Convention]</p> <p>[Preceding Business Day Convention]</p>				
(viii) Business Centre(s):	<input type="checkbox"/>]				
(ix) Manner in which the Rate(s) of Interest is/are to be determined:	<p>[ISDA Determination]</p> <p>[Rates Variance Determination]</p>				
(x) Relevant Rate:	<p><input type="checkbox"/>[In respect of all Interest Accrual Periods falling in the period from [and including]]but excluding] <input type="checkbox"/> to [and including]]but excluding] <input type="checkbox"/>]</p> <p><i>(Repeat as required)</i></p>				
(l) ISDA Rate:	<input type="checkbox"/> [Applicable] <input type="checkbox"/> [Not Applicable]				
(a) Floating Rate Option:	<input type="checkbox"/>]				
(b) Designated Maturity:	<input type="checkbox"/>]				
(c) Reset Date:	<input type="checkbox"/>]				

(II)	Variable Rate:	[Applicable][Not Applicable]
(a)	Relevant Rate ₁	
(A)	Floating Rate Option:	[•]
(B)	Designated Maturity:	[•]
(C)	Reset Date:	[•]
(b)	Relevant Rate ₂	
(A)	Floating Rate Option:	[•]
(B)	Designated Maturity:	[•]
(C)	Reset Date:	[•]
(xi)	Range Accrual Barrier Period:	[All Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xii)	Range Accrual Observation Date:	[Each [day][Business Day] in each Range Accrual Observation Period] [•]
(xiii)	[Range Accrual Observation Period:	[Each Range Accrual Fixed Rate Interest Accrual Period] [From and [including][excluding] [•] [days][Business Days] prior to each Specified Interest Payment Date to and [including][excluding] [•] [days][Business Days] prior to the following Specified Interest Payment Date]]
(xiv)	[Range Accrual Observation Time:	[•][Intraday]
(xv)	Range Accrual Observation Period Cut-Off Date:	[[•] [days][Business Days] prior to the last day in each Range Accrual Observation Period] [Not Applicable]
(xvi)	Lower Barrier Criterion:	[Excess][Excess/Equal][Not Applicable]
(xvii)	Lower Barrier:	<u>Range Accrual Barrier Lower Barrier Period</u> [All Interest Accrual Periods [•][Not Applicable] falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xviii)	Upper Barrier Criterion:	[Less][Less/Equal][Not Applicable]
(xix)	Upper Barrier:	<u>Range Accrual Barrier Upper Barrier Period</u> [All Interest Accrual Periods [•][Not Applicable]

	falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]
(xx) Margin(s):	[[+][-][●] per cent. per annum] <u>Interest Accrual Period</u> <u>Margin</u> [●][All Interest Accrual [●]] Periods falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]
(xxi) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
(xxii) Determination Dates:	[[●] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
(xxiii) Interest Determination Dates:	[[●] in each year][Not Applicable]
(xxiv) Spread:	<u>Interest Accrual Period</u> <u>Spread</u> [●][All Interest Accrual [●]] Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxv) Leverage:	<u>Interest Accrual Period</u> <u>Leverage</u> [●][All Interest Accrual [●]] Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxvi) Floor:	<u>Interest Accrual Period</u> <u>Floor</u> [●][All Interest Accrual [●]] Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxvii) Cap:	<u>Interest Accrual Period</u> <u>Cap</u>

		[•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]		
34	Fixed Rate Spread Range Accrual Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>		
	(i) [Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>		
	(ii) Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]		
	(iii) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>		
	(iv) Initial Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>	
		[•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]		
	(v) [Initial Fixed Rate Period Start Date:	[•]		
	(vi) [Initial Fixed Rate Period End Date:	[•]		
	(vii) Range Accrual Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Relevant Rate₁</u>	<u>Relevant Rate₂</u>
		[•]	[•]	[•]
		[All Interest Accrual Periods falling in the period [from [and including] [but excluding] [•] to [and including] [but excluding] [•]]		
	(viii) Range Accrual Barrier Period:	[All Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]		
	(ix) Range Accrual Observation Date:	[Each [day][Business Day] in each Range Accrual Observation Period] [•]		
	(x) [Range Accrual Observation Period:	[Each Range Accrual Fixed Rate Interest Accrual		

	Period]
	[From and [including][excluding] [●] [days][Business Days] prior to each Specified Interest Payment Date to and [including][excluding] [●] [days][Business Days] prior to the following Specified Interest Payment Date]]
(xi) [Range Accrual Observation Time:	[●][Intraday]]
(xii) Range Accrual Observation Period Cut-Off Date:	[[●] [days][Business Days] prior to the last day in each Range Accrual Observation Period] [Not Applicable]
(xiii) Lower Barrier Criterion:	[Excess][Excess/Equal][Not Applicable]
(xiv) Lower Barrier:	<u>Range Accrual Barrier Lower Barrier</u> <u>Period</u> [●][All Interest Accrual [●][Not Applicable] Periods falling in the period [from [and including] [but excluding] [●] to [and including] [but excluding] [●]]
(xv) Upper Barrier Criterion:	[Less][Less/Equal][Not Applicable]
(xvi) Upper Barrier:	<u>Range Accrual Barrier Upper Barrier</u> <u>Period</u> [●][All Interest Accrual [●][Not Applicable] Periods falling in the period [from [and including] [but excluding] [●] to [and including] [but excluding] [●]]
(xvii) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
(xviii) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
(xix) Business Centre(s):	[●]
(xx) Determination Dates:	[[●] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is</i>

		Actual/Actual(ICMA))				
35	Floating Rate Spread Range Accrual Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>				
	(i) [Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>				
	(ii) Specified Interest Payment Dates:	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]				
	(iii) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>				
	(iv) Fixed Rate of Interest:	<table><tr><th><u>Interest Accrual Period</u></th><th><u>Fixed Rate of Interest</u></th></tr><tr><td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr></table>	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>					
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]					
	(v) [Fixed Rate Period Start Date:	[•]				
	(vi) [Fixed Rate Period End Date:	[•]				
	(vii) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]				
	(viii) Business Centre(s):	[•]				
	(ix) Manner in which the Rate(s) of Interest is/are to be determined:	[ISDA Determination]				
	(x) Relevant Rate ₁ :	[•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]] <i>(Repeat as required)</i>				
	(I) Floating Rate Option:	[•]				
	(II) Designated Maturity:	[•]				
	(III) Reset Date:	[•]				
	(xi) Relevant Rate ₂ :	[•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]] <i>(Repeat as required)</i>				
	(I) Floating Rate Option:	[•]				
	(II) Designated Maturity:	[•]				

(III) Reset Date:	[•]
(xii) Range Accrual Barrier Period:	[All Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xiii) Range Accrual Observation Date:	[Each [day][Business Day] in each Range Accrual Observation Period] [•]
(xiv) [Range Accrual Observation Period:	[Each Range Accrual Fixed Rate Interest Accrual Period] [From and [including][excluding] [•] [days][Business Days] prior to each Specified Interest Payment Date to and [including][excluding] [•] [days][Business Days] prior to the following Specified Interest Payment Date]]
(xv) [Range Accrual Observation Time:	[•][Intraday]]
(xvi) Range Accrual Observation Period Cut-Off Date:	[[•] [days][Business Days] prior to the last day in each Range Accrual Observation Period] [Not Applicable]
(xvii) Lower Barrier Criterion:	[Excess][Excess/Equal][Not Applicable]
(xviii) Lower Barrier:	<u>Range Accrual Barrier Lower Barrier Period</u> [•][All Interest Accrual [•][Not Applicable] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xix) Upper Barrier Criterion:	[Less][Less/Equal][Not Applicable]
(xx) Upper Barrier:	<u>Range Accrual Barrier Upper Barrier Period</u> [•][All Interest Accrual [•][Not Applicable] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xxi) Margin(s):	[[+][-][•] per cent. per annum] <u>Interest Accrual Period Margin</u> [•][All Interest Accrual [•]] Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xxii) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/360]

	[30/360][360/360][Bond Basis]				
	[30E/360][Eurobond Basis]				
	[30E/360 (ISDA)]				
	[Actual/Actual-ICMA]				
(xxiii) Determination Dates:	<p>[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable]</p> <p><i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i></p>				
(xxiv) Interest Determination Dates:	[[•] in each year][Not Applicable]				
(xxv) Spread:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Spread</u></th></tr> <tr> <td> [•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]] </td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Spread</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Spread</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xxvi) Leverage:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Leverage</u></th></tr> <tr> <td> [•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]] </td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Leverage</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Leverage</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xxvii) Floor:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Floor</u></th></tr> <tr> <td> [•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]] </td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Floor</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Floor</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xxviii) Cap:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Cap</u></th></tr> <tr> <td> [•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]] </td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Cap</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Cap</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
36 Rate Linked Interest Provisions:	<p>[Applicable][Not Applicable]</p> <p><i>(This paragraph will only be applicable to the Fixed Rate Range Accrual Coupon, the Floating Rate Range Accrual Coupon, the Fixed Rate Spread Range Accrual Coupon and the Floating Rate Spread Range Accrual Coupon.</i></p> <p><i>If not applicable, delete the remaining subparagraphs of this paragraph.)</i></p>				
(i) Underlying Rate:	[•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•]				

		to [and including][but excluding] [●]	
		(Repeat as required)	
(I)	ISDA Determination:	[Applicable][Not Applicable]	
	(a) Floating Rate Option:	[●]	
	(b) Designated Maturity:	[●]	
	(c) Reset Date:	[●]	
(II)	Rates Variance Determination:	[Applicable][Not Applicable]	
	(a) Underlying Rate ₁ :	[●][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]]	
		(Repeat as required)	
	(A) Floating Rate Option:	[●]	
	(B) Designated Maturity:	[●]	
	(C) Reset Date:	[●]	
	(b) Underlying Rate ₂ :	[●][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]]	
		(Repeat as required)	
	(A) Floating Rate Option:	[●]	
	(B) Designated Maturity:	[●]	
	(C) Reset Date:	[●]	
(ii)	Underlying Rate Jurisdiction:	[●]	
(iii)	Initial Setting Date:	[●][Not Applicable]	
(iv)	Initial Averaging Date(s):	[●][Not Applicable]	
(v)	Valuation Date(s) and Averaging Date(s):	<u>Valuation Date</u>	<u>Averaging Date</u>
		[●][Not Applicable]	[●][Not Applicable]
(vi)	Observation Date(s):	[●][Not Applicable]	
(vii)	[Valuation Time:	[●]]	
(viii)	Look-Back Provisions:	[Applicable][Not Applicable]	
	(I) Look-Back Observation Period:	[●]	
	(II) [Look-Back Observation Time:	[●][Intraday]]	
	(III) Look-Back – Lowest:	[Applicable][Not Applicable]	
	(IV) Look-Back – Highest:	[Applicable][Not Applicable]	

	(V) Look-Back Cap:	[•][Not Applicable]
	(VI) Look-Back Floor:	[•][Not Applicable]
37	Inflation Linked Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) [Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
	(ii) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>
	(iii) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
	(iv) Business Centre(s):	[•]
	(v) Margin(s):	[[+][-][•] per cent. per annum] <u>Interest Accrual Period</u> <u>Margin</u> [•][All Interest Accrual [•] Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]
	(vi) Inflation Index:	[•]
	(vii) Inflation Index Sponsor:	[•]
	(viii) Related Bond:	[•][Not Applicable]
	(ix) Fallback Bond:	[Applicable][Not Applicable]
	(x) Reference Month _(Initial) :	[•]
	(xi) Interest Payment Schedule and t Reference Month:	<u>Reference Month</u> <u>Specified Interest Payment Date</u> [•] [•] [•]
	(xii) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
	(xiii) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not

	Applicable]
	(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))
(xiv) Interest Determination Dates:	[[•] in each year][Not Applicable]
(xv) Spread:	<u>Interest Accrual Period</u> <u>Spread</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xvi) Leverage:	<u>Interest Accrual Period</u> <u>Leverage</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xvii) Floor:	<u>Interest Accrual Period</u> <u>Floor</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xviii) Cap:	<u>Interest Accrual Period</u> <u>Cap</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
38 Zero Coupon Note Provisions:	[Applicable][Not Applicable]
(i) Rate of Interest/Formula/Basis of determining amount payable:	[•][Not Applicable]

MORTGAGED PROPERTY

39 Mortgaged Property:	
(i) Initial Collateral:	[Not Applicable] [The Initial Collateral shall comprise [[•] in principal amount of an issue by [insert name of issuer] of [insert description of the underlying assets] identified below: Initial Collateral Obligor: [•] Address: [•] Country of incorporation: [•] Nature of business: [•] Asset: ISIN: [•]

Bloomberg Ticker:	[•]
Coupon:	[•]
Maturity:	[•]
Currency:	[•]
Admission trading/listing:	to [Main Market of the Irish Stock Exchange] [Other regulated market - specify] [New York Stock Exchange] [Tokyo Stock Exchange] (Where the Initial Collateral comprises equity securities, include date of establishment of the market, how price information is published, an indication of daily trading volumes, information as to the standing of the market in the country, the name of market's regulatory authority and the frequency with which prices of the Initial Collateral are published)
Governing Law:	[•]

- | | |
|---|--|
| (ii) Note Swap Agreement: | [Applicable][Not Applicable] |
| (I) Swap MTM Trigger: | [Applicable][Not applicable] |
| (a) [Swap MTM Trigger Percentage: | [•] per cent.] |
| (b) Termination Method: | [Counterparty Election][Automatic][Not Applicable] |
| (II) Collateral MTM Trigger: | [Applicable][Not Applicable] |
| (a) [Collateral MTM Trigger Percentage: | [•] per cent.] |
| (b) Termination Method: | [Counterparty Election][Automatic][Not Applicable] |

- (iii) Credit Support Annex: [Applicable - Issuer]
[Applicable - Note Swap Counterparty]
[Applicable - Issuer and Note Swap Counterparty]
[Not Applicable]
- (iv) Note Repo Agreement: [Applicable - Repo]
[Applicable – Reverse Repo]
[Applicable – Repo and Reverse Repo]
[Not Applicable]
- [Purchased Securities:] [The Purchased Securities shall comprise [[•] in
(Include for Reverse Repos (or principal amount of an issue by [insert name of
Repo and Reverse Repo) only) issuer] of [insert description of the underlying
assets] identified below:
- Initial Collateral Obligor: [•]
- Address: [•]
- Country of incorporation: [•]
- Nature of business: [•]
- Asset:
- ISIN: [•]
- Bloomberg Ticker: [•]
- Coupon: [•]
- Maturity: [•]
- Currency: [•]
- Admission to [Main Market of the
trading/listing: Irish Stock
Exchange]
[Other regulated
market - specify]
[New York Stock
Exchange]
[Tokyo Stock
Exchange]
(Where the
Purchased
Securities comprise
equity securities,
include date of
establishment of
the market, how
price information is
published, an
indication of daily
trading volumes,
information as to

the standing of the market in the country, the name of market's regulatory authority and the frequency with which prices of the Purchased Securities are published)

Governing Law: [•]

PROVISIONS RELATING TO REDEMPTION

40	Noteholder Priority:	[Applicable][Not Applicable]
41	Note Swap/Note Repo Counterparty Priority:	[Applicable][Not Applicable]
42	Final Redemption Amount of each Note:	[[•] per Calculation Amount][Not Applicable]
43	Redemption by Instalments:	[Specify Instalment Amounts, Instalment Dates and any other provisions relating to Notes that are redeemed by instalments][Not Applicable]
44	[Early Redemption Amount:	[•]
45	Inflation Linked Redemption:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Inflation Index:	[•]
	(ii) Inflation Index Sponsor:	[•]
	(iii) Related Bond:	[•][Not Applicable]
	(iv) Fallback Bond:	[Applicable][Not Applicable]
	(v) Reference Month _(Initial) :	[•]
	(vi) Reference Month _(Final) :	[•]
	(vii) Redemption Calculation Amount:	[•]
	(viii) Strike Price:	[•]
	(ix) Leverage:	[•]
	(x) Cap:	[•]
	(xi) Floor:	[•]
46	Credit Event Redemption Method:	[Auction Redemption Fallback Redemption Method: [Cash Redemption][Physical Redemption] [Physical Redemption] [Cash Redemption] [Principal Protected Redemption] [Fixed Recovery Redemption]

[Not Applicable]

(If not applicable, delete provisions relating to Credit Linked Notes)

PROVISIONS RELATING TO CREDIT LINKED NOTES

- 47 Type of Credit Linked Notes: [Single Name Credit Linked Notes]
[Linear Basket Credit Linked Notes]
Fixed Recovery Credit Linked Notes or Principal Protected Credit Linked Notes: [Fixed Recovery Credit Linked Notes]
[Principal Protected Credit Linked Notes]
[Not Applicable]
- 48 Principal Protected Amount: [[•] per cent.][Final Redemption Amount][Not Applicable]
(Specify a percentage if "Principal Protected Redemption" is the Credit Event Redemption Method. Otherwise specify Not applicable.)
- 49 Fixed Recovery Percentage: [[•] per cent.][Not Applicable]
(Specify a percentage if "Fixed Recovery Redemption" is the Credit Event Redemption Method. Otherwise specify Not applicable.)
- 50 Credit Event Accrued Interest: [Applicable][Not Applicable]
- 51 Reference Entit(y)(ies)[, Weighting and Reference Entity Notional Amount *(Insert Weighting and Reference Entity Notional Amount for Linear Basket Credit Linked Notes)*]: [Specify]
- Seniority Level: [[Senior Level][Subordinated Level]] *(Insert for Single Name Credit Linked Notes)*
(Insert below table for Linear Basket Credit Linked Notes)

Reference Entity:	Weighting:	Reference Entity Notional Amount:	Seniority Level:
[Specify]	[Specify]	[Specify]	[Senior Level] [Subordinated Level]
[Specify]	[Specify]	[Specify]	[Senior Level] [Subordinated Level]

[Specify for each Reference Entity: (i) name, (ii) address, (iii) country of incorporation, (iv) nature of business and (v) market on which admitted to trading/listing (which may be one of any regulated market or the New York Stock Exchange or the

		Tokyo Stock Exchange]]
		(Repeat rows as necessary)
	[Subordinated Reference Entity:	[•]] (Specify where there is more than one Reference Obligation for a Reference Entity and not all of such Reference Obligations are Subordinated Reference Obligations)
52	Standard Reference Obligation(s):	[Applicable][Not Applicable] (Where Applicable, specify Reference Obligation(s) below if the fallback to a Non-Standard Reference Obligation under paragraph (c) of the definition of "Reference Obligation" is to apply. For Linear Basket Credit Linked Notes insert the Non-Standard Reference Obligation for each Reference Entity)
53	Reference Obligation(s):	[Specify Reference Obligation(s)] (For Linear Basket Credit Linked Notes, insert the Reference Obligation for each Reference Entity)
54	Obligation(s):	
	Obligation Category:	(Select one only)
		[Payment]
		[Borrowed Money]
		[Reference Obligation Only]
		[Bond]
		[Loan]
		[Bond or Loan]
	Obligation Characteristics:	(Select all of which apply)
		[Not Subordinated]
		[Specified Currency[: [•]] (Specify unless the fallback in the definition of "Specified Currency" applies)]]
		[Not Sovereign Lender]
		[Not Domestic Currency[: [•]] (Specify unless the fallback in the definition of "Specified Currency" applies)]]
		[Not Domestic Law]
		[Listed]
		[Not Domestic Issuance]
		[None]
	Excluded Obligation(s):	[Specify][Not Applicable]

	All Guarantees:	[Applicable][Not Applicable]
55	Deliverable Obligations:	
	Deliverable Obligation Category:	<i>(Select one only)</i> [Payment] [Borrowed Money] [Reference Obligation Only] [Bond] [Loan] [Bond or Loan]
	Deliverable Characteristics:	Obligation <i>(Select all of which apply)</i> [Not Subordinated] [Specified Currency[: [•] <i>(Specify unless the fallback in the definition of "Specified Currency" applies))</i>] [Not Sovereign Lender] [Not Domestic Currency] [Domestic Currency means[: [•] <i>(Specify unless the fallback in the definition of "Domestic Currency in the Credit Linked Asset Conditions applies))</i>] [Not Domestic Law] [Listed] [Not Domestic Issuance] [Assignable Loan] [Partial Cash Redemption of Assignable Loans: [Applicable][Not Applicable]] [Consent Required Loan] [Partial Cash Redemption of Consent Required Loans: [Applicable][Not Applicable]] [Direct Loan Participation] [Partial Cash Redemption of Participation: [Applicable][Not Applicable]] [Transferable] [Maximum Maturity [of [•] years] <i>(Specify if default is not to apply)</i>] [Accelerated or Matured] [Not Bearer] [Together with [Specify other obligation applicable for each Reference Entity other than those

				determined by reference to Obligation Category and Obligation Characteristics]]
	Excluded Obligation(s):	Deliverable		[Specify][Not Applicable]
	All Guarantees:			[Applicable][Not Applicable]
	Deliverable Obligation Long-stop Date:	Notice		[Specify number of calendar days][As per the Credit Linked Asset Conditions]
56	Financial Reference Entity Terms:			[Applicable][Not Applicable]
57	Subordinated European Insurance Terms:			[Applicable][Not Applicable]
58	Sovereign Reference Entity No Asset Package Delivery:			[Applicable][Not Applicable]
59	Asset Package Delivery:			[Applicable][Not Applicable]
60	Credit Events:			[Bankruptcy]
				[Failure to Pay]
				[Payment Requirement: [[•] or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant failure to pay][As per the Credit Linked Asset Conditions]]
				[Grace Period Extension: [Applicable][Not Applicable]]
				[Grace Period: [Specify][As per the Credit Linked Asset Conditions]]
				[Governmental Intervention]
				[Obligation Acceleration]
				[Obligation Default]
				[Repudiation/Moratorium]
				[Restructuring]
				[Restructuring Maturity Limitation and Fully Transferable Obligation: [Applicable][Not Applicable]]
				[Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation: [Applicable][Not applicable]]
				[Mod R: [Applicable][Not Applicable]]
				[Mod Mod R: [Applicable][Not Applicable]]
				[Multiple Holder Obligation: [Applicable][Not Applicable]]
				[Multiple Deliveries: [Applicable][Not

		Applicable]]
		(Select all that apply)
	Default Requirement:	[Specify][As per the Credit Linked Asset Conditions]
	Notice of Publicly Available Information:	[Not Applicable] (Note that it is not necessary to specify "Applicable" as the default position under the Credit Linked Asset Conditions is for a Notice of Publicly Available Information to apply)
		[Public Source(s): [Specify][As per the Credit Linked Asset Conditions]]
		[Specified Number: [Specify][As per the Credit Linked Asset Conditions]]
61	Credit Observation End Date:	[•][As per the Credit Linked Asset Conditions]
62	Event Determination Date Version B:	[Applicable][Not Applicable] (Specify Event Determination Date Version B as applicable where the hedging CDS has only one Notifying Party (i.e. "Buyer" or "Seller" is specified as the Notifying Party). Otherwise specify "Not Applicable" and the Event Determination Date provisions which are equivalent to having two Notifying Parties under a CDS will apply)
63	Cash Redemption Terms	
	(Delete if Cash Redemption is not specified as the Credit Event Redemption Method or Fallback Redemption Method)	
	Cash Redemption Date:	[[•] Business Days following the relevant date specified in the Credit Linked Asset Conditions][As per the Credit Linked Asset Conditions]
	Valuation Date(s):	[Single Valuation Date Number of Business Days: [Specify][As per the Credit Linked Asset Conditions]] [Multiple Valuation Dates: [•] Business Days and each [•] Business Days thereafter [Number of Valuation Dates: [•]]]
	Valuation Time:	[Specify][As per the Credit Linked Asset Conditions]
	Valuation Method:	[Market][Highest][Lowest] [Average Market][Highest]/[Average Highest]
	Indicative Quotation:	[Applicable][Not Applicable]
	Quotation Method:	[Bid][Offer][Mid-market]
	Minimum Quotation Amount:	[•]
	Quotation Dealers:	[Specify][As per the Credit Linked Asset Conditions]

	Accrued Interest:	[Include Accrued Interest][Exclude Accrued Interest][As per Credit Linked Asset Condition 7(b)(ii)III]
64	Physical Redemption Terms <i>(Delete if Physical Redemption is not specified as the Credit Event Redemption Method or Fallback Redemption Method)</i>	
	Physical Settlement Period:	[[●] Business Days][As per the Credit Linked Asset Conditions]
	Settlement Currency:	[●]
	[Include Accrued Interest:	[Applicable]
	[Fallback Cash Redemption:	[Applicable][Not Applicable] <i>(For the purposes of Credit Linked Asset Conditions 6(a)(vi) (Physical Redemption Assets) and 9(b) (Continuing Redemption Failure Event))</i>
65	Physical Settlement Matrix Standard Terms:	[Applicable][Not Applicable]
		[Physical Settlement Matrix: [Specify][As per the Credit Linked Asset Conditions]
		[Transaction Type(s): [Specify]]
66	Partial Cash Redemption Terms/Fallback Cash Redemption:	[Applicable][Not Applicable]
	Valuation Time:	[Specify][As per the Credit Linked Asset Conditions]
67	Additional Disruption Events:	[Applicable][Not Applicable]
		[Change in Law]
		[Hedging Disruption]
		[Force Majeure]
		[Illegality]
		[Increased Cost of Hedging]
		<i>(Specify all that apply)</i>
68	Credit Event Unwind Costs:	[Applicable][Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

69	Form of Notes:	[Bearer Notes:
		[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
		[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]
		[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]]
		[Registered Notes:

- [Certificate other than Global Notes]
- [Global Certificate exchangeable for Certificates in the limited circumstances specified in the Global Certificate]]
- 70 Applicable TEFRA exemption: [TEFRA C][TEFRA D][TEFRA Not Applicable]
- 71 New Global Note: [Yes][No]
- 72 Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable][Give details]. (Note that this paragraph relates to the date and place of payment, and not interest period end dates)
- 73 Reference Business Day: [TARGET][TARGET Settlement Day][Specify place(s)]
- 74 Agents:
- (i) Calculation Agent: (Insert name and specified office of institution)
 - (ii) Custodian: (Insert name and specified office of institution)
 - (iii) Issuing and Paying Agent: (Insert name and specified office of institution)
 - (iv) Additional Paying Agent(s): (Insert name and specified office of institution)
 - (v) Registrar: (Insert name and specified office of institution)
 - (vi) Transfer Agent(s): (Insert name and specified office of institution)
 - (vii) Disposal Agent: (Insert name and specified office of institution)

DISTRIBUTION

- 75 (i) Syndicated or non-syndicated: [Syndicated][Non-syndicated]
- (ii) Name(s) of Dealer/Managers: [Specify Dealer if non-syndicated or list Managers if syndicated]
- 76 Name of Stabilising Manager: [Specify if applicable][Not Applicable]

[RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these applicable Final Terms.

The information set out in paragraph [●] (the “**Third Party Information**”) has been extracted from [specify source]. The Issuer confirms that the Third Party Information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Issuer has not conducted extensive due diligence on the Third Party Information or made any enquiries as to its own possession of non-publicly available information.]

Signed on behalf of Arion Securities Limited:

By:
Duly authorised

PART B – OTHER INFORMATION

For the avoidance of doubt, the other information contained in this Part B of the Final Terms does not form part of the Conditions.

1. LISTING:

Listing and admission to trading: [Application has been made for the Notes to be admitted to the Official List of the Irish Stock Exchange and for the Notes to be admitted to trading on the Main Securities Market.]

(Insert specifications if Notes are to be listed and admitted to trading on any other stock exchange. Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading.)

Estimate of total expenses related to admission to trading: [•]

2. RATINGS:

Ratings: [The Notes are expected to be rated by Moody's Investors Service Ltd. [on or shortly after the Issue Date]. However, there can be no assurance that the Issuer will be able to obtain a rating of the Notes or that such rating will be maintained.]

Moody's Investors Service Ltd. is established in the European Union and registered under the Regulation (EC) No1060/2009.]

[Not Applicable]

3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER:]

[Include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

(If no conflicts have been disclosed, delete entire Section 3. If conflicts have been discussed, reference should be to the section of the relevant document where such conflicts were disclosed.) (Only include where Notes are being listed.)

5. [Fixed Rate Notes only – YIELD:

Indication of yield: [•]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. OTHER POST-ISSUANCE INFORMATION

[The Issuer does not intend to provide any post-issuance reporting.]

7. AUTHORISATION

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on [•].

8. OPERATIONAL INFORMATION

ISIN Code:	[●]
Common Code:	[●]
Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking or DTC, <i>société anonyme</i> and the relevant identification number(s):	[Not Applicable][Specify name(s) and number(s) [and address(es)]]
Intended to be held in a manner which would allow Eurosystem eligibility:	<p>[Yes][No]</p> <p>[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and, in the case of Registered Notes, registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.] <i>(Include this text if “Yes” selected, in which case bearer Notes must be issued in NGN form. Note that “Yes” can only be selected if the Issuer is established in the European Economic Area.)</i></p> <p>[Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper and, in the case of Registered Notes, registered in the name of a nominee of one of the ICSDs acting as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.] <i>(Include this text if “No” is selected.)</i></p>

ANNEX 2
FORM OF PRICING SUPPLEMENT

Pricing Supplement dated [●]

ARION SECURITIES LIMITED
Issue of [AGGREGATE NOMINAL AMOUNT OF TRANCHE] [TITLE OF NOTES]
under its
Limited Recourse Secured Note Programme

PART A – CONTRACTUAL TERMS

The Notes issued by the Issuer will be subject to the Master Conditions and also to the following terms (such terms, the “**Pricing Supplement**”) in relation to the Notes.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [●] [and the Supplemental Prospectus dated [●]] which [together] constitute[s] a base prospectus (the “**Base Prospectus**”).

This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. The Base Prospectus [as supplemented] is available for viewing at [●] [and during normal business hours at [●]] [and copies may be obtained from [●]].

Prospective investors should note that this Pricing Supplement does not constitute “final terms” within the meaning of the Prospectus Directive.

(Consideration should be given as to whether any matters may constitute “significant new factors” and may consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

(Note: Headings are for ease of reference only.)

SERIES DETAILS

1	Issuer:	Arion Securities Limited
2	[(i)] Series Number:	[●]
	[(ii)] Tranche Number:	[●]
	<i>(If fungible with an existing Series, provide details of that Series, including the date on which the Notes become fungible).</i>	
3	Specified Currency:	[●]
4	Aggregate Nominal Amount of Notes:	[●]
	[(i)] Series:	[●]
	[(ii)] Tranche:	[●]
5	Issue Price:	[●] per cent. of the Aggregate Nominal Amount
6	(i) Specified Denominations:	[●]
	(ii) Calculation Amount:	[●]

7	(i) Issue Date:	[•]
	(ii) Interest Commencement Date:	[Issue Date][Specify if other][Not Applicable]
8	Maturity Date:	[Specify date or (for Floating Rate Notes) Specified Interest Payment Date falling in or nearest to the relevant month and year]
9	Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
	Business Centre(s):	[•]
10	Interest Basis:	[Fixed Rate] [Floating Rate] [Zero Coupon] [Structured Floating Rate Coupon] [Spread Coupon] [Variable Rate Step-up/Step-down Coupon] [Fixed Rate Step-up/Step-down Coupon] [Fixed to Floating Coupon] [Floating to Fixed Coupon] [Fixed to Floating Switchable Coupon] [Floating to Fixed Switchable Coupon] [Fixed Rate Range Accrual Coupon] [Floating Rate Range Accrual Coupon] [Fixed Rate Spread Range Accrual Coupon] [Floating Rate Spread Range Accrual Coupon] [Inflation Linked Coupon] <i>(Further particulars specified below at "Provisions relating to interest (if any) payable")</i>
11	Redemption/Payment Basis:	[Redemption at the amount specified in Final Redemption Amount below] [Instalment] [Inflation Linked Redemption] [Long-dated Collateral Redemption] [Long-dated Collateral and Swap Redemption] [Credit Linked Redemption] <i>(Further particulars specified below at "Provisions relating to redemption")</i> <i>(Specify "Credit Linked Redemption" even if the Notes are Principal Protected Credit Linked Notes)</i>
12	Method of distribution:	[Syndicated][Non-syndicated]
13	Alternative Currency Equivalent	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>

- (i) Alternative Currency: [•]
- (ii) Number of Rate Calculation Business Days: [•]
- (iii) Rate Calculation Jurisdiction(s): [•]
- (iv) Rate Calculation Business Day: [•]
- (v) Alternative Currency FX Rate:
 - (I) ISDA Determination: [Applicable][Not Applicable]
 - (a) Settlement Rate Option: [•]
 - (II) Calculation Agent Determination: [Applicable][Not Applicable]
- (vi) Alternative Currency USD FX Rate:
 - (I) ISDA Determination: [Applicable][Not Applicable]
 - (a) Settlement Rate Option: [•]
 - (II) Calculation Agent Determination: [Applicable][Not Applicable]
- (vii) Trade Date: [•]
- 14 [Additional Ratings Provisions – Note Swap Subordinated Amounts: [Applicable]] *(If not applicable, delete this paragraph)*
- 15 [Additional Ratings Provisions – Substitution of Collateral: [Applicable]] *(If not applicable, delete this paragraph)*
- 16 Additional Ratings Provisions – Redemption for Termination of Swap Clause: [Applicable][Not Applicable]
- 17 Additional Ratings Provisions – Redemption for Termination of Repo Clause: [Applicable][Not Applicable]
- 18 [Additional Ratings Provisions – Replacement Swap Clause: [Applicable]] *(If not applicable, delete this paragraph)*
- 19 [Additional Ratings Provisions – Replacement Repo Clause: [Applicable]] *(If not applicable, delete this paragraph)*
- 20 Additional Ratings Provisions – Event of Default: [Applicable][Not Applicable]
- 21 Calculation Agent: [The Bank of New York Mellon, London Branch]
[Lloyds Bank plc]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 22 Fixed Rate Note Provisions: [Applicable][Not Applicable]
 - (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
 - (i) Rate(s) of Interest: [•] per cent. per annum [payable [annually][semi-annually][quarterly][monthly][in arrear]
 - (ii) [Interest Period Date(s): [•]]

		<i>(Only specify if dates are to be different to the Interest Payment Date(s))</i>
	(iii) Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
	(iv) Fixed Coupon Amount(s):	[•] per Calculation Amount
	(v) Broken Amount(s):	[•] per Calculation Amount payable on the Interest Payment Date falling [in][on] [•]
	(vi) [Interest Amount:	[Specify] <i>(If not specified, "Interest Amount" will be the Fixed Coupon Amount or Broken Amount, as applicable. If this is desirable, then this sub-paragraph (vi) can be deleted)</i>
	(vii) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
	(viii) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
	(ix) Business Centre(s):	[•]
	(x) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
23	Floating Rate Note Provisions:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) [Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
	(ii) Specified Interest Payment Dates:	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
	(iii) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>

(iv) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
(v) Business Centre(s):	[•]
(vi) ISDA Rate:	
– Floating Rate Option:	[•]
– Designated Maturity:	[•]
– Reset Date:	[•]
(vii) Linear Interpolation:	[Applicable][Not Applicable] <i>(May specify which Interest Accrual Period linear interpolation applies to. If no such specification, linear interpolation will apply to all Interest Accrual Periods that are not equal to the Designated Maturity)</i>
(viii) ISDA Definitions:	[As defined in the Master Conditions][Specify other]
(ix) Margin(s):	[[+][-][•] per cent. per annum] <u>Interest Accrual Period</u> <u>Margin</u> [•][All Interest Accrual [•]] Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(x) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
(xi) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
(xii) Interest Determination Dates:	[[•] in each year][Not Applicable]
24 Structured Floating Rate Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>

- (i) [Interest Period Date(s): [•]]
(Only specify if dates are to be different to the Specified Interest Payment Date(s))
- (ii) Specified Interest Payment Dates: [•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
- (iii) [Interest Period(s): [•]]
(Only specify where no Specified Interest Payment Dates are specified)
- (iv) Business Day Convention: [Floating Rate Business Day Convention]
[Following Business Day Convention]
[Modified Following Business Day Convention]
[Preceding Business Day Convention]
- (v) Business Centre(s): [•]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [ISDA Determination]
[Rates Variance Determination]
- (vii) Relevant Rate: [•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(Repeat as required)
- (I) ISDA Rate: [Applicable][Not Applicable]
- (a) Floating Rate Option: [•]
- (b) Designated Maturity: [•]
- (c) Reset Date: [•]
- (II) Variable Rate: [Applicable][Not Applicable]
- (a) Relevant Rate₁
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (viii) Margin(s): [[+][-][•] per cent. per annum]
Interest Accrual Period Margin

	<p>[•][All Interest Accrual [•]]</p> <p>Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]</p>				
(ix) Day Count Fraction:	<p>[Actual/Actual][Actual/Actual-ISDA]</p> <p>[Actual/365 (Fixed)]</p> <p>[Actual/360]</p> <p>[30/360][360/360][Bond Basis]</p> <p>[30E/360][Eurobond Basis]</p> <p>[30E/360 (ISDA)]</p> <p>[Actual/Actual-ICMA]</p>				
(x) Determination Dates:	<p>[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable]</p> <p><i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i></p>				
(xi) Interest Determination Dates:	[[•] in each year][Not Applicable]				
(xii) Spread:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Spread</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Spread</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Spread</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xiii) Leverage:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Leverage</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Leverage</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Leverage</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xiv) Floor:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Floor</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Floor</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Floor</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xv) Cap:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Cap</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Cap</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Cap</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
25 Spread Coupon:	[Applicable][Not Applicable]				

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) [Interest Period Date(s): [•]]
(Only specify if dates are to be different to the Specified Interest Payment Date(s))
- (ii) Specified Interest Payment Dates: [•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
- (iii) [Interest Period(s): [•]]
(Only specify where no Specified Interest Payment Dates are specified)
- (iv) Business Day Convention: [Floating Rate Business Day Convention]
 [Following Business Day Convention]
 [Modified Following Business Day Convention]
 [Preceding Business Day Convention]
- (v) Business Centre(s): [•]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [ISDA Determination]
- (vii) Relevant Rate₁: [•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(Repeat as required)
- (I) Floating Rate Option: [•]
- (II) Designated Maturity: [•]
- (III) Reset Date: [•]
- (viii) Relevant Rate₂: [•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(Repeat as required)
- (I) Floating Rate Option: [•]
- (II) Designated Maturity: [•]
- (III) Reset Date: [•]
- (ix) Margin(s): [[+][-][•] per cent. per annum]
[Interest Accrual Period] Margin
 [•][All Interest Accrual [•]]
 Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]
- (x) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]
 [Actual/365 (Fixed)]

		[Actual/360]				
		[30/360][360/360][Bond Basis]				
		[30E/360][Eurobond Basis]				
		[30E/360 (ISDA)]				
		[Actual/Actual-ICMA]				
(xi)	Determination Dates:	[[●] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>				
(xii)	Interest Determination Dates:	[[●] in each year][Not Applicable]				
(xiii)	Spread:	<table><tr><td><u>Interest Accrual Period</u></td><td><u>Spread</u></td></tr><tr><td>[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]</td><td>[●]</td></tr></table>	<u>Interest Accrual Period</u>	<u>Spread</u>	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
<u>Interest Accrual Period</u>	<u>Spread</u>					
[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]					
(xiv)	Leverage:	<table><tr><td><u>Interest Accrual Period</u></td><td><u>Leverage</u></td></tr><tr><td>[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]</td><td>[●]</td></tr></table>	<u>Interest Accrual Period</u>	<u>Leverage</u>	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
<u>Interest Accrual Period</u>	<u>Leverage</u>					
[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]					
(xv)	Floor:	<table><tr><td><u>Interest Accrual Period</u></td><td><u>Floor</u></td></tr><tr><td>[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]</td><td>[●]</td></tr></table>	<u>Interest Accrual Period</u>	<u>Floor</u>	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
<u>Interest Accrual Period</u>	<u>Floor</u>					
[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]					
(xvi)	Cap:	<table><tr><td><u>Interest Accrual Period</u></td><td><u>Cap</u></td></tr><tr><td>[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]</td><td>[●]</td></tr></table>	<u>Interest Accrual Period</u>	<u>Cap</u>	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
<u>Interest Accrual Period</u>	<u>Cap</u>					
[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]					
26	Variable Rate Step-up/Step-down Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>				
(i)	[Interest Period Date(s):	[●] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>				
(ii)	Specified Interest Payment Dates:	[●] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]				

- (iii) Interest Period(s): [•]
(Only specify where no Specified Interest Payment Dates are specified)
- (iv) Business Day Convention: [Floating Rate Business Day Convention]
[Following Business Day Convention]
[Modified Following Business Day Convention]
[Preceding Business Day Convention]
- (v) Business Centre(s): [•]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [ISDA Determination]
[Rates Variance Determination]
- (vii) Relevant Rate: [•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(Repeat as required)
- (I) ISDA Rate: [Applicable][Not Applicable]
- (a) Floating Rate Option: [•]
- (b) Designated Maturity: [•]
- (c) Reset Date: [•]
- (II) Variable Rate: [Applicable][Not Applicable]
- (a) Relevant Rate₁
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (viii) Margin(s): [[+][-][•] per cent. per annum]
Interest Accrual Period Margin
[•][All Interest Accrual [•]]
Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]
- (ix) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]

		[Actual/365 (Fixed)]
		[Actual/360]
		[30/360][360/360][Bond Basis]
		[30E/360][Eurobond Basis]
		[30E/360 (ISDA)]
		[Actual/Actual-ICMA]
(x)	Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
(xi)	Interest Determination Dates:	[[•] in each year][Not Applicable]
(xii)	Spread:	<u>Interest Accrual Period</u> <u>Spread</u> [[•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xiii)	Floor:	<u>Interest Accrual Period</u> <u>Floor</u> [[•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xiv)	Cap:	<u>Interest Accrual Period</u> <u>Cap</u> [[•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
27	Fixed Rate Step-up/Step-down Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Rate(s) of Interest:	<u>Interest Accrual Period</u> <u>Rate of Interest</u> [[•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(ii)	[Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
(iii)	Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the

	Business Day Convention and the Business Centre(s) set out below / not adjusted]
(iv) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>
(v) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
(vi) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
(vii) Business Centre(s):	[•]
(viii) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
28 Fixed to Floating Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Coupon Flip Date:	[•]
<u>Fixed Rate Provisions</u>	
(ii) Fixed Rate of Interest:	<u>Interest Accrual Period</u> <u>Fixed Rate of Interest</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(iii) [Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
(iv) Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
(v) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment</i>

	<i>Dates are specified)</i>
(vi) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
(vii) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
(viii) Business Centre(s):	[•]
(ix) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
<u>Floating Rate Provisions</u>	
(x) [Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
(xi) Specified Interest Payment Dates:	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
(xii) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>
(xiii) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
(xiv) Business Centre(s):	[•]
(xv) Manner in which the Rate(s) of Interest is/are to be determined:	[ISDA Determination] [Rates Variance Determination]
(xvi) Relevant Rate:	[•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]] <i>(Repeat as required)</i>
(I) ISDA Rate:	[Applicable][Not Applicable]

(a)	Floating Rate Option:	[•]
(b)	Designated Maturity:	[•]
(c)	Reset Date:	[•]
(II)	Variable Rate:	[Applicable][Not Applicable]
(a)	Relevant Rate ₁	
(A)	Floating Rate Option:	[•]
(B)	Designated Maturity:	[•]
(C)	Reset Date:	[•]
(b)	Relevant Rate ₂	
(A)	Floating Rate Option:	[•]
(B)	Designated Maturity:	[•]
(C)	Reset Date:	[•]
(xvii)	Margin(s):	<p>[[+][-][•] per cent. per annum]</p> <p><u>Interest Accrual Period</u> <u>Margin</u></p> <p>[•][All Interest Accrual [•]]</p> <p>Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]</p>
(xviii)	Day Count Fraction:	<p>[Actual/Actual][Actual/Actual-ISDA]</p> <p>[Actual/365 (Fixed)]</p> <p>[Actual/360]</p> <p>[30/360][360/360][Bond Basis]</p> <p>[30E/360][Eurobond Basis]</p> <p>[30E/360 (ISDA)]</p> <p>[Actual/Actual-ICMA]</p>
(xix)	Determination Dates:	<p>[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable]</p> <p><i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i></p>
(xx)	Interest Determination Dates:	[[•] in each year][Not Applicable]
(xxi)	Spread:	<p><u>Interest Accrual Period</u> <u>Spread</u></p> <p>[•][All Interest Accrual [•]]</p> <p>Periods falling in the period</p>

		[from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxii) Leverage:	<u>Interest Accrual Period</u>	<u>Leverage</u>
	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
(xxiii) Floor:	<u>Interest Accrual Period</u>	<u>Floor</u>
	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
(xxiv) Cap:	<u>Interest Accrual Period</u>	<u>Cap</u>
	[●][All Interest Accrual Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]	[●]
29 Floating to Fixed Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
(i) Coupon Flip Date:	[●]	
	<u>Floating Rate Provisions</u>	
(ii) [Interest Period Date(s):	[●] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>	
(iii) Specified Interest Payment Dates:	[●] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]	
(iv) [Interest Period(s):	[●] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>	
(v) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]	
(vi) Business Centre(s):	[●]	
(vii) Manner in which the Rate(s) of Interest is/are to be determined:	[ISDA Determination] [Rates Variance Determination]	
(viii) Relevant Rate:	[●][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [●]	

- to [and including][but excluding] [●]
(Repeat as required)
- (I) ISDA Rate: [Applicable][Not Applicable]
- (a) Floating Rate Option: [●]
- (b) Designated Maturity: [●]
- (c) Reset Date: [●]
- (II) Variable Rate: [Applicable][Not Applicable]
- (a) Relevant Rate₁
- (A) Floating Rate Option: [●]
- (B) Designated Maturity: [●]
- (C) Reset Date: [●]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [●]
- (B) Designated Maturity: [●]
- (C) Reset Date: [●]
- (ix) Margin(s): [[+][-][●] per cent. per annum]
Interest Accrual Period Margin
 [●][All Interest Accrual [●]]
 Periods falling in the period
 from [and including][but
 excluding] [●] to [and
 including][but excluding] [●]
- (x) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]
 [Actual/365 (Fixed)]
 [Actual/360]
 [30/360][360/360][Bond Basis]
 [30E/360][Eurobond Basis]
 [30E/360 (ISDA)]
 [Actual/Actual-ICMA]
- (xi) Determination Dates: [[●] in each year (Insert regular interest payment
 dates, ignoring issue date or maturity date in the
 case of a long or short first or last coupon.)][Not
 Applicable]
 (Note: only relevant where Day Count Fraction is
 Actual/Actual(ICMA))

(xii) Interest Determination Dates:	[[•] in each year][Not Applicable]	
(xiii) Spread:	<u>Interest Accrual Period</u>	<u>Spread</u>
	[•][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [•] to [and including][but excluding] [•]]	[•]
(xiv) Leverage:	<u>Interest Accrual Period</u>	<u>Leverage</u>
	[•][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [•] to [and including][but excluding] [•]]	[•]
(xv) Floor:	<u>Interest Accrual Period</u>	<u>Floor</u>
	[•][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [•] to [and including][but excluding] [•]]	[•]
(xvi) Cap:	<u>Interest Accrual Period</u>	<u>Cap</u>
	[•][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Fixed Rate Provisions</u>		
(xvii) Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>
	[•][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [•] to [and including][but excluding] [•]]	[•]
(xviii) [Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>	
(xix) Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]	
(xx) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>	
(xxi) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)]	

		[Actual/365 (Fixed)]
		[Actual/360]
		[30/360][360/360][Bond Basis]
		[30E/360][Eurobond Basis]
		[30E/360 (ISDA)]
		[Actual/Actual-ICMA]
(xxii) Business Day Convention:		[Floating Rate Business Day Convention]
		[Following Business Day Convention]
		[Modified Following Business Day Convention]
		[Preceding Business Day Convention]
(xxiii) Business Centre(s):		[•]
(xxiv) Determination Dates:		[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable]
		<i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
30 Fixed to Floating Switchable Coupon:		[Applicable][Not Applicable]
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Coupon Switch Date:		[•]
(ii) Minimum Notice Period:		[•]
		<u>Fixed Rate Provisions</u>
(iii) Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>
	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
(iv) [Interest Period Date(s):	[•]]	
	<i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>	
(v) Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]	
(vi) [Interest Period(s):	[•]]	
	<i>(Only specify where no Specified Interest Payment Dates are specified)</i>	
(vii) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)]	
	[Actual/365 (Fixed)]	
	[Actual/360]	

	[30/360][360/360][Bond Basis]
	[30E/360][Eurobond Basis]
	[30E/360 (ISDA)]
	[Actual/Actual-ICMA]
(viii) Business Day Convention:	[Floating Rate Business Day Convention]
	[Following Business Day Convention]
	[Modified Following Business Day Convention]
	[Preceding Business Day Convention]
(ix) Business Centre(s):	[•]
(x) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable]
	<i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
<u>Floating Rate Provisions</u>	
(xi) [Interest Period Date(s):	[•]]
	<i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
(xii) Specified Interest Payment Dates:	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
(xiii) [Interest Period(s):	[•]]
	<i>(Only specify where no Specified Interest Payment Dates are specified)</i>
(xiv) Business Day Convention:	[Floating Rate Business Day Convention]
	[Following Business Day Convention]
	[Modified Following Business Day Convention]
	[Preceding Business Day Convention]
(xv) Business Centre(s):	[•]
(xvi) Manner in which the Rate(s) of Interest is/are to be determined:	[ISDA Determination]
	[Rates Variance Determination]
(xvii) Relevant Rate:	[•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
	<i>(Repeat as required)</i>
(I) ISDA Rate:	[Applicable][Not Applicable]
(a) Floating Rate Option:	[•]
(b) Designated Maturity:	[•]
(c) Reset Date:	[•]
(II) Variable Rate:	[Applicable][Not Applicable]

- (a) Relevant Rate₁
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (xviii) Margin(s): [[+][-][•] per cent. per annum]
Interest Accrual Period Margin
[•][All Interest Accrual [•]]
Periods falling in the period
from [and including][but
excluding] [•] to [and
including][but excluding] [•]
- (xix) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]
[Actual/365 (Fixed)]
[Actual/360]
[30/360][360/360][Bond Basis]
[30E/360][Eurobond Basis]
[30E/360 (ISDA)]
[Actual/Actual-ICMA]
- (xx) Determination Dates: [[•] in each year *(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)*][Not Applicable]
(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))
- (xxi) Interest Determination Dates: [[•] in each year][Not Applicable]
- (xxii) Spread: Interest Accrual Period Spread
[•][All Interest Accrual [•]]
Periods falling in the period
[from [and including][but
excluding] [•] to [and
including][but excluding] [•]
- (xxiii) Leverage: Interest Accrual Period Leverage
[•][All Interest Accrual [•]

		Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxiv)	Floor:	<u>Interest Accrual Period</u> <u>Floor</u> [●][All Interest Accrual [●] Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxv)	Cap:	<u>Interest Accrual Period</u> <u>Cap</u> [●][All Interest Accrual [●] Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
31	Floating to Fixed Switchable Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
	(i) Coupon Switch Date:	[●]
	(ii) Minimum Notice Period:	[●]
	<u>Floating Rate Provisions</u>	
	(iii) [Interest Period Date(s):	[●] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
	(iv) Specified Interest Payment Dates:	[●] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
	(v) [Interest Period(s):	[●] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>
	(vi) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
	(vii) Business Centre(s):	[●]
	(viii) Manner in which the Rate(s) of Interest is/are to be determined:	[ISDA Determination] [Rates Variance Determination]
	(ix) Relevant Rate:	[●][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●] <i>(Repeat as required)</i>
	(l) ISDA Rate:	[Applicable][Not Applicable]

- (a) Floating Rate Option: [•]
- (b) Designated Maturity: [•]
- (c) Reset Date: [•]
- (II) Variable Rate: [Applicable][Not Applicable]
- (a) Relevant Rate₁
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (b) Relevant Rate₂
- (A) Floating Rate Option: [•]
- (B) Designated Maturity: [•]
- (C) Reset Date: [•]
- (x) Margin(s): [[+][-][•] per cent. per annum]
Interest Accrual Period Margin
 [•][All Interest Accrual [•]]
 Periods falling in the period
 from [and including][but
 excluding] [•] to [and
 including][but excluding] [•]
- (xi) Day Count Fraction: [Actual/Actual][Actual/Actual-ISDA]
 [Actual/365 (Fixed)]
 [Actual/360]
 [30/360][360/360][Bond Basis]
 [30E/360][Eurobond Basis]
 [30E/360 (ISDA)]
 [Actual/Actual-ICMA]
- (xii) Determination Dates: [[•] in each year (*Insert regular interest payment
 dates, ignoring issue date or maturity date in the
 case of a long or short first or last coupon.*)] [Not
 Applicable]
*(Note: only relevant where Day Count Fraction is
 Actual/Actual(ICMA))*
- (xiii) Interest Determination Dates: [[•] in each year][Not Applicable]
- (xiv) Spread: Interest Accrual Period Spread
 [•][All Interest Accrual [•]]
 Periods falling in the period

	[from [and including]][but excluding] [●] to [and including][but excluding] [●]]	
(xv) Leverage:	<u>Interest Accrual Period</u>	<u>Leverage</u>
	[●][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [●] to [and including][but excluding] [●]]	[●]
(xvi) Floor:	<u>Interest Accrual Period</u>	<u>Floor</u>
	[●][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [●] to [and including][but excluding] [●]]	[●]
(xvii) Cap:	<u>Interest Accrual Period</u>	<u>Cap</u>
	[●][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [●] to [and including][but excluding] [●]]	[●]
<u>Fixed Rate Provisions</u>		
(xviii) Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>
	[●][All Interest Accrual Periods falling in the period [from [and including]][but excluding] [●] to [and including][but excluding] [●]]	[●]
(xix) [Interest Period Date(s):	[●]]	
	<i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>	
(xx) Specified Interest Payment Date(s):	[●] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]	
(xxi) [Interest Period(s):	[●]]	
	<i>(Only specify where no Specified Interest Payment Dates are specified)</i>	
(xxii) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)]	
	[Actual/365 (Fixed)]	
	[Actual/360]	
	[30/360][360/360][Bond Basis]	
	[30E/360][Eurobond Basis]	

		[30E/360 (ISDA)]	
		[Actual/Actual-ICMA]	
(xxiii)	Business Day Convention:	[Floating Rate Business Day Convention]	
		[Following Business Day Convention]	
		[Modified Following Business Day Convention]	
		[Preceding Business Day Convention]	
(xxiv)	Business Centre(s):	[•]	
(xxv)	Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable]	
		<i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>	
32	Fixed Rate Range Accrual Coupon:	[Applicable][Not Applicable]	
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>	
(i)	[Interest Period Date(s):	[•]]	
		<i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>	
(ii)	Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]	
(iii)	[Interest Period(s):	[•]]	
		<i>(Only specify where no Specified Interest Payment Dates are specified)</i>	
(iv)	Initial Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>
		[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
(v)	[Initial Fixed Rate Period Start Date:	[•]]	
(vi)	[Initial Fixed Rate Period End Date:	[•]]	
(vii)	Range Accrual Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Range Accrual Fixed Rate of Interest</u>
		[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
(viii)	Range Accrual Barrier Period:	[All Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and	

	including][but excluding] [●]
(ix) Range Accrual Observation Date:	[Each [day][Business Day] in each Range Accrual Observation Period]
	[●]
(x) [Range Accrual Observation Period:	[Each Range Accrual Fixed Rate Interest Accrual Period]
	[From and [including][excluding] [●]
	[days][Business Days] prior to each Specified Interest Payment Date to and [including][excluding] [●] [days][Business Days] prior to the following Specified Interest Payment Date]]
(xi) [Range Accrual Observation Time:	[●][Intraday]
(xii) Range Accrual Observation Period Cut-Off Date:	[[●] [days][Business Days] prior to the last day in each Range Accrual Observation Period]
	[Not Applicable]
(xiii) Lower Barrier Criterion:	[Excess][Excess/Equal][Not Applicable]
(xiv) Lower Barrier:	<u>Range Accrual Barrier Lower Barrier Period</u>
	[All Interest Accrual Periods [●][Not Applicable] falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xv) Upper Barrier Criterion:	[Less][Less/Equal][Not Applicable]
(xvi) Upper Barrier:	<u>Range Accrual Barrier Upper Barrier Period</u>
	[All Interest Accrual Periods [●][Not Applicable] falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xvii) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)]
	[Actual/365 (Fixed)]
	[Actual/360]
	[30/360][360/360][Bond Basis]
	[30E/360][Eurobond Basis]
	[30E/360 (ISDA)]
	[Actual/Actual-ICMA]
(xviii) Business Day Convention:	[Floating Rate Business Day Convention]
	[Following Business Day Convention]
	[Modified Following Business Day Convention]
	[Preceding Business Day Convention]
(xix) Business Centre(s):	[●]

(xx) Determination Dates:

[[•]] in each year *(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)*[[Not Applicable]

(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))

33 Floating Rate Range Accrual Coupon:

[Applicable][Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

(i) [Interest Period Date(s):

[•]]

(Only specify if dates are to be different to the Specified Interest Payment Date(s))

(ii) Specified Interest Payment Dates:

[•]] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]

(iii) [Interest Period(s):

[•]]

(Only specify where no Specified Interest Payment Dates are specified)

(iv) Fixed Rate of Interest:

<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>
[•]][All Interest Accrual Periods falling in the period [from [and including]]but excluding] [•]] to [and including]]but excluding] [•]]	[•]]

(v) [Fixed Rate Period Start Date:

[•]]

(vi) [Fixed Rate Period End Date:

[•]]

(vii) Business Day Convention:

[Floating Rate Business Day Convention]

[Following Business Day Convention]

[Modified Following Business Day Convention]

[Preceding Business Day Convention]

(viii) Business Centre(s):

[•]]

(ix) Manner in which the Rate(s) of Interest is/are to be determined:

[ISDA Determination]

[Rates Variance Determination]

(x) Relevant Rate:

[•]][In respect of all Interest Accrual Periods falling in the period from [and including]]but excluding] [•]] to [and including]]but excluding] [•]]

(Repeat as required)

(l) ISDA Rate:

[Applicable][Not Applicable]

(a) Floating Rate Option:

[•]]

(b) Designated Maturity:

[•]]

(c) Reset Date:

[•]]

(II)	Variable Rate:	[Applicable][Not Applicable]
(a)	Relevant Rate ₁	
(A)	Floating Rate Option:	[•]
(B)	Designated Maturity:	[•]
(C)	Reset Date:	[•]
(b)	Relevant Rate ₂	
(A)	Floating Rate Option:	[•]
(B)	Designated Maturity:	[•]
(C)	Reset Date:	[•]
(xi)	Range Accrual Barrier Period:	[All Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xii)	Range Accrual Observation Date:	[Each [day][Business Day] in each Range Accrual Observation Period] [•]
(xiii)	[Range Accrual Observation Period:	[Each Range Accrual Fixed Rate Interest Accrual Period] [From and [including][excluding] [•] [days][Business Days] prior to each Specified Interest Payment Date to and [including][excluding] [•] [days][Business Days] prior to the following Specified Interest Payment Date]]
(xiv)	[Range Accrual Observation Time:	[•][Intraday]
(xv)	Range Accrual Observation Period Cut-Off Date:	[[•] [days][Business Days] prior to the last day in each Range Accrual Observation Period] [Not Applicable]
(xvi)	Lower Barrier Criterion:	[Excess][Excess/Equal][Not Applicable]
(xvii)	Lower Barrier:	<u>Range Accrual Barrier Lower Barrier Period</u> [All Interest Accrual Periods [•][Not Applicable] falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xviii)	Upper Barrier Criterion:	[Less][Less/Equal][Not Applicable]
(xix)	Upper Barrier:	<u>Range Accrual Barrier Upper Barrier Period</u> [All Interest Accrual Periods [•][Not Applicable]

	falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]
(xx) Margin(s):	[[+][-][●] per cent. per annum] <u>Interest Accrual Period</u> <u>Margin</u> [●][All Interest Accrual [●]] Periods falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]
(xxi) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
(xxii) Determination Dates:	[[●] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i>
(xxiii) Interest Determination Dates:	[[●] in each year][Not Applicable]
(xxiv) Spread:	<u>Interest Accrual Period</u> <u>Spread</u> [●][All Interest Accrual [●]] Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxv) Leverage:	<u>Interest Accrual Period</u> <u>Leverage</u> [●][All Interest Accrual [●]] Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxvi) Floor:	<u>Interest Accrual Period</u> <u>Floor</u> [●][All Interest Accrual [●]] Periods falling in the period [from [and including][but excluding] [●] to [and including][but excluding] [●]]
(xxvii) Cap:	<u>Interest Accrual Period</u> <u>Cap</u>

		[•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]		
34	Fixed Rate Spread Range Accrual Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>		
	(i) [Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>		
	(ii) Specified Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]		
	(iii) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>		
	(iv) Initial Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u>	
		[•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]		
	(v) [Initial Fixed Rate Period Start Date:	[•]		
	(vi) [Initial Fixed Rate Period End Date:	[•]		
	(vii) Range Accrual Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Relevant Rate₁</u>	<u>Relevant Rate₂</u>
		[•]	[•]	[•]
		[All Interest Accrual Periods falling in the period [from [and including] [but excluding] [•] to [and including] [but excluding] [•]]		
	(viii) Range Accrual Barrier Period:	[All Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]		
	(ix) Range Accrual Observation Date:	[Each [day][Business Day] in each Range Accrual Observation Period] [•]		
	(x) [Range Accrual Observation Period:	[Each Range Accrual Fixed Rate Interest Accrual		

	Period]
	[From and [including][excluding] [●] [days][Business Days] prior to each Specified Interest Payment Date to and [including][excluding] [●] [days][Business Days] prior to the following Specified Interest Payment Date]]
(xi) [Range Accrual Observation Time:	[●][Intraday]]
(xii) Range Accrual Observation Period Cut-Off Date:	[[●] [days][Business Days] prior to the last day in each Range Accrual Observation Period] [Not Applicable]
(xiii) Lower Barrier Criterion:	[Excess][Excess/Equal][Not Applicable]
(xiv) Lower Barrier:	<u>Range Accrual Barrier Lower Barrier</u> <u>Period</u> [●][All Interest Accrual [●][Not Applicable] Periods falling in the period [from [and including] [but excluding] [●] to [and including] [but excluding] [●]]
(xv) Upper Barrier Criterion:	[Less][Less/Equal][Not Applicable]
(xvi) Upper Barrier:	<u>Range Accrual Barrier Upper Barrier</u> <u>Period</u> [●][All Interest Accrual [●][Not Applicable] Periods falling in the period [from [and including] [but excluding] [●] to [and including] [but excluding] [●]]
(xvii) Day Count Fraction:	[Actual/Actual][Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
(xviii) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
(xix) Business Centre(s):	[●]
(xx) Determination Dates:	[[●] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable] <i>(Note: only relevant where Day Count Fraction is</i>

			Actual/Actual(ICMA))
35	Floating Rate Spread Range Accrual Coupon:		[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) [Interest Period Date(s):		[•]] (Only specify if dates are to be different to the Specified Interest Payment Date(s))
	(ii) Specified Interest Payment Dates:		[•] in each year [adjusted in accordance with the Business Day Convention and the Business Centre(s) set out below / not adjusted]
	(iii) [Interest Period(s):		[•]] (Only specify where no Specified Interest Payment Dates are specified)
	(iv) Fixed Rate of Interest:	<u>Interest Accrual Period</u>	<u>Fixed Rate of Interest</u> [•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
	(v) [Fixed Rate Period Start Date:		[•]]
	(vi) [Fixed Rate Period End Date:		[•]]
	(vii) Business Day Convention:		[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
	(viii) Business Centre(s):		[•]
	(ix) Manner in which the Rate(s) of Interest is/are to be determined:		[ISDA Determination]
	(x) Relevant Rate ₁ :		[•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]] (Repeat as required)
	(I) Floating Rate Option:		[•]
	(II) Designated Maturity:		[•]
	(III) Reset Date:		[•]
	(xi) Relevant Rate ₂ :		[•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]] (Repeat as required)
	(I) Floating Rate Option:		[•]
	(II) Designated Maturity:		[•]

(III) Reset Date:	[•]
(xii) Range Accrual Barrier Period:	[All Interest Accrual Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xiii) Range Accrual Observation Date:	[Each [day][Business Day] in each Range Accrual Observation Period] [•]
(xiv) [Range Accrual Observation Period:	[Each Range Accrual Fixed Rate Interest Accrual Period] [From and [including][excluding] [•] [days][Business Days] prior to each Specified Interest Payment Date to and [including][excluding] [•] [days][Business Days] prior to the following Specified Interest Payment Date]]
(xv) [Range Accrual Observation Time:	[•][Intraday]]
(xvi) Range Accrual Observation Period Cut-Off Date:	[[•] [days][Business Days] prior to the last day in each Range Accrual Observation Period] [Not Applicable]
(xvii) Lower Barrier Criterion:	[Excess][Excess/Equal][Not Applicable]
(xviii) Lower Barrier:	<u>Range Accrual Barrier Lower Barrier Period</u> [•][All Interest Accrual [•][Not Applicable] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xix) Upper Barrier Criterion:	[Less][Less/Equal][Not Applicable]
(xx) Upper Barrier:	<u>Range Accrual Barrier Upper Barrier Period</u> [•][All Interest Accrual [•][Not Applicable] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xxi) Margin(s):	[[+][-][•] per cent. per annum] <u>Interest Accrual Period Margin</u> [•][All Interest Accrual [•]] Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xxii) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/360]

	[30/360][360/360][Bond Basis]				
	[30E/360][Eurobond Basis]				
	[30E/360 (ISDA)]				
	[Actual/Actual-ICMA]				
(xxiii) Determination Dates:	<p>[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not Applicable]</p> <p><i>(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))</i></p>				
(xxiv) Interest Determination Dates:	[[•] in each year][Not Applicable]				
(xxv) Spread:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Spread</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Spread</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Spread</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xxvi) Leverage:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Leverage</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Leverage</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Leverage</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xxvii) Floor:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Floor</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Floor</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Floor</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
(xxviii) Cap:	<table> <tr> <th><u>Interest Accrual Period</u></th><th><u>Cap</u></th></tr> <tr> <td>[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]</td><td>[•]</td></tr> </table>	<u>Interest Accrual Period</u>	<u>Cap</u>	[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]
<u>Interest Accrual Period</u>	<u>Cap</u>				
[•][All Interest Accrual Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]	[•]				
36 Rate Linked Interest Provisions:	<p>[Applicable][Not Applicable]</p> <p><i>(This paragraph will only be applicable to the Fixed Rate Range Accrual Coupon, the Floating Rate Range Accrual Coupon, the Fixed Rate Spread Range Accrual Coupon and the Floating Rate Spread Range Accrual Coupon.</i></p> <p><i>If not applicable, delete the remaining subparagraphs of this paragraph.)</i></p>				
(i) Underlying Rate:	[•][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [•]				

		to [and including][but excluding] [●]	
		(Repeat as required)	
(I)	ISDA Determination:	[Applicable][Not Applicable]	
	(a) Floating Rate Option:	[●]	
	(b) Designated Maturity:	[●]	
	(c) Reset Date:	[●]	
(II)	Rates Variance Determination:	[Applicable][Not Applicable]	
	(a) Underlying Rate ₁ :	[●][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]]	
		(Repeat as required)	
	(A) Floating Rate Option:	[●]	
	(B) Designated Maturity:	[●]	
	(C) Reset Date:	[●]	
	(b) Underlying Rate ₂ :	[●][In respect of all Interest Accrual Periods falling in the period from [and including][but excluding] [●] to [and including][but excluding] [●]]	
		(Repeat as required)	
	(A) Floating Rate Option:	[●]	
	(B) Designated Maturity:	[●]	
	(C) Reset Date:	[●]	
(ii)	Underlying Rate Jurisdiction:	[●]	
(iii)	Initial Setting Date:	[●][Not Applicable]	
(iv)	Initial Averaging Date(s):	[●][Not Applicable]	
(v)	Valuation Date(s) and Averaging Date(s):	<u>Valuation Date</u>	<u>Averaging Date</u>
		[●][Not Applicable]	[●][Not Applicable]
(vi)	Observation Date(s):	[●][Not Applicable]	
(vii)	[Valuation Time:	[●]]	
(viii)	Look-Back Provisions:	[Applicable][Not Applicable]	
	(I) Look-Back Observation Period:	[●]	
	(II) [Look-Back Observation Time:	[●][Intraday]]	
	(III) Look-Back – Lowest:	[Applicable][Not Applicable]	
	(IV) Look-Back – Highest:	[Applicable][Not Applicable]	

	(V) Look-Back Cap:	[•][Not Applicable]
	(VI) Look-Back Floor:	[•][Not Applicable]
37	Inflation Linked Coupon:	[Applicable][Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) [Interest Period Date(s):	[•] <i>(Only specify if dates are to be different to the Specified Interest Payment Date(s))</i>
	(ii) [Interest Period(s):	[•] <i>(Only specify where no Specified Interest Payment Dates are specified)</i>
	(iii) Business Day Convention:	[Floating Rate Business Day Convention] [Following Business Day Convention] [Modified Following Business Day Convention] [Preceding Business Day Convention]
	(iv) Business Centre(s):	[•]
	(v) Margin(s):	[[+][-][•] per cent. per annum] <u>Interest Accrual Period</u> <u>Margin</u> [•][All Interest Accrual [•] Periods falling in the period from [and including][but excluding] [•] to [and including][but excluding] [•]
	(vi) Inflation Index:	[•]
	(vii) Inflation Index Sponsor:	[•]
	(viii) Related Bond:	[•][Not Applicable]
	(ix) Fallback Bond:	[Applicable][Not Applicable]
	(x) Reference Month _(Initial) :	[•]
	(xi) Interest Payment Schedule and t Reference Month:	<u>Reference Month</u> <u>Specified Interest Payment Date</u> [•] [•] [•]
	(xii) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/360] [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
	(xiii) Determination Dates:	[[•] in each year <i>(Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)</i>][Not

		Applicable]
		(Note: only relevant where Day Count Fraction is Actual/Actual(ICMA))
(xiv)	Interest Determination Dates:	[[•] in each year][Not Applicable]
(xv)	Spread:	<u>Interest Accrual Period</u> <u>Spread</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xvi)	Leverage:	<u>Interest Accrual Period</u> <u>Leverage</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xvii)	Floor:	<u>Interest Accrual Period</u> <u>Floor</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
(xviii)	Cap:	<u>Interest Accrual Period</u> <u>Cap</u> [•][All Interest Accrual [•] Periods falling in the period [from [and including][but excluding] [•] to [and including][but excluding] [•]]
38	Zero Coupon Note Provisions:	[Applicable][Not Applicable]
	(i) Rate of Interest/Formula/Basis of determining amount payable:	[•][Not Applicable]
39	[Default Interest:	[[•] per cent.][Not Applicable]] (Delete row if the Notes are to be listed on a regulated market by way of a series prospectus)

MORTGAGED PROPERTY

40	Mortgaged Property:	
	(i) Initial Collateral:	[Not Applicable] [The Initial Collateral shall comprise [[•] in principal amount of an issue by <i>[insert name of issuer]</i> of <i>[insert description of the underlying assets]</i> identified below: Initial Collateral Obligor: [•] Address: [•] (Only applicable if the Notes are to be

listed on a regulated market by way of a series prospectus)

Country of incorporation: [•]
(Only applicable if the Notes are to be listed on a regulated market by way of a series prospectus)

Nature of business: [•]
(Only applicable if the Notes are to be listed on a regulated market by way of a series prospectus)

Asset:

ISIN: [•]

Bloomberg Ticker: [•]

Coupon: [•]

Maturity: [•]

Currency: [•]

Governing Law: [•]

Admission to trading/listing: [Main Market of the Irish Stock Exchange]
 [Other regulated market - specify]
 [New York Stock Exchange]
 [Tokyo Stock Exchange]]
(Where the Initial Collateral comprises equity securities, include date of establishment of the market, how price information is published, an indication of daily trading volumes, information as to

the standing of the market in the country, the name of market's regulatory authority and the frequency with which prices of the Initial Collateral are published)

(Only applicable if the Notes are to be listed on a regulated market by way of a series prospectus)

- (ii) Note Swap Agreement: [Applicable][Not Applicable]
- (I) Swap MTM Trigger: [Applicable][Not applicable]
- (a) [Swap MTM Trigger Percentage: [•] per cent.]
- (b) Termination Method: [Counterparty Election][Automatic][Not Applicable]
- (II) Collateral MTM Trigger: [Applicable][Not Applicable]
- (a) [Collateral MTM Trigger Percentage: [•] per cent.]
- (b) Termination Method: [Counterparty Election][Automatic][Not Applicable]
- (iii) Credit Support Annex: [Applicable - Issuer]
[Applicable - Note Swap Counterparty]
[Applicable - Issuer and Note Swap Counterparty]
[Not Applicable]
- (iv) Note Repo Agreement: [Applicable - Repo]
[Applicable – Reverse Repo]
[Applicable – Repo and Reverse Repo]
[Not Applicable]
- [Purchased Securities:] [The Purchased Securities shall comprise [[•] in principal amount of an issue by [insert name of issuer] of [insert description of the underlying assets] identified below:
(Include for Reverse Repos (or Repo and Reverse Repo) only)
- Issuer of Purchased [•]
Securities:
Address: [•]
- (Only applicable if the Notes are to be listed on a regulated market by way of a series*

prospectus)

Country of incorporation: [•]
(Only applicable if the Notes are to be listed on a regulated market by way of a series prospectus)

Nature of business: [•]
(Only applicable if the Notes are to be listed on a regulated market by way of a series prospectus)

Asset:

ISIN: [•]

Bloomberg Ticker: [•]

Coupon: [•]

Maturity: [•]

Currency: [•]

Governing Law: [•]

Admission to [Main Market of the Irish Stock Exchange]
trading/listing: [Other regulated market - specify]
[New York Stock Exchange]
[Tokyo Stock Exchange]]
(Where the Purchased Securities comprise equity securities, include date of establishment of the market, how price information is published, an indication of daily trading volumes, information as to the standing of the market in the

country, the name of market's regulatory authority and the frequency with which prices of the Purchased Securities are published)
(Only applicable if the Notes are to be listed on a regulated market by way of a series prospectus)

PROVISIONS RELATING TO REDEMPTION

41	Noteholder Priority:	[Applicable][Not Applicable]
42	Note Swap/Note Repo Counterparty Priority:	[Applicable][Not Applicable]
43	Final Redemption Amount of each Note:	[[•] per Calculation Amount][Not Applicable]
44	Redemption by Instalments:	[Specify Instalment Amounts, Instalment Dates and any other provisions relating to Notes that are redeemed by instalments][Not Applicable]
45	[Early Redemption Amount:	[•]]
46	Inflation Linked Redemption:	[Applicable][Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Inflation Index:	[•]
	(ii) Inflation Index Sponsor:	[•]
	(iii) Related Bond:	[•][Not Applicable]
	(iv) Fallback Bond:	[Applicable][Not Applicable]
	(v) Reference Month _(Initial) :	[•]
	(vi) Reference Month _(Final) :	[•]
	(vii) Redemption Calculation Amount:	[•]
	(viii) Strike Price:	[•]
	(ix) Leverage:	[•]
	(x) Cap:	[•]
	(xi) Floor:	[•]
47	Credit Event Redemption Method:	[Auction Redemption Fallback Redemption Method: [Cash Redemption][Physical Redemption]] [Physical Redemption] [Cash Redemption]

[Principal Protected Redemption]

[Fixed Recovery Redemption]

[Not Applicable]

(If not applicable, delete provisions relating to Credit Linked Notes)

PROVISIONS RELATING TO CREDIT LINKED NOTES

- 48 Type of Credit Linked Notes: [Single Name Credit Linked Notes]
[Linear Basket Credit Linked Notes]
Fixed Recovery Credit Linked Notes or Principal Protected Credit Linked Notes: [Fixed Recovery Credit Linked Notes]
[Principal Protected Credit Linked Notes]
[Not Applicable]
- 49 Principal Protected Amount: [[•] per cent.][Final Redemption Amount][Not Applicable]
(Specify a percentage if "Principal Protected Redemption" is the Credit Event Redemption Method. Otherwise specify Not applicable.)
- 50 Fixed Recovery Percentage: [[•] per cent.][Not Applicable]
(Specify a percentage if "Fixed Recovery Redemption" is the Credit Event Redemption Method. Otherwise specify Not applicable.)
- 51 Credit Event Accrued Interest: [Applicable][Not Applicable]
- 52 Reference Entit(y)(ies)[, Weighting and Reference Entity Notional Amount *(Insert Weighting and Reference Entity Notional Amount for Linear Basket Credit Linked Notes)*]: [Specify]
- Seniority Level: [[Senior Level][Subordinated Level]] *(Insert for Single Name Credit Linked Notes)*
(Insert below table for Linear Basket Credit Linked Notes)

Reference Entity:	Weighting:	Reference Entity Notional Amount:	Seniority Level:
[Specify]	[Specify]	[Specify]	[Senior Level] [Subordinated Level]
[Specify]	[Specify]	[Specify]	[Senior Level] [Subordinated Level]

[Specify for each Reference Entity: (i) name and (specify the following if the Notes are to be listed

		on a regulated market by way of a series prospectus) (ii) address, (iii) country of incorporation, (iv) nature of business and (v) market on which admitted to trading/listing (which may be one of any regulated market or the New York Stock Exchange or the Tokyo Stock Exchange)]
		(Repeat rows as necessary)
	[Subordinated Reference Entity:	[•]] (Specify where there is more than one Reference Obligation for a Reference Entity and not all of such Reference Obligations are Subordinated Reference Obligations)
53	Standard Reference Obligation(s):	[Applicable][Not Applicable] (Where Applicable, specify Reference Obligation(s) below if the fallback to a Non-Standard Reference Obligation under paragraph (c) of the definition of "Reference Obligation" is to apply. For Linear Basket Credit Linked Notes insert the Non-Standard Reference Obligation for each Reference Entity)
54	Reference Obligation(s):	[Specify Reference Obligation(s)] (For Linear Basket Credit Linked Notes, insert the Reference Obligation for each Reference Entity)
55	Obligation(s):	
	Obligation Category:	(Select one only) [Payment] [Borrowed Money] [Reference Obligation Only] [Bond] [Loan] [Bond or Loan]
	Obligation Characteristics:	(Select all of which apply) [Not Subordinated] [Specified Currency[: [•]] (Specify unless the fallback in the definition of "Specified Currency" applies)] [Not Sovereign Lender] [Not Domestic Currency[: [•]] (Specify unless the fallback in the definition of "Specified Currency" applies)] [Not Domestic Law] [Listed]

			[Not Domestic Issuance]
			[None]
	Excluded Obligation(s):		[Specify][Not Applicable]
	All Guarantees:		[Applicable][Not Applicable]
56	Deliverable Obligations:		
	Deliverable Obligation Category:		(Select one only)
			[Payment]
			[Borrowed Money]
			[Reference Obligation Only]
			[Bond]
			[Loan]
			[Bond or Loan]
	Deliverable Obligation Characteristics:		(Select all of which apply)
			[Not Subordinated]
			[Specified Currency[: [•] (Specify unless the fallback in the definition of "Specified Currency" applies)]]
			[Not Sovereign Lender]
			[Not Domestic Currency]
			[Domestic Currency means[: [•] (Specify unless the fallback in the definition of "Domestic Currency in the Credit Linked Asset Conditions applies)]]
			[Not Domestic Law]
			[Listed]
			[Not Domestic Issuance]
			[Assignable Loan]
			[Partial Cash Redemption of Assignable Loans: [Applicable][Not Applicable]]
			[Consent Required Loan]
			[Partial Cash Redemption of Consent Required Loans: [Applicable][Not Applicable]]
			[Direct Loan Participation]
			[Partial Cash Redemption of Participation: [Applicable][Not Applicable]]
			[Transferable]
			[Maximum Maturity [of [•] years] (Specify if default is not to apply)]

				[Accelerated or Matured]
				[Not Bearer]
				[Together with <i>[Specify other obligation applicable for each Reference Entity other than those determined by reference to Obligation Category and Obligation Characteristics]</i>]
	Excluded Obligation(s):	Deliverable		[Specify][Not Applicable]
	All Guarantees:			[Applicable][Not Applicable]
	Deliverable Obligation Long-stop Date:	Notice		[Specify number of calendar days][As per the Credit Linked Asset Conditions]
57	Financial Reference Entity Terms:			[Applicable][Not Applicable]
58	Subordinated European Insurance Terms:			[Applicable][Not Applicable]
59	Sovereign Reference Entity No Asset Package Delivery:			[Applicable][Not Applicable]
60	Coco Supplementary Provisions:			[Applicable][Not Applicable]
	[Trigger Percentage:			[•]]
61	Asset Package Delivery:			[Applicable][Not Applicable]
62	Credit Events:			[Bankruptcy]
				[Failure to Pay]
				[Payment Requirement: [[•] or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant failure to pay][As per the Credit Linked Asset Conditions]]
				[Grace Period Extension: [Applicable][Not Applicable]]
				[Grace Period: <i>[Specify]</i>][As per the Credit Linked Asset Conditions]]
				[Governmental Intervention]
				[Obligation Acceleration]
				[Obligation Default]
				[Repudiation/Moratorium]
				[Restructuring]
				[Restructuring Maturity Limitation and Fully Transferable Obligation: [Applicable][Not Applicable]]
				[Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation: [Applicable][Not applicable]]

		[Mod R: [Applicable][Not Applicable]]
		[Mod Mod R: [Applicable][Not Applicable]]
		[Multiple Holder Obligation: [Applicable][Not Applicable]]
		[Multiple Deliveries: [Applicable][Not Applicable]]
		(Select all that apply)
	Default Requirement:	[Specify][As per the Credit Linked Asset Conditions]
	Notice of Publicly Available Information:	[Not Applicable] (Note that it is not necessary to specify "Applicable" as the default position under the Credit Linked Asset Conditions is for a Notice of Publicly Available Information to apply)
		[Public Source(s): [Specify][As per the Credit Linked Asset Conditions]]
		[Specified Number: [Specify][As per the Credit Linked Asset Conditions]]
63	Credit Observation End Date:	[•][As per the Credit Linked Asset Conditions]
64	Event Determination Date Version B:	[Applicable][Not Applicable] (Specify Event Determination Date Version B as applicable where the hedging CDS has only one Notifying Party (i.e. "Buyer" or "Seller" is specified as the Notifying Party). Otherwise specify "Not Applicable" and the Event Determination Date provisions which are equivalent to having two Notifying Parties under a CDS will apply)
65	Auction Redemption Terms (Delete if Auction Redemption is not specified as the Credit Event Redemption Method)	
	Auction Redemption Amount:	[Specify if an alternative to that set out in the Credit Linked Asset Conditions is to apply][As per the Credit Linked Asset Conditions] (Delete row if the Notes are to be listed on a regulated market by way of a Series Prospectus)
66	Cash Redemption Terms (Delete if Cash Redemption is not specified as the Credit Event Redemption Method or Fallback Redemption Method)	
	Cash Redemption Amount:	[Specify if an alternative to that set out in the Credit Linked Asset Conditions is to apply][As per the Credit Linked Asset Conditions] (Delete row if the Notes are to be listed on a regulated market by way of a Series Prospectus)
	Cash Redemption Date:	[[•] Business Days following the relevant date specified in the Credit Linked Asset Conditions][As

	per the Credit Linked Asset Conditions]
Valuation Date(s):	[Single Valuation Date Number of Business Days: <i>[Specify]</i> [As per the Credit Linked Asset Conditions]] [Multiple Valuation Dates: [•] Business Days and each [•] Business Days thereafter [Number of Valuation Dates: [•]]]
Valuation Time:	<i>[Specify]</i> [As per the Credit Linked Asset Conditions]
Valuation Method:	[Market][Highest][Lowest] [Average Market][Highest]/[Average Highest]
Indicative Quotation:	[Applicable][Not Applicable]
Quotation Method:	[Bid][Offer][Mid-market]
Minimum Quotation Amount:	[•]
Quotation Dealers:	<i>[Specify]</i> [As per the Credit Linked Asset Conditions]
Accrued Interest:	[Include Accrued Interest][Exclude Accrued Interest][As per Credit Linked Asset Condition 7(b)(ii)III]
67	Physical Redemption Terms <i>(Delete if Physical Redemption is not specified as the Credit Event Redemption Method or Fallback Redemption Method)</i> Physical Settlement Period: [[•] Business Days][As per the Credit Linked Asset Conditions] Settlement Currency: [•] [Include Accrued Interest: [Applicable] [Fallback Cash Redemption: [Applicable][Not Applicable] <i>(For the purposes of Credit Linked Asset Conditions 6(a)(vi) (Physical Redemption Assets) and 9(b) (Continuing Redemption Failure Event))</i>
68	Physical Settlement Matrix Standard Terms: [Applicable][Not Applicable] [Physical Settlement Matrix: <i>[Specify]</i> [As per the Credit Linked Asset Conditions] [Transaction Type(s): <i>[Specify]</i>]
69	Partial Cash Redemption Terms/Fallback Cash Redemption: [Applicable][Not Applicable] Valuation Time: <i>[Specify]</i> [As per the Credit Linked Asset Conditions]
70	Additional Disruption Events: [Applicable][Not Applicable] [Change in Law]

		[Hedging Disruption] [Force Majeure] [Illegality] [Increased Cost of Hedging] (Specify all that apply)
71	Credit Event Unwind Costs:	[Applicable][Not Applicable]
GENERAL PROVISIONS APPLICABLE TO THE NOTES		
72	Form of Notes:	[Bearer Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note] [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]] [Registered Notes: [Certificate other than Global Notes] [Global Certificate exchangeable for Certificates in the limited circumstances specified in the Global Certificate]]
73	Applicable TEFRA exemption:	[TEFRA C][TEFRA D][TEFRA Not Applicable]
74	New Global Note:	[Yes][No]
75	Financial Centre(s) or other special provisions relating to payment dates:	[Not Applicable][Give details]. (Note that this paragraph relates to the date and place of payment, and not interest period end dates)
76	Reference Business Day:	[TARGET][TARGET Settlement Day][Specify place(s)]
77	Other Note Transaction Documents:	[Not Applicable][Specify details] (Delete row if the Notes are to be listed on a regulated market by way of a Series Prospectus)
78	Agents:	
	(i) Calculation Agent:	(Insert name and specified office of institution)
	(ii) Custodian:	(Insert name and specified office of institution)
	(iii) Issuing and Paying Agent:	(Insert name and specified office of institution)
	(iv) Additional Paying Agent(s):	(Insert name and specified office of institution)
	(v) Registrar:	(Insert name and specified office of institution)
	(vi) Transfer Agent(s):	(Insert name and specified office of institution)
	(vii) Disposal Agent:	(Insert name and specified office of institution)
DISTRIBUTION		
79	(i) Syndicated or non-syndicated:	[Syndicated][Non-syndicated]

- (ii) Name(s) of Dealer/Managers: *[Specify Dealer if non-syndicated or list Managers if syndicated]*
- 80 Name of Stabilising Manager: *[Specify if applicable][Not Applicable]*
- 81 Additional Selling Restrictions: *[Specify details][Not Applicable]*
(Delete row if the Notes are to be listed on a regulated market by way of a Series Prospectus)

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this applicable Pricing Supplement.

The information set out in paragraph [●] (the “**Third Party Information**”) has been extracted from *[specify source]*. The Issuer confirms that the Third Party Information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by *[specify source]*, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Issuer has not conducted extensive due diligence on the Third Party Information or made any enquiries as to its own possession of non-publicly available information.]

(Only required for Notes that are being listed)

Signed on behalf of Arion Securities Limited:

By:
Duly authorised

PART B – OTHER INFORMATION

For the avoidance of doubt, the other information contained in this Part B of the Pricing Supplement does not form part of the Conditions.

1. LISTING:

Listing and admission to trading:	<p>[Not Applicable]</p> <p>[Application has been made for the Notes to be admitted to [●] and for the Notes to be admitted to trading on [●].]</p> <p><i>(Insert specifications if Notes are to be listed and admitted to trading on any stock exchange. Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading.)</i></p>
Estimate of total expenses related to admission to trading:	<p>[Not Applicable]</p> <p>[●]</p>

2. RATINGS:

Ratings:	<p>[The Notes are expected to be rated by Moody's Investors Service Ltd. [on or shortly after the Issue Date]. However, there can be no assurance that the Issuer will be able to obtain a rating of the Notes or that such rating will be maintained.</p> <p>Moody's Investors Service Ltd. is established in the European Union and registered under the Regulation (EC) No1060/2009.]</p> <p>[Not Applicable]</p>
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3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER:]

[Include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

(If no conflicts have been disclosed, delete entire Section 3. If conflicts have been discussed, reference should be to the section of the relevant document where such conflicts were disclosed.)

(Only include where Notes are being listed.)

5. [Fixed Rate Notes only – YIELD:

Indication of yield:	<p>[●]</p> <p>The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]</p>
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6. OTHER POST-ISSUANCE INFORMATION

[The Issuer does not intend to provide any post-issuance reporting.]

7. AUTHORISATION

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on [●].

8. OPERATIONAL INFORMATION

ISIN Code:	[●]
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Common Code:	[●]
Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking or DTC, <i>société anonyme</i> and the relevant identification number(s):	[Not Applicable][Specify name(s) and number(s) [and address(es)]]
Intended to be held in a manner which would allow Eurosystem eligibility:	<p>[Yes][No]</p> <p>[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and, in the case of Registered Notes, registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.] <i>(Include this text if “Yes” selected, in which case bearer Notes must be issued in NGN form. Note that “Yes” can only be selected if the Issuer is established in the European Economic Area.)</i></p> <p>[Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper and, in the case of Registered Notes, registered in the name of a nominee of one of the ICSDs acting as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.] <i>(Include this text if “No” is selected.)</i></p>

ANNEX 3

FINANCIAL STATEMENTS

The page numbering in the Issuer's financial statements set out in this Annex follows the page numbering in such financial statements and not the page numbering in this Base Prospectus.

ARION SECURITIES LIMITED
REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD 10 OCTOBER 2013 TO 30 SEPTEMBER 2014

ARION SECURITIES LIMITED
PERIOD ENDED 30 SEPTEMBER 2014

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ARION SECURITIES LIMITED
PERIOD ENDED 30 SEPTEMBER 2014
DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the period ended 30 September 2014.

INCORPORATION

Arion Securities Limited ("the Company") was incorporated as a public company in Jersey, Channel Islands on 10 October 2013.

PRINCIPAL ACTIVITIES

The principal activity of the Company is to issue secured notes under a recourse secured note programme arranged by Lloyds Bank plc. The Company has been dormant to date.

RESULTS AND DIVIDENDS

The Company did not generate any income during the period and all expenses were met by a third party therefore the results for the period as set out on page 6 show a total comprehensive income of nil.

DIRECTORS

The Directors who served throughout the period and subsequently to the date of this report are as follows: -

Elizabeth Ann Mills (appointed 10 October 2013)

David Richard King (appointed 17 October 2013)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies (Jersey) Law, 1991 to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company at that time and to enable them to ensure that any financial statements comply with the Companies (Jersey) Law, 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

ARION SECURITIES LIMITED
PERIOD ENDED 30 SEPTEMBER 2014
DIRECTORS' REPORT (CONTINUED)

INDEPENDENT AUDITOR

PricewaterhouseCoopers CI LLP Limited were appointed as auditor of the Company on 6 December 2013.

SECRETARY

The Secretary of the Company at 30 September 2014 and subsequently to the date of this report is Structured Finance Management Offshore Limited.

Approved by the Board of Directors on 10 December 2014
and signed on behalf of the Board



Structured Finance Management Offshore Limited
Company Secretary

Date: 10/12/14

Registered Office

47 Esplanade
St Helier
Jersey
JE1 0BD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARION SECURITIES LIMITED

Report on the financial statements

We have audited the accompanying financial statements of Arion Securities Limited ("the Company") which comprise the statement of financial position as of 30 September 2014 and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and with the requirements of Jersey law. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 30 September 2014, and of its financial performance for the period then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Report on other legal and regulatory requirements


We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

In our opinion the information given in the directors' report is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARION SECURITIES LIMITED (Continued)

Report on other legal and regulatory requirements (Continued)

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



James de Veulle
For and on behalf of PricewaterhouseCoopers CI LLP
Chartered Accountants
Jersey, Channel Islands
10 December 2014

ARION SECURITIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
PERIOD ENDED 30 SEPTEMBER 2014


	10 Oct 13 to 30 Sep 14 £
Income	<hr/> - -
Expenses	<hr/> - - <hr/>
Total comprehensive income for the period	<hr/> <hr/> -

The notes on pages 10 to 12 form part of these financial statements

ARION SECURITIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014

	Notes	30-Sep-14 £
CURRENT ASSETS		
Cash		<u>2</u>
		<u>2</u>
EQUITY		
Equity share capital	3	<u>2</u>
		<u>2</u>

The financial statements on pages 6 to 12 were approved and authorised for issue by the Board of Directors on 10 December 2014 and were signed on its behalf by:



Director

The notes on pages 10 to 12 form part of these financial statements

ARION SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY
PERIOD ENDED 30 SEPTEMBER 2014

	Share Capital £	Retained Earnings £	Total £
Balance as at 10 October 2013	-	-	-
Issue of share capital	2	-	2
Total comprehensive income for the period	-	-	-
	<hr/>	<hr/>	<hr/>
Balance as at 30 September 2014	2	-	2
	<hr/>	<hr/>	<hr/>

ARION SECURITIES LIMITED
STATEMENT OF CASH FLOWS
PERIOD ENDED 30 SEPTEMBER 2014

	30-Sep-14 £
Cash flows from operating activities	
Total comprehensive income for the period	-
	<hr/>
Operating profit before changes in working capital	-
	<hr/>
Cash flows from financing activities	
Issued share capital	2
	<hr/>
Net cash used in financing activities	2
	<hr/>
Net increase in cash	2
Cash at the beginning of the period	-
	<hr/>
Cash at the end of the period	2
	<hr/> <hr/>

ARION SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2014

1 GENERAL INFORMATION

Arion Securities Limited ("the Company") is a Limited Liability Company whose principal place of business is at 47 Esplanade, St. Helier, Jersey JE1 0BD and was incorporated as a Company under the Companies (Jersey) Law, 1991, as amended.

2 ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared on a going concern basis, applying historical cost convention.

The preparation of the financial statements under IFRS requires the Directors to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on the Directors' best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted.

Standards issued but not yet effective up to the date of issuance of these financial statements are listed below. This listing of standards and interpretations issued are those that the Directors consider relevant to the Company. The Directors intend to adopt these standards when they become effective.

IFRS 9 Financial Instruments: Classification and Measurement

Effective Date
1 January 2018

There are no other IFRS or interpretations that are not yet effective that would be expected to have a material impact on the Company.

In the opinion of the Directors, adoption of the above standards would have no material effect in the Company's financial statements.

Standards amendments and interpretations to existing standards that are effective and have been adopted.

The following standards have been adopted by the Company for the first time for the financial period beginning on or after 10 October 2013:

IFRS 13, 'Fair Value Measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs.

General expenses

The general expenses of the Company are paid by a third party and consequently not recognised within these financial statements.

All the expenses of the Company are borne by Lloyds Bank plc who act as Calculation Agent and Arranger for the Company.

Taxation

Profits arising for the Company are subject to Jersey Income Tax at a rate of 0%.

ARION SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
PERIOD ENDED 30 SEPTEMBER 2014

2 ACCOUNTING POLICIES (CONTINUED)

Cash

Cash is represented by cash in hand.

Functional and presentational currency

The functional currency of the Company is Pound Sterling ("£"), the currency of the primary economic environment in which the Company operates. The reporting currency of the Company for accounting purposes is also Pound Sterling.

Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Going Concern

The Directors have prepared the financial statements on a going concern basis as all of the operating expenses of the Company are borne by Lloyds Bank plc. who act as the Arranger and Calculation Agent for the Company in accordance with the Multi Issuer Limited Resource Secured Note Programme arranged by Lloyds Bank plc. The Company has no amounts outstanding due to the Arranger in this respect. In addition, any liabilities due by the Company to the holder of the Residual Certificates as a result of its issuance of notes in the future are limited in recourse to the amounts receivable from the investments. Accordingly the Directors are satisfied that the Company will be able to settle its liabilities as they fall due and continue in existence for

3 EQUITY SHARE CAPITAL

30-Sep-14

Authorised

Ordinary shares of £1 each

10,000

£

Allotted, called up and fully paid

2 ordinary shares of £1 each

2

4 OWNERSHIP

The shares are held on trust for charitable purposes. The Directors consider the ultimate controlling party to be Structured Finance Management Offshore Limited ("SFMOL") as Trustee of The Arion Securities Charitable Trust.

5 RISK MANAGEMENT

The Company's investment activities expose it to various types of risk, which are associated with the financial instruments in which it intends to invest. These activities will expose the Company, in varying degrees, to elements of credit, liquidity, currency, interest rate and other price risk. The Company's risk management policies employed to manage these risks are discussed below.

Interest rate risk

As the Company has no significant interest bearing assets or liabilities, and its income and operating cash flows are substantially independent of changes in market interest rates, the risk is minimal.

5 RISK MANAGEMENT (CONTINUED)

Market risk

The Company's exposure to market risk is comprised of the following risks:

a) Foreign exchange risk

The Company is not exposed to any material foreign exchange risk as the majority of the Company's transactions are in Pound Sterling which is the Company's functional and presentational currency.

b) Cash flow and interest rate risk

As the Company has no significant interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

Capital risk

When managing capital, the Company's objectives are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company aims to deliver these objectives by achieving consistent returns from its assets and maintaining sufficient liquidity with financial support from the Trustees of the Arion Securities Charitable Trust.

6 RELATED PARTY TRANSACTIONS

D R King and E A Mills, Directors of Arion Securities Limited are also Directors of Structured Finance Management Offshore Limited who provide ongoing administrative services to the Company at normal commercial rates. During the period £11,703 was payable to Structured Finance Management Offshore Limited in respect of services of which £nil was outstanding at the period end. However, these amounts were met directly by a third party and consequently not recognised within these financial statements.

7 AUDITOR REMUNERATION

Audit fees payable for the period amounted to £12,000. These fees are met directly by a third party and consequently not recognised within these financial statements.

Issuer
Arion Securities Limited
47 Esplanade
St Helier
Jersey JE1 0BD

Trustee
BNY Mellon Corporate Trustee Services Limited
One Canada Square
London E14 5AL
United Kingdom

Issuing and Paying Agent
The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Registrar, Paying Agent and Transfer Agent
The Bank of New York Mellon (Luxembourg) S.A.
Vertigo Building – Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

Custodian
The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Calculation Agent
The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Lloyds Bank plc
25 Gresham Street
London EC2V 7HN
United Kingdom

Arranger
Lloyds Bank plc
25 Gresham Street
London EC2V 7HN
United Kingdom

Listing Agent
Arthur Cox Listing Services Limited
Earlsfort Centre
Earlsfort Terrace
Dublin 2
Ireland

Legal Advisers
*to the Arranger and the Trustee
in respect of English law*

Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

*to the Arranger
in respect of Jersey law*

Carey Olsen
47 Esplanade
St Helier
Jersey JE1 0BD

A19024414