

FIRST SUPPLEMENT DATED 23 DECEMBER 2013 TO THE LISTING PARTICULARS DATED 29 JULY 2013

SANTANDER INTERNATIONAL PRODUCTS PUBLIC LIMITED COMPANY
(Incorporated with limited liability in Ireland but with its tax residence in the Kingdom of Spain)

EUR 10,000,000,000 Euro Medium Term Note Programme

guaranteed by

BANCO SANTANDER, S.A.
(Incorporated with limited liability in the Kingdom of Spain)

This Supplement (the "**Supplement**") to the Listing Particulars (the "**Listing Particulars**") dated 29 July 2013, which comprises a supplementary listing particulars for the purposes of the Listing Rules of the Global Exchange Market ("**GEM**") and has been approved by the Irish Stock Exchange, is prepared in connection with the EUR10,000,000,000 Euro Medium Term Note Programme (the "**Programme**") established by Santander International Products plc (the "**Issuer**"). Terms defined in the Listing Particulars have the same meaning when used in this Supplement.

The Listing Particulars, together with a Base Prospectus dated 29 July 2013 (the "**Base Prospectus**"), which has been approved by the Central Bank of Ireland (the "**Central Bank**") as competent authority under the Prospectus Directive 2003/71/EC (as amended) (the "**Prospectus Directive**"), comprise an Offering Circular in respect of the Programme. **This Supplement has not been approved by the Central Bank in accordance with the Prospectus Directive and is not intended to supplement the Base Prospectus.**

This Supplement is supplemental to, and should be read in conjunction with, the Listing Particulars.

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

The purpose of this Supplement is (a) to amend the risk factors contained in the Listing Particulars in respect of credit linked notes ("**Credit Linked Notes**") which may be issued pursuant to the Programme, from time to time, (b) to amend the Terms and Conditions of the Notes in respect of the issuance of Credit Linked Notes and (c) to restate the Pro Forma Pricing Supplement.

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AMENDMENTS TO THE RISK FACTORS

The section entitled "*Risk Factors*" as set out on pages 11 to 43 of the Listing Particulars will be amended as follows:

1. the following risk factor is inserted immediately following the final paragraph of the risk factor entitled "***General Considerations***" on page 13:

"Notes that are linked to a reference item and/or the obligations of a Reference Entity (as defined below) may be principal (or capital) protected or non-principal (or capital) protected at maturity. Investors in Notes which are not principal (or capital) protected may risk losing their entire investment (including the loss of any transaction costs paid by the investor) if the value of the reference item and/or obligation of a Reference Entity does not move in the anticipated direction. If the Notes are specified in the applicable Pricing Supplement as having a minimum redemption amount, such Notes are principal (or capital) protected at maturity only and only to such extent. If Notes are redeemed or sold before their scheduled maturity or expiration, they may return less than the minimum redemption amount, the amount invested or even zero. In addition amounts payable may be subject to deductions for taxes or expenses.

Investors should note that certain Notes linked to the performance of the reference items or obligations of the Reference Entity, as the case may be, may not benefit from a minimum redemption amount or minimum cash settlement amount and investors may receive less than the initial investment amount of the Notes and investors are exposed to the full loss of their investment (including the loss of any transaction costs paid by the investor)."

2. the risk factor on page 14 of the Listing Particulars entitled "***Certain Factors Affecting the Value and Trading Price of Structured Notes***" is deleted and replaced with the following:

"Generally, Structured Notes offer investment diversification opportunities, but also pose some additional risks with regard to interim value. The interim value of the Structured Notes varies with the price and is affected by a number of other factors, including but not limited to:

- (i) market interest rates;
- (ii) fluctuations in currency exchange rates;
- (iii) fluctuations in commodities prices;
- (iv) the liquidity of the Structured Notes or any reference item(s) in the secondary market;
- (v) the time remaining to any redemption date or the maturity date;
- (vi) where the reference item(s) is/are credit linked, the creditworthiness of the specified reference entity or entities; and
- (vii) economic, financial and political events in one or more jurisdictions, including factors affecting capital markets generally and the stock exchange(s) on which the Structured Notes may be traded.

There can be no assurance that a Noteholder will be able to sell any Structured Notes prior to maturity at a price equal to or greater than the market value of the Structured Notes on the Issue Date and such Holder may only be able to sell Structured Notes at a discount, which may be substantial."

3. **THE FOLLOWING NEW RISK FACTORS ARE INSERTED IMMEDIATELY FOLLOWING THE RISK FACTOR ENTITLED "MARKET DISRUPTION EVENT, DISRUPTED DAY, ADJUSTMENTS AND EARLY REDEMPTION NOTES" ON PAGE 22 OF THE LISTING PARTICULARS:**

"General risks relating to Credit Linked Notes

The Issuer may issue Credit Linked Notes where the amount of principal and/or interest payable is dependent upon whether certain events (each a "**Credit Event**") have occurred in respect of one or more specified entities (a "**Reference Entity**") and, if so, on the value of certain specified assets ("**Reference Obligations**") of the Reference Entity or where, if such events have occurred, on redemption the Issuer's obligation is to deliver certain specified assets ("**Deliverable Obligations**"). In certain circumstances the Calculation Agent may determine Valuation Obligations in a similar manner to Deliverable Obligations. In such case, the Valuation Obligations, as determined by the Calculation Agent, would be used to determine the Final Price. All references in this section to Reference Obligations shall be deemed to include Valuation Obligations, as applicable.

Potential investors in Credit Linked Notes should be aware that, depending on the terms of the Credit Linked Notes, (i) they may receive no or a limited amount of interest, (ii) the occurrence of a Credit Event may result in an early redemption of their Notes, (iii) payment of principal or interest or delivery of any specified assets may occur at a different time than expected, and (iv) they may lose all or a substantial portion of their investment.

There may exist at times only small or no markets for the Notes and for the obligations of the Reference Entity to which the Notes are linked, resulting in low or non-existent volumes of trading in the Notes and such obligations, and therefore a lack of liquidity and price volatility of the Notes and such obligations.

In selecting any Reference Obligations hereunder, the Calculation Agent is under no obligation to the Noteholders or any other person and, provided that the obligation selected meets the applicable criteria (if any), is entitled, and indeed will endeavour, to select obligations with the lowest or highest price (depending on who is the buyer) of any obligations which meet such criteria. In making any selection, the Calculation Agent will not be liable to account to the Noteholders 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 selecting any substitute Reference Entity, any Valuation Date, any Quotation Amount or any Valuation Time or in making any other selection in accordance with the terms of the Notes, the Calculation Agent is under no obligation to the Noteholders or any other person and provided that the relevant selection meets the criteria specified, the Calculation Agent will not be liable to account to the Noteholders 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, the Issuer, the Guarantor and their affiliates may, for their own account and for the account of customers, engage in any kind of transactions and other business directly or indirectly involving a Reference Entity and may act with respect to such business in the same manner as it would if the Notes had not been issued, regardless of whether any such action might have an adverse effect directly or indirectly on a Reference Entity. The Issuer and its affiliates may on the Issue Date of the Notes or at any time thereafter be in possession of information in relation to a Reference Entity that is or may be material in the context of the issue of Notes and that may not be publicly available or known to the purchasers. There is no obligation on the part of the Issuer, the Guarantor or their affiliates to disclose to the Noteholders any such relationship or information.

Upon the occurrence of a Credit Event, there is a risk of the loss of a substantial portion, or all, of the principal amount of the Notes. If a Credit Event Notice is served in connection with a Credit Event of a Reference Entity, the Notes may be subject to redemption at a price which may be at a considerable discount to par and could be zero. Prospective investors therefore risk losing all principal and interest on the Notes. Noteholders will have no right to vote or exercise any other right or remedy with respect to the Reference Entity(ies) or any of its obligations.

Not all of the Credit Events require an actual default with respect to the Reference Entity's(ies') obligations. Thus, Noteholders could bear losses based on deterioration in the credit of the Reference Entity(ies) short of a default, subject to the provisions set out in the applicable Pricing Supplement. In the case of Additional Credit Events if specified in the applicable Pricing Supplement, including any Pass-Through Event, certain Credit Events may be due to events which are unrelated to the creditworthiness of the Reference Entity. Also, not all of the Credit Events are triggered by events which are easily ascertainable and disputes can and have arisen as to whether a specific event with respect to a Credit Event did or did not constitute a Credit Event. The Calculation Agent's good faith, commercially reasonable determination that a Credit Event has or has not occurred will be binding on the Noteholders. The Calculation Agent's view of whether a Credit Event has occurred may be different from the view of the Noteholders or other financial institutions, rating agencies or commentators.

In the event of a Credit Event, Noteholders may receive Deliverable Obligations which may be in default. In this case, under the terms of the applicable Pricing Supplement, the Issuer will be free to deliver any obligations of the Reference Entity in respect of which such Credit Event has occurred (whether as principal, guarantor or otherwise) which satisfy the requirements for a Deliverable Obligation. Such obligations are likely to be in default at the time of delivery. Further, in selecting such obligations the Issuer will not be required to consider the interests of the Noteholders or mitigate the Noteholders' losses. The Issuer may have complete discretion to select the cheapest obligations of the Reference Entity so long as such obligations satisfy the requirements for a Deliverable Obligation.

The market price of Credit Linked Notes may be volatile and will be affected by, amongst other things, the time remaining to the maturity date and the creditworthiness of the Reference Entity which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

Where the Notes provide for physical delivery or where Auction Settlement is the applicable Settlement Method and physical delivery is the applicable Fallback Settlement Method (each as specified in the applicable Pricing Supplement), the Issuer may determine that the Deliverable Obligations are either (a) assets which for any reason (including, without limitation, failure of the relevant clearance system or due to any law, regulation, court order or market conditions or the non-receipt of any requisite consents with respect to the delivery of assets which are loans) it is impossible or illegal to deliver on the Physical Settlement Date, or (b) assets which the Issuer and/or any affiliate has not received under the terms of any transaction entered into by the Issuer and/or such affiliate to hedge the Issuer's obligations in respect of the Notes. Any such determination may delay settlement in respect of the Notes and/or cause the obligation to deliver such specified assets to be replaced by an obligation to pay a cash amount which, in either case, may affect the value of the Notes and, in the case of payment of a cash amount, will affect the timing of the valuation of such Notes and, as a result, the amount of the relevant amount payable on redemption. Whether and how such provisions apply to the relevant Notes can be ascertained by reading the Credit Linked Conditions in conjunction with the applicable Pricing Supplement.

Upon the occurrence of a Credit Event, the Issuer may, at its option, redeem the relevant Credit Linked Notes in which case the Issuer's obligation to pay principal may be replaced by an obligation to pay other amounts calculated by reference to the value of the Reference Obligation(s) and/or to

deliver the Deliverable Obligation(s) and, upon the payment of such amounts or the delivery of such Deliverable Obligation(s), any claims or rights of the Noteholders relating to payment shall be extinguished. The Issuer's obligations in respect of Credit Linked Notes are not dependent on the existence of credit exposure of the Issuer to a Reference Entity and the Issuer need not itself suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

If so specified in the applicable Pricing Supplement the Issuer may issue certain Portfolio Credit Linked Notes, Portfolio Maturity Settled Credit Linked Notes or first to default Credit Linked Notes. For each such type of Note more than one Reference Entity will be specified and a Noteholder takes credit risk in relation to each such Reference Entity. In the case of Portfolio Credit Linked Notes and Portfolio Maturity Settled Credit Linked Notes a relevant portion of each such Note will be affected by the occurrence of a Credit Event in relation to a relevant Reference Entity and interest, if any, in respect of the Notes will reduce as a result. In the case of Portfolio Credit Linked Notes a partial redemption in cash or by delivery of relevant deliverable obligations may be made as each relevant Credit Event occurs, while in the case of Portfolio Maturity Settled Credit Linked Notes amounts in respect of each Credit Event, if any, will be payable at maturity. In the case of first to default Credit Linked Notes, the first Reference Entity in respect of which a Credit Event occurs will lead to redemption of the Notes on the basis described above as though such Notes were Credit Linked Notes relating to a single Reference Entity. It should also be noted that in the case of first to default Credit Linked Notes, the Calculation Agent may in certain circumstances select a substitute Reference Entity which would not otherwise be a successor to the affected Reference Entity but meets certain industry, credit spread and geographical requirements.

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

The Issuer may vary the manner in which a particular series of Notes are redeemed, as specified in the applicable Pricing Supplement. At its sole and absolute discretion, it may elect not to pay the relevant Noteholders the Credit Event Redemption Amount or to deliver or procure delivery of the relevant Deliverable Obligations to the relevant Noteholders, as the case may be, and, in lieu thereof, deliver or procure the delivery of the relevant Deliverable Obligations or make payment of the Credit Event Redemption Amount on the Credit Event Redemption Date to the relevant Noteholders. See Condition 7 (*Redemption, Purchase and Options*) and Credit Linked Condition 23 (*Variation of Settlement*).

In certain circumstances, in the event that the Calculation Agent is unable to identify a Substitute Reference Obligation prior to the Extension Date, the Issuer shall have the right on or after the Extension Date to early redeem the Notes at the Early Redemption Amount (determined by the Calculation Agent taking into account the creditworthiness of the Reference Entity at the time of early redemption) by notice to Noteholders which may have an adverse effect on the value of the Notes.

Pursuant to Credit Linked Condition 22, the Calculation Agent may from time to time amend any provision of the Credit Linked Conditions to incorporate and/or reflect further or alternative documents from time to time published by ISDA with respect to the settlement of credit derivative transactions and/or the operation or application of determinations by the ISDA Credit Derivatives Determinations Committees which the Calculation Agent and the Issuer determine in a commercially reasonable manner are necessary or desirable to reflect or govern market practice for credit derivative transactions. Potential investors should be aware that ISDA's product steering committee for credit derivatives is consulting in relation to proposals to amend the 2003 ISDA Credit Derivatives Definitions (the "**Definitions**"). It is anticipated that these amendments will be introduced via a protocol (the "**Protocol**") that would allow the new terms to apply generally

notwithstanding specific incorporation into trades. It is anticipated however that the Protocol would allow parties to apply some, but not all, of the proposed changes to existing trades. As a consequence, it is possible that the terms of any credit derivative transactions entered into by the Issuer and/or its Affiliates to hedge the Issuer's obligations in respect of the Credit Linked Notes may be amended to partially or fully reflect the Definitions in their amended form and the Calculation Agent may exercise its discretion under Credit Linked Condition 22 to amend the terms of the Credit Linked Conditions (as applicable to any Series of Credit Linked Notes) to reflect such amendments to the hedging arrangements related to such Credit Linked Notes. The extent to which a Credit Linked Note will be affected cannot be determined at this time, but investors should make themselves aware of the terms of the proposed amended Definitions and future publications by ISDA relating to the Definitions.

Whilst there are many similarities between the terms used in this Listing Particulars (in particular, in the Credit Linked Conditions) and the terms used in the Definitions (as supplemented from time to time) there are many substantial differences and a prospective investor should understand that the complete terms and conditions of the Notes are as set out in this Listing Particulars and the applicable Pricing Supplement and that the Definitions are not incorporated by reference herein.

Risks relating to Auction Settlement of Credit Linked Notes

(i) Auction Settlement

Where the Settlement Method specified in the applicable Pricing Supplement in respect of a Series of Notes is Auction Settlement and an Auction Final Price Determination Date occurs, the Auction Final Price will be determined according to an auction procedure set out in the applicable Transaction Auction Settlement Terms, 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 Auction Final Price determined pursuant to an auction may be less than the market value that would otherwise have been determined in respect of the relevant Reference Obligation. The Issuer and the Noteholders may have little or no influence in the outcome of any such auction.

(ii) Auction Final Price and the Issuer's ability to influence the Auction Final Price

If the Notes are redeemed following the occurrence of a Credit Event, the amount payable in respect of the Notes may be determined by reference to the Auction Final Price determined according to an auction procedure set out in the applicable Transaction Auction Settlement Terms. There is a possibility that the Issuer, the Calculation Agent or one of their affiliates would act as a participating bidder in any such auction. In such capacity, it may take certain actions which may influence the Auction Final Price including (without limitation): (a) providing rates of conversion to determine the applicable currency conversion rates to be used to convert any obligations which are not denominated in the auction currency into such currency for the purposes of the auction; and (b) submitting bids, offers and physical settlement requests with respect to the relevant Deliverable Obligations or Valuation Obligations, as applicable. In deciding whether to take any such action (or whether to act as a participating bidder in any auction), neither the Calculation Agent nor any of its affiliates shall be under an obligation to consider the interests of any Noteholders.

(iii) Role of the Credit Derivatives Determinations Committee

In respect of a Credit Event relating to a Credit Linked Note, prospective purchasers should note that the Credit Derivatives Determinations Committee has the power to make binding decisions on critical issues such as whether a Credit Event has occurred, which obligations are to be valued and whether an auction should take place in accordance with and as more fully described in the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to

time in accordance with the terms thereof. Consequently, the payments on the Notes and the timing of any such payments may be affected by any such relevant decisions if Auction Settlement is specified as the applicable Settlement Method for a Series of Notes in the relevant Pricing Supplement.

- (iv) Any "Eligible Market Participant" is permitted to deliver a notice to ISDA pursuant to the Credit Derivatives Determinations Committees Rules

The Credit Derivatives Determinations Committees Rules provide that any "Eligible Market Participant", is permitted to deliver a notice to ISDA requesting that the Credit Derivatives Determinations Committee resolves certain matters in respect of a relevant credit derivatives transaction, including those as set out in the definitions of "Credit Event Resolution Request Date", "Repudiation/Moratorium Extension Condition" and "Succession Event Resolution Request Date" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) below. An Eligible Market Participant is any party that is a party to a credit derivatives transaction that has, or is deemed to have, incorporated the "2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions" or the "2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions" in a confirmation (which may include, where applicable, the Issuer, the Calculation Agent or one of their affiliates). The delivery of any such notice and any subsequent resolution made by the Credit Derivatives Determinations Committee may affect the rights of Noteholders to receive payments of interests and principal under the relevant Notes, including a reduction in those payments and/or such payments being made on a date which is earlier or later than would otherwise be the case. Subject to regulatory obligations, none of the Issuer or the Calculation Agent or any of its affiliates will take into account interests of Noteholders if acting as an Eligible Market Participant.

- (v) Credit Event and Succession Event Backstop Dates

In respect of a Credit Event relating to a Series of Credit Linked Notes, a Credit Event will not be determined by the Credit Derivatives Determinations Committee unless a request is submitted to ISDA for the relevant Credit Derivatives Determinations Committee to consider whether the relevant event constitutes a Credit Event within sixty (60) calendar days of the occurrence of such potential Credit Event unless a Credit Event Determination Date has already occurred with respect to such event. For Succession Events the look-back period is ninety (90) calendar days and functions similarly. These provisions mean that there is a time limit on the ability to act on a Credit Event or Succession Event and that it is possible that the Notes could be affected by a Credit Event or Succession Event that took place prior to the Trade Date if Auction Settlement is specified as the applicable Settlement Method for a Series of Notes in the relevant Pricing Supplement.

- (vi) Settlement Suspension, Adjustments and Interest Provisions

The Credit Linked Conditions provide that, if, following the determination of a Credit Event Determination Date in accordance with sub-paragraph (a) of the definition of Credit Event Determination Date but prior to the Physical Settlement Date or, to the extent applicable, a Valuation Date, ISDA publicly announces that the conditions to convening a Credit Derivatives Determinations Committee to determine the occurrence of a Credit Event have been met, the Calculation Agent may at its option determine that the applicable timing requirements of the Credit Linked Conditions and the definitions of Credit Event Redemption Date, Valuation Date, Physical Settlement Period, and any other Credit Linked Condition as determined by the Calculation Agent in its sole discretion, shall toll and be suspended and remain suspended (such period of suspension, a "**Suspension Period**") until such time as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has resolved (a) that a Credit Event has or has not occurred or (b) not to determine such matters. Once ISDA has publicly announced that the relevant

Credit Derivatives Determinations Committee has made such resolution, the relevant timing requirements of the Credit Linked Conditions that have previously tolled or been suspended shall resume on the Business Day following such public announcement by ISDA.

In the event of any such Suspension Period, the Calculation Agent may make (i) such consequential or other adjustment(s) or determination(s) to or in relation to the Credit Linked Conditions as may be desirable or required either during or following any relevant Suspension Period to account for or reflect such suspension and (ii) determine the effective date of such adjustment(s) or determination(s).

In the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated in accordance with Note Condition 6 (*Interest Provisions*) and the Credit Linked Conditions provided that:

- (a) if a Suspension Period falls in any one or more Interest Period(s), then no interest shall accrue during each portion of an Interest Period during which a Suspension Period exists; and
 - (b) if an Interest Payment Date falls in a Suspension Period, such Interest Payment Date will be deferred until after the end of the Suspension Period.
- (vii) Amendment of Credit Linked Conditions in accordance with the terms of the Notes

In addition to any amendments the Calculation Agent may make from time to time to the provisions of the Credit Linked Conditions in accordance with market convention (described above), the Credit Linked Conditions themselves contain certain provisions which permit the Calculation Agent in certain circumstances to make certain adjustments to such Credit Linked Conditions. Such adjustments may affect both payments made to Noteholders under the Notes and the timing of any such payments.

- (viii) Failure to deliver an Asset Transfer Notice in respect of physically settled Credit Linked Notes

Where, in respect of any Credit Linked Notes, Physical Settlement is specified as the relevant Settlement Method or applies as the relevant Fallback Settlement Method, and a Noteholders does not deliver a valid Asset Transfer Notice as contemplated under the Credit Linked Conditions, the Issuer may, but is not required to, elect to deliver to the relevant clearance system(s) the aggregate Asset Amount in respect of such Notes, to be divided between and delivered to the relevant Noteholders by the relevant clearance system(s) in accordance with the rules of the relevant clearance system(s) but no assurance is given as to the effect of such rules or other clearance system practices for any such Noteholders.

Settlement Disruption Event and Failure to Deliver due to Illiquidity

In the case of Credit Linked Notes which are physically settled if all or some of the Deliverable Obligations included in the Asset Amount are Undeliverable Obligations and/or Hedge Disruption Obligations, then the Issuer shall continue to attempt to Deliver all or a portion of such Undeliverable Obligations or Hedge Disruption Obligations, as the case may be, on or before the 65th Business Day following the Physical Settlement Date, failing which the Issuer shall give notice to the Noteholders and shall pay in respect of each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, the Partial Cash Settlement Amount on the Partial Cash Settlement Date.

AMENDMENTS TO THE PRICING SUPPLEMENT

The "Pro Forma Pricing Supplement" contained in pages 188 to 214 will be deleted and replaced with the following:

"PRO FORMA PRICING SUPPLEMENT"

The Pricing Supplement in respect of each Tranche of Notes will be completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Pricing Supplement but denotes directions for completing the Pricing Supplement.

Pricing Supplement dated [●]

Santander International Products plc.

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Guaranteed by

BANCO SANTANDER, S.A.

under the

EUR 10,000,000,000 Euro Medium Term Note Programme

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Listing Particulars dated 29 July 2013 and the supplement[s] to the Listing Particulars dated [●] November 2013 [and [date]] which together constitute listing particulars for the purposes of the listing and admission to trading rules of the Irish Stock Exchange. This document constitutes the Pricing Supplement of the Notes described herein for the purposes of the Listing Rules. This Pricing Supplement contains the pricing supplement of the Notes and must be read in conjunction with such Listing Particulars as so supplemented. **Prospective investors should note that investing in the Notes entails certain risks including (without limitation) the risk that the Issue Price may be greater than the market value of the Notes [and the risk that the Calculation Agent may exercise its discretion in such a way as to affect amounts due and payable under the Notes and/or their Maturity Date]. For a more detailed description of certain of the risks involved, see "Risk Factors" on pages 11 to 42 of the Listing Particulars (as supplemented).**

Full information on the Issuer, the Guarantor and the offer of the Notes described herein is only available on the basis of the combination of this Pricing Supplement and the Listing Particulars as supplemented. The Listing Particulars and the supplemental Listing Particulars are available for viewing at [website] [and] during normal business hours at [address] [and copies may be obtained from [address]].

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Listing Particulars with an earlier date and the relevant terms and conditions from that offering circular with an earlier date were incorporated by reference in these Listing Particulars.

Terms used herein shall be deemed to be defined as such for the purposes of the [date] Conditions incorporated by reference in the Listing Particulars dated 29 July 2013. This Pricing Supplement contains the applicable terms of the Notes and must be read in conjunction with the Listing Particulars dated 29 July 2013 and the supplement[s] to the Listing Particulars dated [●] November 2013 [and [date]] which together

constitute listing particulars for the purposes of the listing and admission to trading rules of the Irish Stock Exchange, save in respect of the conditions which are set forth in the listing particulars dated [*original date*] and are incorporated by reference in the Listing Particulars. This document constitutes the Pricing Supplement of the Notes described herein for the purposes of the Listing Rules.

Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Pricing Supplement and the Listing Particulars dated [*original date*] and the Listing Particulars dated 29 July 2013 and the supplement[s] to the Listing Particulars dated [●] November 2013 [and []]. The Listing Particulars and the supplemental Listing Particulars are available for viewing [at [*website*]] [and] during normal business hours at [*address*] [and copies may be obtained from [*address*].]

[Include whichever of the following apply or specify as "Not applicable" (N/A). Note that the numbering should remain as set out below, even if "Not applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement]

[When completing any pricing supplement, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Listing Particulars.]

1. (i) Issuer: Santander International Products plc.
- (ii) Guarantor: Banco Santander, S.A.
2. (i) [Series Number:] []
- (ii) [Tranche Number: []
- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).]*
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount of Notes:
 - (i) [Series:] []
 - (ii) [Tranche:] []]
5. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*]](*in the case of fungible issues only, if applicable*)
6. (i) Specified Denominations: []

Notes may only be issued which have a minimum denomination equal to or above EUR 100,000.

[Note - where multiple denominations are being used and Notes are not being issued in registered form, the following sample wording should be followed: [EUR 100,000] and integral multiples of

[EUR 1,000] in excess thereof up to and including [EUR 199,000]. No Notes in definitive form will be issued with a denomination above [EUR 199,000].

So long as the Notes are represented by a Temporary Global Note or a Permanent Global Note and the relevant clearing systems so permit, the Notes will be tradable only in the minimum authorised denomination of [EUR 100,000] and higher integral multiples of [EUR 1,000], notwithstanding that no definitive notes will be issued with a denomination above [EUR 199,000].]

(ii) Calculation Amount: [the Specified Denomination]

[If there are several Specified Denominations, insert the highest common factor of those Specified Denominations (note: there must be a common factor of two or more Specified Denominations).]

7. (i) Issue Date: []

(ii) Interest Commencement Date (if different from the Issue Date): [Specify/Issue Date/Not applicable]

8. Maturity Date: *[Specify date or (for Floating Rate Notes, CMS-Linked Notes, Inflation Linked Notes or Equity Linked Notes) Interest Payment Date falling in or nearest to the relevant month and year]*

*[For Credit Linked Notes, if applicable insert: [] the "**Scheduled Maturity Date**"], subject to the provisions of the Credit Linked Conditions and this Pricing Supplement]*

[If the Maturity Date is less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the United Kingdom, or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, (i) the Notes must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to "professional investors" or (ii) another applicable exemption from section 19 of the FSMA must be available.]

[If the Maturity Date is less than one year from the Issue Date the Notes must comply with the Central Bank's notice by the Central Bank of Ireland of exemptions granted under section 8(2) of the Central Bank Act, 1971 as amended (BSD C01/02) and, inter alia, have a minimum Specified Denomination of Euro 125,000. In addition such Notes must bear the following legend:

"An investment in the Notes does not have the status of a bank deposit and does not have the protection of the deposit protection scheme operated by the Central Bank of Ireland. The Issuer is not regulated by the Central Bank of Ireland by virtue of the issue of the Notes."

9. Interest Basis:

[[] per cent. Fixed Rate]

[[Specify reference rate]+/- [] per cent. Floating Rate]

[Index/Fund Linked Interest]

[CMS-Linked: [specify reference rate] +/- [] per cent.]

[Variable Coupon Amount]

[Other (*Specify*)]

[Equity Linked: please see the section headed *Provisions Applicable to Equity Linked Notes* below for more details]

[Inflation Linked: please see *Provisions Applicable to Inflation Linked Notes* below for more details]

(further particulars specified below)

10. Redemption/Payment basis:

[Redemption at par]

[Dual Currency]

[Partly Paid]

[Instalment]

[Other (*specify*)]

[Index/Fund Linked Redemption]

[Equity Linked: please see the section headed *Provisions Applicable to Equity Linked Notes* below for more details]

[Inflation Linked: please see paragraph *Provisions Applicable to Inflation Linked Notes* below for more details]

[Credit Linked Redemption: please see paragraph *"Additional Provisions relating to Credit Linked Notes"* at item 60 below and the Credit Linked Conditions for more details]

11. Change of Interest or [Applicable/Not Applicable] [*Specify the date when Redemption/Payment Basis: any change to the Interest Basis or Redemption/Payment Basis occurs with reference to paragraphs 15 and 16 below*]
12. Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
13. (i) Status of the Notes: Senior.
(ii) Status of the Guarantee: Senior.
(iii) [Date [Board] approval for [] [and [], respectively issuance of Notes [and Guarantee] [respectively]] obtained:]

(*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of the Notes or related Guarantee*)
14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **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/other/(specify)] in arrear]
- (ii) Interest Payment Date(s): [] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Day Jurisdictions for Condition 8 (h)*]]/ [not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [] per Calculation Amount
- (iv) Broken Amount(s): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [].
- (v) Day Count Fraction: [30/360]/[Actual/Actual (ICMA/ISDA)]/ other]
- (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not applicable/*give details*]
16. **Floating Rate and CMS Linked Note** [Applicable/Not applicable]

Provisions

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Interest Period(s): []

(ii) Specified Period: []

(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not applicable")

(iii) Specified Interest Payment Dates: []

(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not applicable")

(iv) [First Interest Payment Date:] []

(v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]

(vi) Additional Business Centre(s): [Not applicable/give details]

(vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]

(viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Principal Paying Agent]): [[Name] shall be the Calculation Agent *(no need to specify if the Principal Paying Agent is to perform this function)*]

(ix) Margin Plus Rate: [Applicable] [Not Applicable]

(x) Specified Percentage Multiplied by Rate: [Applicable] [Not Applicable]

(xi) Difference in Rates: [Applicable] [Not Applicable]

(xii) Screen Rate Determination of Rate:

- Reference Rate: [For example, LIBOR or EURIBOR]

- Interest Determination Date(s): []

- Relevant Screen Page: [For example, Reuters LIBOR 01/ EURIBOR 01]
 - Relevant Time: [For example, 11.00 a.m. London time/Brussels time]
 - Relevant Financial Centre: [For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)]
- (xiii) ISDA Determination of Rate:
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (xiv) Screen Rate Determination of Rate 2:
- (in relation to Difference in Rates only)*
- Reference Rate: [For example, LIBOR or EURIBOR]
 - Interest Determination Date(s): []
 - Relevant Screen Page: [For example, Reuters LIBOR 01/ EURIBOR 01]
 - Relevant Time: [For example, 11.00 a.m. London time/Brussels time]
 - Relevant Financial Centre: [For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)]
- (xv) ISDA Determination of Rate 2:
- (in relation to Difference in Rates only)*
- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (xvi) Margin(s): [[+/-][] per cent. per annum] [Not applicable]
- (xvii) Specified Percentage: [[] per cent.] [Not applicable]
- (xviii) Minimum Rate of Interest: [] per cent. per annum

- (xix) Maximum Rate of Interest: [] per cent. per annum
- (xx) Day Count Fraction: []
- (xxi) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes or CMS-Linked Notes, if different from those set out in the Conditions: []
17. **Fund Linked Note Provisions** [Applicable/Not applicable]
- (i) Fund/Fund Basket: []
- [The [] Fund is a Mutual Fund]
- [The [] Fund is a Hedge Fund]
- [The [] Fund is a Private Equity Fund]
- (ii) Listing of the Fund: []
- (iii) Authorisation of the Fund: [*specify where the Fund is authorised*]
- (iv) Fund Share(s): []
- (v) Fund Documents: [As per Conditions]/[]
- (vi) Fund Business Day: [All Fund Share Basis/Per Fund Share Basis/Single Fund Share Basis]
- (vii) Trade date: []
- (viii) Fund Service Provider: [As per Conditions]/[]
- (ix) Calculation Date(s): [As per Conditions]/[]
- (x) Initial Calculation Date: []/[Not applicable]
- (xi) Final Calculation Date: []/[Not applicable]
- (xii) Hedging Date: []/[Not applicable]
- (xiii) AUM Level: []/[Not applicable]
- (xiv) NAV Trigger Percentage: [As per Conditions]/[] per cent.
- (xv) NAV Trigger Period: []
- (xvi) Number of NAV Publication Days: [*Insert number of days*]

- (xvii) Basket Trigger Level: [As per Conditions]/[]
- (xviii) Extraordinary Fund Event (in the case of a Private Equity Fund only): []
- (xix) Optional Additional Disruption Event(s): []
- (xx) Additional Extraordinary Fund Event(s): []
- (xxi) Fee: []/[Not applicable]
- (xxii) Termination Amount: [Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[As per Conditions]/[specify]
- (xxiii) Simple Interest Spread: [As per Conditions]/[]
- (xxiv) Termination Date: []
- (xxv) Delayed Redemption on the Occurrence of an Extraordinary Fund Event: [Applicable/Not applicable]
- (xxvi) Delayed Payment Cut-Off Date: []
- (xxvii) [Weighting: The weighting to be applied to each Fund Share comprising the Fund Basket is []]
- (xxviii) Protected Amount: []
- (xxix) Calculation Agent: []
- (xxx) Other terms or special conditions: [Not applicable]/[]
18. **Index-Linked Interest Note/ other variable-linked interest Note Provisions** [Applicable/Not applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Equity/ Index / Formula/ other variable: []
- (ii) Calculation Agent responsible for calculating the interest due: []
- (iii) Provisions for determining Coupon where calculation by reference to Equity and/or Index and/or Formula and/or other variable: []

(iv) Interest Determination Date(s): []

(v) Provisions for determining Coupon where calculation by reference to Equity and/or Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: []

(vi) Interest or calculation period(s): []

(vii) Specified Period: []

(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not applicable")

(viii) Specified Interest Payment Dates: []

(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not applicable")

(ix) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/specify other Business Day convention]
[Delete as applicable]

(x) Additional Business Centre(s): []

(xi) Minimum Rate/Amount of [] per cent. per annum Interest:

(xii) Maximum Rate Amount of [] per cent. per annum Interest:

(xiii) Day Count Fraction []

19. Dual Currency Note Provisions

(i) Rate of Exchange/method of calculating Rate of Exchange: []

(ii) Calculation Agent, if any, responsible for calculating the []

principal and/or interest due:

- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: []
- (iv) Person at whose option Specified Currency(ies) is/are payable: []
20. **Equity Linked Note interest provisions:** [Applicable – please refer to the sections "Provisions Applicable to Equity Linked Notes" and "Additional Provisions Applicable To Equity Linked Notes Only", below, for more information] [Not applicable] *[Delete as applicable]*
21. **Inflation Linked Note interest provisions:** [Applicable – please refer to "Provisions Applicable to Inflation Linked Notes", below, for more information] [Not applicable] *[Delete as applicable]*

PROVISIONS RELATING TO REDEMPTION

22. **Call Option** [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s) (Call): []
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [] per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [] per Calculation Amount
- (b) Maximum Redemption Amount: [] per Calculation Amount
- (iv) Notice period []
23. **Put Option** [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s) (Put): []
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [] per Calculation Amount

- (iii) Notice period: []
24. **Final Redemption Amount of each Note** [[] per Calculation Amount]
- In cases where the Final Redemption Amount is Index-Linked, Fund Linked, Credit Linked or other variable-linked: [See also "*Additional Provisions relating to Credit Linked Notes*" at item 60 below and the Credit Linked Conditions]
- (i) Equity/Index/Formula/Fund/other variable: [] [Not Applicable]
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount: []
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other Fund and/or other variable: [] [Not Applicable]
- (iv) Date for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or Fund and/or other variable: [] [Not Applicable]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other Fund and/or other variable is impossible or impracticable or otherwise disrupted: [] [Not Applicable]
- (vi) [Payment Date:] []
- (vii) Minimum Final Redemption Amount: [] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [] per Calculation Amount
25. **Early Redemption Amount**
- Early Redemption Amount (Tax) per Calculation Amount payable on redemption for taxation reasons and/or the method of calculating the same (if required or if different from that set out in the Conditions): [Not applicable (*if the Early Redemption Amount (Tax) is the principal amount of the Notes/specify the Early Redemption Amount (Tax) if different from the principal amount of the Notes*), [which may, where appropriate, be an amount per Calculation Amount equal to the fair market value of each Note less applicable costs) [(including the cost, if any, for unwinding hedging arrangements)]]]

Redemption Amount(s) per Calculation Amount payable on an event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):	[Early Termination Amount (if the Redemption Amount is the principal amount of the Notes/specify the Redemption Amount if different from the principal amount of the Notes, which may, where appropriate, be an amount per Calculation Amount equal to the fair market value of each Note less applicable costs) <i>[including the cost, if any, for unwinding hedging arrangements]</i>]
Termination Amount(s) per Calculation Amount payable on an occurrence of an Extraordinary Fund Event and/or the method of calculating the same (if required or if different from that set out in the Conditions):	[See paragraph 17(xxii) above.][Not Applicable]
Early Redemption Amount per Calculation Amount payable following an early redemption pursuant to the Credit Linked Conditions:	<i>[specify amount, which may, where appropriate, be an amount per Calculation Amount equal to the fair market value of each Note less applicable costs]</i> [Not Applicable]
26. Equity Linked Note redemption provisions:	[Applicable – please refer to the section headed "Provisions Applicable to Equity Linked Notes" for more information] [Not applicable] <i>[Delete as applicable]</i>
27. Inflation-Linked Note redemption provisions:	[Applicable – please refer to the section headed "Provisions Applicable to Inflation Linked Notes" below for more information] [Not applicable] <i>[Delete as applicable]</i>

PROVISIONS APPLICABLE TO EQUITY LINKED NOTES

(Annex 1 to Terms and Conditions)

(Delete entire section if Equity Linked Note provisions not applicable)

28. Structure 1	[Applicable] [Not applicable]
<i>(Part 1 of Annex 1 to Terms and Conditions)</i>	<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Type of Notes:	[Single Share Linked Notes] [Single Share Index Linked Notes] [Share Basket Linked Notes] [Share Index Basket Linked Notes] <i>[Delete as applicable]</i>
(ii) Strike Price:	[] per cent. of Initial Price
(iii) Coupon B Percentage:	[] per cent.
(iv) Final Price Date:	[]
(v) Initial Price Date:	[]

- (vi) Initial Price(s): [As set out in the applicable part of Annex 1]
- (vii) The identity of the relevant issuer(s) of the Share(s), class of the Share(s) and ISIN(s) or other security identification code(s) for the Shares(s):

(in relation to Single Share Linked Notes and Share Basket Linked Notes only)

(Specify (i) names of each issuer of the Share(s) (ii) class of each Share and (iii) ISIN or other security identification code for each Share)
- (viii) Share Index/Indices: [(Specify Share Index for Single Share Index Linked Notes and specify each of the Share Indices for Share Index Basket Linked Notes)] [Not applicable]

(in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)
- (ix) Share Index Sponsor(s): [Insert name(s) of Share Index Sponsor(s)] [Not applicable]

(in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)
29. **Structure 2** [Applicable] [Not applicable]

(Part 2 of Annex 1 to Terms and Conditions) (If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Type of Notes: [Single Share Linked Notes] [Single Share Index Linked Notes] [Delete as applicable]
- (ii) Barrier A: [] per cent. of Initial Price
- (iii) Coupon A Percentage: [] per cent.
- (iv) Coupon C Percentage: [] per cent.
- (v) Final Price Date: []
- (vi) Initial Price Date: []
- (vii) Initial Price: [As set out in the applicable part of Annex 1]
- (viii) The identity of the issuer of the Share, class of the Share and ISIN or other security identification code for the Share: [(Specify (i) name of issuer of the Share (ii) class of the Share and (iii) ISIN or other security identification code for the Share)] [Not applicable]

(in relation to Single Share Linked Notes only)
- (ix) Share Index:

- (in relation to Single Share Index Linked Notes only)* [(Specify Index)] [Not applicable]
- (x) Share Index Sponsor:
- (in relation to Single Share Index Linked Notes only)* [Insert name of Share Index Sponsor] [Not applicable]
30. **Structure 3** [Applicable] [Not applicable]
- (Part 3 of Annex 1 to Terms and Conditions)* *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Type of Notes: [Single Share Linked Notes] [Single Share Index Linked Notes] [Share Basket Linked Notes] [Share Index Basket Linked Notes] [Delete as applicable]
- (ii) Cap Level: []
- (iii) Coupon B Percentage:
- (in relation to Single Share Linked Notes and Single Share Index Linked Notes only)* [] per cent.
- (iv) Final Price Date: []
- (v) Initial Price Determination Period: []
- (vi) Initial Price(s): [As set out in the applicable part of Annex 1]
- (vii) The identity of the relevant issuer(s) of the Share(s), class of the Share(s) and ISIN(s) or other security identification code(s) for the Share(s): [(Specify (i) names of each issuer of the Share(s) (ii) class of each Share and (iii) ISIN or other security identification code for each Share)] [Not applicable]
- (in relation to Single Share Linked Notes and Share Basket Linked Notes only)*
- (viii) Share Index/Indices: [(Specify Share Index for Single Share Index Linked Notes and specify each of the Share Indices for Share Index Basket Linked Notes)] [Not applicable]
- (in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)*
- (ix) Share Index Sponsor(s): [Insert name of Share Index Sponsor(s)] [Not applicable]
- (in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)*

31. **Structure 4**

[Applicable] [Not applicable]

(Part 4 of Annex 1 to Terms and Conditions)

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Type of Notes:

[Single Share Linked Notes] [Single Share Index Linked Notes] [Share Basket Linked Notes] [Share Index Basket Linked Notes] *[Delete as applicable]*

(ii) Barrier A:

[] per cent. of the Initial Price

(iii) Barrier B:

[] per cent. of the Initial Price

(iv) Barrier C:

[] per cent. of the Initial Price

(v) Coupon A Percentage(s):

Interest Payment Date:	Coupon A Percentage:
<i>[Insert]</i>	<i>[Insert]</i>
<i>[Insert]</i>	<i>[Insert]</i>

(vi) Coupon B Percentage:

[] per cent.

(vii) Early Redemption Dates:

[]

(viii) Initial Price Date:

[]

(ix) Initial Price(s):

[As set out in the applicable part of Annex 1]

(x) Instalment Amount Percentage:

[] per cent.

(xi) Instalment Date(1):

[]

(xii) N:

[]

(xiii) Valuation Dates:

[]

(xiv) The identity of the relevant issuer(s) of the Share(s), class of the Share(s) and ISIN(s) or other security identification code(s) for the Share(s):

[(Specify (i) names of each issuer of the Share(s) (ii) class of each Share and (iii) ISIN or other security identification code for each Share)] [Not applicable]

(in relation to Single Share Linked Notes and Share Basket Linked Notes only)

(xv) Share Index/Indices:

[(Specify Share Index for Single Share Index Linked Notes and specify each of the Share Indices for Share Index Basket Linked Notes)] [Not applicable]

(in relation to Single Share Index

*Linked Notes and Share Index
Basket Linked Notes only)*

(xvi) Share Index Sponsor(s): *[Insert name(s) of Share Index Sponsor(s)]* [Not applicable]

*(in relation to Single Share Index
Linked Notes and Share Index
Basket Linked Notes only)*

32. **Structure 5** [Applicable] [Not applicable]

(Part 5 of Annex 1 to Terms and Conditions) *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Type of Notes: [Single Share Linked Notes] [Single Share Index Linked Notes] [Share Basket Linked Notes] [Share Index Basket Linked Notes] *[Delete as applicable]*

(ii) Barrier A: [] per cent. of the Initial Price

(iii) Barrier B: [[] per cent. of the Initial Price] [Not applicable]

(iv) Barrier C: [] per cent. of the Initial Price

(v) Coupon A Percentages:

Interest Payment Date:	Coupon A Percentage:
<i>[Insert]</i>	<i>[Insert]</i>
<i>[Insert]</i>	<i>[Insert]</i>

(vi) Coupon B Percentage: [] per cent.

(vii) Floor Level: []

(viii) Early Redemption Provision: [Applicable] [Not applicable]

(ix) Early Redemption Dates: [] [Not applicable]

(x) N: []

(xi) Initial Price Date: []

(xii) Initial Price(s): [As set out in the applicable part of Annex 1]

(xiii) Valuation Dates: []

(xiv) The identity of the relevant issuer(s) of the Share(s), class of the Share(s) and ISIN(s) or other security identification code(s) for the Share(s): *[(Specify (i) names of each issuer of the Share(s) (ii) class of each Share and (iii) ISIN or other security identification code for each Share)]* [Not applicable]

(in relation to Single Share Linked Notes and Share Basket Linked Notes only)

- (xv) Share Index/Indices: [(Specify Share Index for Single Share Index Linked Notes and specify each of the Share Indices for Share Index Basket Linked Notes)] [Not applicable]

(in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)

- (xvi) Share Index Sponsor(s): [Insert name(s) of Share Index Sponsor(s)] [Not applicable]

(in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)

33. **Structure 6** [Applicable] [Not applicable]

(Part 6 of Annex 1 to Terms and Conditions) *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (i) Type of Notes: [Single Share Linked Notes] [Single Share Index Linked Notes] [Share Basket Linked Notes] [Share Index Basket Linked Notes] *[Delete as applicable]*

- (ii) Barrier A: [] per cent. of the Initial Price

- (iii) Barrier B: [] per cent. of the Initial Price

- (iv) Barrier C: [] per cent. of the Initial Price

- (v) Coupon B Percentage: [] per cent.

- (vi) Early Redemption Dates: []

- (vii) Floor Level(i):

Interest Date	Payment	Floor Level
[Insert]		[Insert]

- (viii) Initial Price Date: []

- (ix) Initial Price(s): [As set out in the applicable part of Annex 1]

- (x) N: []

- (xi) Valuation Dates: []

- (xii) The identity of the relevant issuer(s) of the Share(s), class of the Share(s) and ISIN(s) or other [(Specify (i) names of each issuer of the Share(s) (ii) class of each Share and (iii) ISIN or other security identification code for each Share)] [Not applicable]

security identification code(s) for the Share(s):

(in relation to Single Share Linked Notes and Share Basket Linked Notes only)

- (xiii) Share Index/Indices: [(Specify Share Index for Single Share Index Linked Notes and specify each of the Share Indices for Share Index Basket Linked Notes)] [Not applicable]

(in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)

- (xiv) Share Index Sponsor(s): [insert name(s) of Share Index Sponsor(s)] [Not applicable]

(in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)

34. **Structure 7** [Applicable] [Not applicable]

(Part 7 of Annex 1 to Terms and Conditions) *(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Type of Notes: [Single Share Linked Notes] [Single Share Index Linked Notes] [Share Basket Linked Notes] [Share Index Basket Linked Notes] *[Delete as applicable]*
- (ii) Barrier A: [] per cent. of the Initial Price
- (iii) Barrier B: [] per cent. of the Initial Price
- (iv) Barrier C: [] per cent. of the Initial Price

- (v) Coupon A Percentages:

Interest Payment Date:	Coupon A Percentage:
<i>[Insert]</i>	<i>[Insert]</i>
<i>[Insert]</i>	<i>[Insert]</i>

- (vi) Coupon B Percentage: [] per cent.
- (vii) Floor Level: []
- (viii) Early Redemption Dates: []
- (ix) Initial Price Date: []
- (x) Initial Price(s): [As set out in the applicable part of Annex 1]

- (xi) N: []
- (xii) Valuation Dates: []
- (xiii) The identity of the relevant issuer(s) of the Share(s), class of the Share(s) and ISIN(s) or other security identification code(s) for the Share(s):
[(Specify (i) names of each issuer of the Share(s) (ii) class of each Share and (iii) ISIN or other security identification code for each Share)] [Not applicable]
(in relation to Single Share Linked Notes and Share Basket Linked Notes only)
- (xiv) Share Index/Indices: *[(Specify Share Index for Single Share Index Linked Notes and specify each of the Share Indices for Share Index Basket Linked Notes)] [Not applicable]*
(in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)
- (xv) Share Index Sponsor(s): *[Insert name(s) of Share Index Sponsor(s)] [Not applicable]*
(in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)
35. **Structure 8** [Applicable] [Not applicable]
(Part 8 of Annex 1 to Terms and Conditions) *(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Type of Notes: [Single Share Linked Notes] [Single Share Index Linked Notes] [Share Basket Linked Notes] [Share Index Basket Linked Notes] *[Delete as applicable]*
- (ii) Barrier A: [] per cent. of the Initial Price
- (iii) Barrier B: [] per cent. of the Initial Price
- (iv) Coupon A Percentage(i):
- | Interest Payment Date: | Coupon A Percentage: |
|------------------------|----------------------|
| <i>[Insert]</i> | <i>[Insert]</i> |
| <i>[Insert]</i> | <i>[Insert]</i> |
- (v) Coupon B Percentage: [] per cent.
- (vi) Early Redemption Dates: []

- (vii) Initial Price Date: []
- (viii) Initial Price(s): [As set out in the applicable part of Annex 1]
- (ix) N: []
- (x) Valuation Dates: []
- (xi) The identity of the relevant issuer(s) of the Share(s), class of the Share(s) and ISIN(s) or other security identification code(s) for the Share(s): *[(Specify (i) names of each issuer of the Share(s) (ii) class of each Share and (iii) ISIN or other security identification code for each Share)] [Not applicable]*
- (in relation to Single Share Linked Notes and Share Basket Linked Notes only)*
- (xii) Share Index/Indices: *[(Specify Share Index for Single Share Index Linked Notes and specify each of the Share Indices for Share Index Basket Linked Notes)] [Not applicable]*
- (in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)*
- (xiii) Share Index Sponsor(s): *[Insert name(s) of Share Index Sponsor(s)] [Not applicable]*
- (in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)*

36. **Structure 9** [Applicable] [Not applicable]

(Part 9 of Annex 1 to Terms and Conditions) *(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Type of Notes: [Single Share Linked Notes] [Single Share Index Linked Notes] [Share Basket Linked Notes] [Share Index Basket Linked Notes] *[Delete as applicable]*
- (ii) Barrier A: [] per cent. of the Initial Price
- (iii) Barrier B: [] per cent. of the Initial Price
- (iv) Barrier C: [] per cent. of the Initial Price

(v) Coupon A Percentages:

Interest Payment Date:	Coupon A Percentage:
<i>[Insert]</i>	<i>[Insert]</i>

[Insert]	[Insert]
----------	----------

- (vi) Coupon B Percentage: [] per cent.
- (vii) Early Redemption Dates: []
- (viii) Initial Price Date: []
- (ix) Initial Price(s): [As set out in the applicable part of Annex 1]
- (x) N: []
- (xi) Strike Price: [] per cent. of the Initial Price
- (xii) Valuation Dates: []
- (xiii) The identity of the relevant issuer(s) of the Share(s), class of the Share(s) and ISIN(s) or other security identification code(s) for the Share(s): *[(Specify (i) names of each issuer of the Share(s) (ii) class of each Share and (iii) ISIN or other security identification code for each Share)] [Not applicable]*
- (in relation to Single Share Linked Notes and Share Basket Linked Notes only)*
- (xiv) Share Index/Indices: *[(Specify Share Index for Single Share Index Linked Notes and specify each of the Share Indices for Share Index Basket Linked Notes)] [Not applicable]*
- (in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)*
- (xv) Share Index Sponsor(s): *[Insert name(s) of Share Index Sponsor(s)] [Not applicable]*
37. **Structure 10** [Applicable] [Not applicable]
- (Part 10 of Annex 1 to Terms and Conditions)* *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Type of Notes: [Single Share Linked Notes] [Single Share Index Linked Notes] [Share Basket Linked Notes] [Share Index Basket Linked Notes] *[Delete as applicable]*
- (ii) Barrier A: [] per cent. of the Initial Price
- (iii) Barrier B: [] per cent. of the Initial Price
- (iv) Barrier C: [] per cent. of the Initial Price
- (v) C: []

- (vi) Coupon A Percentage [] per cent
- (vii) Coupon B Percentage: [] per cent.
- (viii) Early Redemption Dates: []
- (ix) Initial Price Date: []
- (x) Initial Price(s): [As set out in the applicable part of Annex 1]
- (xi) N: []
- (xii) Valuation Dates: []
- (xiii) The identity of the relevant issuer(s) of the Share(s), class of the Share(s) and ISIN(s) or other security identification code(s) for the Share(s):

(in relation to Single Share Linked Notes and Share Basket Linked Notes only) [(Specify (i) names of each issuer of the Share(s) (ii) class of each Share and (iii) ISIN or other security identification code for each Share)] [Not applicable]
- (xiv) Share Index/Indices: [(Specify Share Index for Single Share Index Linked Notes and specify each of the Share Indices for Share Index Basket Linked Notes)] [Not applicable]

(in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)
- (xv) Share Index Sponsor(s): [Insert name(s) of Share Index Sponsor(s)] [Not applicable]

(in relation to Single Share Index Linked Notes and Share Index Basket Linked Notes only)

ADDITIONAL PROVISIONS APPLICABLE TO EQUITY LINKED NOTES ONLY

[Delete all following paragraphs if Equity Linked Note provisions not applicable]

38. Interest Payment Dates: []
39. Interest Period: []
40. Calculation Agent: []
41. Exchange(s): []
42. Exchange Business Day Convention: [Following Business Day Convention] [Modify Following Business Day Convention] *[Delete as applicable]*
43. Related Exchange(s): []

44. Valuation Time: [] [as set out in Annex 1 to Terms and Conditions] *[Delete as applicable]*
45. Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention]
46. Additional Business Centre(s): [Not applicable] *[Specify Additional Business Centre(s)]*

PROVISIONS APPLICABLE TO INFLATION LINKED NOTES

(Annex 2 to Terms and Conditions)

[Delete all following paragraphs if Inflation Linked Note provisions not applicable]

47. Interest Payment Dates: []
48. Interest Period: []
49. Calculation Agent: []
50. (i) Interest Rate: [Inflation Linked interest payment based on a fixed rate of interest] [Inflation Linked interest payment based on a fixed rate of interest and subject to a minimum interest rate] [Inflation Linked interest payment plus Margin] [Inflation Linked interest payment plus a Margin subject to a minimum interest rate] [Inflation Linked interest payment based on a fixed rate of interest and subject to a maximum interest rate] [Inflation Linked interest payment plus a Margin subject to a maximum interest rate] *[Delete as applicable]*
- (ii) Fixed Rate of Interest: [] [Not applicable]

(iii) T:

Interest Date	Payment	T
<i>[Insert]</i>		<i>[Insert]</i>

(iv) T_{START}:

Interest Date	Payment	T _{START} :
<i>[Insert]</i>		<i>[Insert]</i>

(v) Cap:

[] [Not applicable]

(vi) Floor:

[] [Not applicable]

- (vii) Margin: [] [Not applicable]
51. (i) Final Redemption Amount: [Inflation-Linked Final Redemption Amount]
[Inflation-Linked Final Redemption Amount subject to a minimum of par] [Inflation-Linked Final Redemption Amount subject to a minimum of zero and a maximum of par] *[Delete as applicable]*
- (ii) T_{FINAL} : []
- (iii) T_{START} : []
52. Inflation Index: []
53. Inflation Index Sponsor: []
54. Related Bond: *[Insert name and ISIN or other security identification code of Related Bond]* [Not applicable] [Fallback Bond] *[Delete as applicable]*
55. Fallback Bond: [Applicable] [Not applicable]
56. Alternative Delay of Publication Formula: *[Insert formula]* [Not applicable]
57. Inflation Index Level Adjustment: [See details in Section 4 of Annex 2 to Terms and Conditions] [Option (i) as specified in paragraph 6 of Section 2 of Annex 2 to the Terms and Conditions] [Option (ii) as specified in paragraph 6 of Section 2 of Annex 2 to the Terms and Conditions] *[Delete as applicable]*
- (Annex 2, Section 2, Paragraph 6 of Terms and Conditions)*
58. Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention] *[Delete as applicable]*
59. Additional Business Centre(s): [Not applicable] *[Insert name(s) of Additional Business Centre(s)]*

ADDITIONAL PROVISIONS RELATING TO CREDIT LINKED NOTES

60. **Credit Linked Conditions:** [Applicable] / [Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Settlement Method: [Auction Settlement/Cash Settlement/Physical Delivery]
- [If Cash Settlement or Physical Delivery is specified, specify if the Issuer has the option to vary the Settlement Method in accordance with the Credit*

Linked Conditions and if this is the case complete both the Cash Settlement and Physical Delivery provisions at paragraph (xx) below]

[If Auction Settlement is specified, complete both the Auction Settlement provisions at paragraph (xx) below and the provisions relating to the relevant Fallback Settlement Method.]

- (ii) Trade Date: []
- (iii) Effective Date: []
- (iv) Calculation Agent City: [London] / [Madrid] / [specify other]

Credit Provisions

- (v) Whether the Notes relate to a single name or a portfolio of names:

(a) Single name: [Applicable] / [Not Applicable]

(b) First to Default: [Applicable] / [Not Applicable]

[If Applicable insert: Substitution: [Not] Applicable]

[If Applicable specify: Credit Spread Requirement: [insert]% (if other than 110%)]

(c) Portfolio Credit Linked Notes: [Applicable] / [Not Applicable]

[If applicable, specify Reference Amount in respect of each Reference Entity]

(d) Portfolio Maturity Settled Credit Linked Notes: [Applicable] / [Not Applicable]

[If applicable, specify Reference Amount in respect of each Reference Entity]

- (vi) Reference Entity(ies): [Specify name] [If more than one Reference Entity, insert the following:

[] ("**Reference Entity 1**")

[] ("**Reference Entity 2**")]

[NB: complete and number accordingly in relation to additional Reference Entities. Also repeat relevant information in (vii) - (xiv) below inclusive in respect of each Reference Entity. Specifying "In relation to Reference Entity [1]" or similar in relation to the relevant information.

If more than three Reference Entities or if required,

annex the details or insert a table.]

(N.B. By specifying "Standard Terms" as applicable to a Reference Entity, the relevant information set out in Credit Linked Condition 24 shall apply. Note that not all relevant information is given in the Standard Terms and ensure the remaining sections of this item 30 are completed accordingly.)

(vii) Standard Terms:

[Applicable/Not Applicable]

(If applicable, insert the following as applicable and specify any changes needed to reflect the latest ISDA Physical Settlement Matrix: The following Standard Terms apply: [North American Corporate/North American High Yield Corporate/North American Monoline Insurer Corporate/European Insurance Corporate (Subordinated Debt)/Emerging European Corporate/Emerging European Corporate LPN/Australia & New Zealand Corporate/Japan Corporate/Singapore Corporate/Latin America Corporate B/Latin America Corporate B&L/Asia Corporate/Asia Sovereign/Emerging European & Middle Eastern Sovereign/Australia Sovereign/New Zealand Sovereign/Japan Sovereign/Singapore Sovereign/Latin America Sovereign/Western European Sovereign])

(viii) Reference Obligation[s]:

[]

The obligation(s) identified as follows:

[If more than three Reference Obligations, annex the details]

(a) [Primary Obligor:]

[]

Guarantor:

[]

Maturity:

[]

Coupon:

[]

CUSIP / ISIN:

[]

(b) *[(repeat above headings if more than one reference obligation)]*

(ix) Substitute Reference Obligation[s]:

[As per the definition contained in the Credit Linked Conditions] / *[give details]*

(x) All Guarantees:

[Applicable] / [Not Applicable]

[Standard Terms]

- [Provisions relating to Qualifying Guarantee and Underlying Obligation (Credit Linked Condition 19): [Applicable] / [Not Applicable]]
- (xi) Credit Events: [Bankruptcy]
- [Failure to Pay]
- Grace Period Extension: [Applicable] / [Not Applicable]
- [If Applicable:*
- Grace Period: [30 calendar days] / [other]]
- Payment Requirement: [] (or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay)
- [Obligation Default]
- [Obligation Acceleration]
- [Repudiation / Moratorium]
- [Restructuring]
- [Restructuring Maturity Limitation and Fully Transferable Obligation: [Applicable] / [Not Applicable]]
- [Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation: [Applicable] / [Not Applicable]]
- Default Requirement: [] (or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event)
- [Standard Terms]
- (xii) Additional Credit Event(s): [] [Pass Through Event (*applicable for Pass Through Notes only*)] [*Specify – e.g. any trigger event*]
- [If applicable, give details including all operative provisions]*
- (xiii) Conditions to Settlement: Notice of Publicly Available Information: [Applicable] / [Not Applicable]
- [If Applicable:*
- Public Source(s): []

Specified Number: [2] / [other]]

(xiv) Obligation(s):

(a) Obligation Category: [Payment]

(select one only) [Borrowed Money]

[Reference Obligations only]

[Bond]

[Loan]

[Bond or Loan]

[Standard Terms]

(b) Obligation Characteristics: [Not Subordinated]

(select all of which apply) [Specified Currency:

[Standard Specified Currencies / [(specify currency)]]]

[Not Sovereign Lender]

[Not Domestic Currency]

[Domestic Currency means: (specify currency)]

[Not Domestic Law]

[Listed]

[Not Domestic Issuance]

[Standard Terms]

[Not Applicable] (Select in respect of "Reference Obligations only")

(c) Additional Obligation[s]: []

(d) Excluded Obligation[s]: []

(xv) Accrual of Interest upon a Credit Event: [Applicable] / [Not Applicable] / [specify any further details]

(xvi) Merger Event: [Applicable] / [Not Applicable]

[If applicable:

Merger Event Redemption Date: [] / [Five (5) Business Days after the Calculation Agent determines that a Merger Event has occurred.]]

(xvii) Unwind Costs: [Standard Unwind Costs] / [*specify other*] / [Not Applicable]

(xviii) Provisions relating to Monoline Insurer as Reference Entity: Credit Linked Condition 17: [Applicable] / [Not Applicable]

Credit Linked Condition 18: [Applicable] / [Not Applicable]

(NB: If applicable, only one of Credit Linked Condition 17 and Credit Linked Condition 18 should be specified but not both)

[Multiple Holder Obligation Applicable: [Yes – Credit Linked Condition 16 applies][No]]

(xix) Provisions relating to LPN Reference Entities: Credit Linked Condition 20: [Applicable] / [Not Applicable]

(xx) Further terms relating to settlement:

(If auction settlement applies, complete the following section)

(If not applicable, delete the remaining subparagraphs of this auction settlement paragraph)

Auction Settlement

(a) Fallback Settlement Method: [Cash Settlement/Physical Delivery]

[If the Issuer has the option to vary the Fallback Settlement Method in accordance with the Credit Linked Conditions this should be specified here and if this is the case both the Cash Settlement and Physical Delivery provisions in this paragraph (xx) should be completed in addition to these Auction Settlement provisions.]

(b) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]

(c) Succession Event Backstop Date subject to adjustment in accordance with Business Day Convention: [Yes/No]

- (d) Limitation Dates subject to adjustment in accordance with Business Day Convention: [Yes/No]

(If cash settlement applies, complete the following section)

(If not applicable, delete the remaining sub-paragraphs of this cash settlement paragraph)

Cash Settlement

- (e) Credit Event Redemption Amount: [Express per Calculation Amount] / [Such amount as determined by the Calculation Agent in accordance with the Credit Linked Conditions]

- (f) Credit Event Redemption Date: [] Business Days

- (g) Valuation Date: [Single Valuation Date:

[] Business Days]

[Multiple Valuations Dates:

[] Business Days' and each [] Business Day thereafter.

Number of Valuation Dates: []]

- (h) Valuation Time: [] / [As per the definition in the Credit Linked Conditions]

- (i) Valuation Obligations: [] / [Valuation Obligation applicable] *[Delete if not applicable]*

Valuation Obligation Category: [Payment]

[select one only]

[Borrowed Money]

[Reference Obligations Only]

[Bond]

[Loan]

[Bond or Loan]

[Standard Terms]

Valuation Obligation Characteristics:

Not Subordinated

[select all of which apply]

[Credit Linked Specified Currency: *(specify currency)*] / [Standard Specified Currencies]

		[Not Sovereign Lender]
		[Not Domestic Currency]
		[Domestic Currency means: (<i>specify currency</i>)]
		[Not Domestic Law]
		[Listed]
		[Not Contingent]
		[Not Domestic Issuance]
		[Assignable Loan]
		[Consent Required Loan]
		[Direct Participation Loan]
		[Qualifying Participation Seller: [] (<i>insert details</i>)]
		[Transferable]
		[Maximum Maturity: []]
		[Accelerated or Matured]
		[Not Bearer]
		[Standard Terms]
(j)	Valuation Obligation Determination Period:	[]
(k)	Additional Valuation Obligations:	[]
(l)	Excluded Valuation Obligations:	[]
(m)	Quotation Method:	[Bid] / [Offer] / [Mid-market]
(n)	Quotation Amount:	[] / [Representative Amount]
(o)	Minimum Quotation Amount:	[] / [As per the definition in the Credit Linked Conditions]
(p)	Quotation Dealers:	[] / [As per the definition in the Credit Linked Conditions]
(q)	Quotations:	[Include Accrued Interest] / [Exclude Accrued Interest]

(r) Valuation Method: [Market / Highest]
 [Average Market / Highest / Average Highest]
 [Blended Market / Blended Highest]
 [Average Blended Market / Average Blended Highest]

(s) Other terms or special conditions: []

(If physical delivery applies, complete the following section) *(If not applicable, delete the remaining sub-paragraphs of this physical delivery paragraph)*

Physical Delivery

(t) Physical Settlement Period: [[] Business Days] / [Not Applicable]

(u) Asset Amount: [Include Accrued Interest] / [Exclude Accrued Interest]

(v) Settlement Currency: []

(w) Deliverable Obligations:

Deliverable Obligation Category [Payment]

(select one only) [Borrowed Money]

[Reference Obligations only]

[Bond]

[Loan]

[Bond or Loan]

[Standard Terms]

Deliverable Obligation Characteristics: [Not Subordinated]

(select all of which apply) [Credit Linked Specified Currency:

(specify currency)] / [Standard Specified Currencies]

[Not Sovereign Lender]

[Not Domestic Currency]

[Domestic Currency means: (*specify currency*)]

[Not Domestic Law]

[Listed]

[Not Contingent]

[Not Domestic Issuance]

[Assignable Loan]

[Consent Required Loan]

[Direct Participation Loan]

[Qualifying Participation Seller: [] (*insert details*)]

[Transferable]

[Maximum Maturity: []]

[Accelerated or Matured]

[Not Bearer]

[Standard Terms]

[Not Applicable] (*Select in respect of "Reference Obligations only"*)

(x) Additional Deliverable [] / [Not Applicable]
Obligation[s]:

(y) Excluded Deliverable [] / [Not Applicable]
Obligation[s]:

(z) Indicative Quotations: [Applicable] / [Not Applicable]

(aa) Cut-Off Date: [] / [Not Applicable] (*N.B. This is a date by which Asset Transfer Notices are required for timely settlement*)

(bb) Delivery provisions for Asset Amount (including details of who is to make such delivery) if different from the Credit Linked Conditions: [] / [Not Applicable]

(cc) Other terms or special conditions: []

(xxi) Other terms or special conditions: []

GENERAL PROVISIONS APPLICABLE TO THE NOTES

61. 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 on [] days' notice/at any time/ in the limited circumstances specified in the Permanent Global Note.] [*Delete as applicable*]¹
- [Registered Notes: [Restricted [U.S.] [International] Global Note Certificate registered in the name of a nominee for [DTC]] [Unrestricted [U.S.] [International] Global Note Certificate registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]] [*Delete as applicable*].
62. Business Day Jurisdictions for Condition 8(h) or other special provisions relating to Payment Dates: [Not applicable/*Insert Business Day Jurisdictions. Note that this item relates to the date and place of payment, and not interest period end dates, to which items 15(ii), 16(ii) and 19(vii) relate*]
63. New Global Note Form: [Yes] [No]
64. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, insert dates*]
65. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not applicable] []
66. Details relating to Instalment Notes: amount of each instalment ("**Instalment**": [Not applicable] []

¹ The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in Paragraph 6 above includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].

Amount"), date on which each payment is to be made ("**Instalment Date**"):

67. Consolidation provisions: [Not applicable/The provisions [in Condition 14 (*Further Issues*)] apply]

[DISTRIBUTION]

68. (i) If syndicated, names [and addresses] of Managers [and underwriting commitments]: [Not applicable/give names, [addresses and underwriting commitments]]

[(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers)]

- (ii) Stabilising Manager(s) (if any): [Not applicable/give names]

- (iii) [Date of [Subscription] [] Agreement:]

69. If non-syndicated, name [and address] of Dealer: [Not applicable/give name and address]

70. Total commission and concession: [[] per cent. of the Aggregate Nominal Amount]

71. US Selling Restrictions: [Reg. S Compliance Category; TEFRA C/TEFRA D/ TEFRA not applicable]

[PURPOSE OF PRICING SUPPLEMENT]

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on [*specify relevant market*] of the Notes described herein pursuant to the EUR 10,000,000,000 Euro Medium Term Note Programme of Santander International Products plc.]

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement. [*(Relevant third party information)* has been extracted from (*specify source*). Each of the Issuer and the Guarantor confirms that such 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.]

Signed on behalf of the Issuer:

Signed on behalf of the Guarantor:

By: _____

By: _____

Duly authorised

By: _____

Duly authorised

Duly authorised

By: _____

Duly authorised

PART B - OTHER INFORMATION

1. LISTING

- (i) Listing [Insert Listing/None]
- (ii) Admission to trading [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Global Exchange Market/other] with effect from [].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Global Exchange Market/other] with effect from [].] [Not applicable.] [Delete as applicable]

(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)

2. RATINGS

Ratings:

The Notes to be issued have been rated:

[S & P: []]

[Fitch: []]

[Moody's: []]

[[Other]: []]

[Insert full name of legal entity that has given the rating] is established in the European Union and has applied for registration under Regulation (EC) No 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

[Insert full name of legal entity that has given the rating] is established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended).]

[Insert full name of legal entity that has given the rating] is a third country rating agency that is endorsed by an EU registered agency and [has/has not] applied for registration under Regulation (EC) No 1060/2009 (as amended) but is certified in accordance with such regulation.]

[Insert full name of legal entity that has given the

rating] is not established in the European Union and has not applied for registration under Regulation (EC) No 1060/2009 (as amended).]

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the Regulation (EC) No 1060/2009 (as amended) ("**CRA Regulation**") unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

3. **[INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]**

Need to 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 ["Plan of Distribution"] and "General Information", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

4. **[Floating Rate Notes Only - HISTORIC INTEREST RATES]**

Details of historic [LIBOR/EURIBOR/LIBID/LIMEAN] rates can be obtained from [Reuters].]

5. **[CMS Linked Notes and Fund Linked Notes Only – HISTORIC RATES]**

Details of historic swap rates can be obtained from [Reuters].]

6. **[Inflation Linked Notes, Equity Linked Notes, Credit Linked Notes or Other Variable Linked Notes only – PERFORMANCE OF INDEX/FORMULA/FUND/REFERENCE ENTITY/ OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING]**

Insert link or give other indication of where information on the equity/index/formula/fund/reference entity/other variable can be obtained. Where the underlying is an Inflation Index, Share Index or other index need to include the name of the index and insert a link or give other indication as to where further information of the Inflation Index, Share Index or other index can be found. Where the

underlying is a Share include name of issuer of such Share and ISIN or other relevant identification number and insert link or give other indication of where further information of Share can be found].

[The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].]

7. OPERATIONAL INFORMATION

ISIN Code: []

Common Code: []

CUSIP Code: []

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking société anonyme and the relevant identification number(s): [Not applicable/[*Clearstream Banking AG for our German public offerings*]]

Delivery: Delivery [against/free of] payment

Names and addresses of initial Paying Agent(s) (if any): []

Names and addresses of additional Paying Agent(s) (if any): []

Intended to be held in a manner which would allow Eurosystem eligibility: [Not applicable/Yes/No]

[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 registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] [*include this text for registered notes held under the NSS*]] 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 ECB being satisfied that Eurosystem eligibility criteria have been met.] [*include this text if "yes" selected in which case the bearer Global Notes must be issued in NGN form/the registered Global Note Certificates must be held under the NSS*]]

AMENDMENTS TO THE TERMS AND CONDITIONS OF THE NOTES

The Terms and Conditions of the Notes (as set out on pages 47 to 163 of the Listing Particulars) will be amended as follows:

1. the first paragraph of the Terms and Conditions of the Notes on page 47 of the Listing Particulars will be deleted and replaced with the following:

"The following is the text of the terms and conditions which will include the additional terms and conditions contained in Annex 1 in the case of Equity Linked Notes, Annex 2 in the case of Inflation Linked Notes, Annex 3 in the case of Fund Linked Notes and Annex 4 in the case of Credit Linked Notes, and which, subject to completion by the relevant Final Terms (in the case of Equity Linked Notes and Inflation Linked Notes) or the relevant Pricing Supplement (in the case of Equity Linked Notes, Inflation Linked Notes, Fund Linked Notes and Credit Linked Notes), will be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series and, subject further to simplification by deletion of non-applicable provisions, will be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes, details of the relevant Series being shown on the relevant Notes or Certificates and in the relevant Final Terms or Pricing Supplement as the case may be. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes which may be issued under the Programme.";

2. the insertion of the following sentence at the end of the fourth paragraph on page 47 of the Terms and Conditions of the Notes:

"Any reference in these Conditions to "Applicable Transaction Terms", "relevant Applicable Transaction Terms" and/or "applicable Applicable Transaction Terms", will be deemed to be a reference to "Pricing Supplement", "relevant Pricing Supplement" and/or "applicable Pricing Supplement", as appropriate in respect of each Series of Notes."

3. the insertion of new definitions in alphabetical order into Condition 1 (*Definitions*), starting on page 47 of the Listing Particulars, as follows:

*""**Affiliate**" means, in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "**control**" means ownership of a majority of the voting power of an entity or person or, if the Calculation Agent determines appropriate, the power to direct or cause the direction of the management and policies of the First Entity, whether by contract, or otherwise;"*

*""**Credit Linked Conditions**" means the conditions in respect of Credit Linked Notes set out at "Annex 4 Additional Terms and Conditions for Credit Linked Notes" of the Terms and Conditions of the Notes;"*; and

*""**Credit Linked Notes**" means Notes to which the Credit Linked Conditions are specified to apply in the applicable Pricing Supplement;"*

4. the deletion of Condition 7(a) (*Final Redemption*) and its replacement with the following:

*"Unless previously redeemed, purchased and cancelled as provided below, each Note will be redeemed at its Final Redemption Amount (which, unless otherwise provided, is its principal amount) on the Maturity Date, or, if it is a Credit Linked Note and is to be settled pursuant to Credit Linked Condition 3 (*Physical Settlement*), by delivery of the Asset Amount, subject to the terms of the Credit Linked Conditions.";* and

5. a new annex to the Terms and Conditions of the Notes will be inserted immediately following "Annex 3 Additional Terms and Conditions for Fund Linked Notes" by the insertion of the following:

"ANNEX 4 ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED NOTES

*The terms and conditions applicable to Credit Linked Notes shall comprise the Terms and Conditions of the Notes (the "**Conditions**") and the additional Terms and Conditions set out below (the "**Credit Linked Conditions**"), in each case subject to completion and/or amendment in the Pricing Supplement. In the event of any inconsistency between the Conditions and the Credit Linked Conditions, the Credit Linked Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Credit Linked Conditions and (ii) the Pricing Supplement, the Pricing Supplement shall prevail.*

Where Restructuring is specified in the applicable Pricing Supplement as being an applicable Credit Event and Credit Linked Condition 15 (Credit Event Notice after Restructuring Credit Event) is applicable, there may be more than one Credit Event Determination Date in respect of the same Reference Entity as further described in Credit Linked Condition 15 (Credit Event Notice after Restructuring Credit Event) below. In addition, in the case of a Portfolio Credit Linked Note or a Portfolio Maturity Settled Credit Linked Notes, there may be multiple Credit Event Determination Dates, but, other than as set out in the preceding sentence, only one Credit Event Determination Date in respect of each Reference Entity. A Credit Event Determination Date in respect of more than one Reference Entity may occur on any one date. For the avoidance of doubt, the provisions set out in these Credit Linked Conditions set out the mechanics that apply in respect of one Reference Entity and where applicable, shall apply severally to each Reference Entity for a Portfolio Credit Linked Note or a Portfolio Maturity Settled Credit Linked Note. References below to a numbered Condition are to such numbered section of the Conditions and references to a numbered Credit Linked Condition are to such numbered section as set out in these Credit Linked Conditions.

Defined terms used in these Credit Linked Conditions or the related section of the Pricing Supplement where the same term may be used in another Annex to the Conditions (e.g. Valuation Date) shall have the meanings given in these Credit Linked Conditions or in the section of the Pricing Supplement relating to Credit Linked Notes.

Unless otherwise stated in these Credit Linked Conditions or in the applicable Pricing Supplement, in the event that any day specified in the "Additional Provisions Relating to Credit Linked Notes" section of the applicable Pricing Supplement or the last day of any period calculated by reference to calendar days falls on a day that is not a Business Day, such day or last day shall be subject to adjustment in accordance with the applicable Business Day Convention.

1. REDEMPTION OF CREDIT LINKED NOTES

Unless previously redeemed in whole or purchased and cancelled and subject to the provisions of these Credit Linked Conditions, each principal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer at its Outstanding Redemption Amount (which may be zero) on the Maturity Date.

For the purposes of Credit Linked Notes, "**Maturity Date**" means the latest to occur of:

- (i) the Scheduled Maturity Date;
- (ii) the last Credit Event Redemption Date capable of occurring;
- (iii) the last Physical Settlement Date or Final Delivery Date capable of occurring;

- (iv) the last Partial Cash Settlement Date capable of occurring;
- (v) the fifth (5th) Business Day following the last Repudiation/Moratorium Evaluation Date capable of occurring;
- (vi) the last Grace Period Extension Date capable of occurring;
- (vii) the fifth (5th) Business Day following the last DC Cut-off Date capable of occurring; and
- (viii) the last Postponed Maturity Date capable of occurring.

If Conditions to Settlement are satisfied then (subject as provided in Credit Linked Condition 4 (*Auction Settlement*) and Credit Linked Condition 23 (*Variation of Settlement*)) (i) if Cash Settlement is specified in the applicable Pricing Supplement, the provisions of Credit Linked Condition 2 (*Cash Settlement*) shall apply, (ii) if Physical Delivery is specified in the applicable Pricing Supplement, the provisions of Credit Linked Condition 3 (*Physical Settlement*) shall apply or (iii) if Auction Settlement is specified in the applicable Pricing Supplement, the provisions of Credit Linked Condition 4 (*Auction Settlement*) shall apply, in each case, in respect of the relevant Credit Event.

2. CASH SETTLEMENT

Subject as provided in these Credit Linked Conditions, if Conditions to Settlement are satisfied and (i) Cash Settlement is specified as the applicable Settlement Method in the applicable Pricing Supplement or (ii) Credit Linked Condition 4(A) below applies, the Issuer shall give notice (such notice a "**Cash Settlement Notice**") to the Noteholders in accordance with Condition 15 (*Notices*) such notice to include the details of the relevant Reference Entity, and:

- (a) in respect of Notes which are not Portfolio Maturity Settled Credit Linked Notes, redeem the Credit Event Portion of all but not some only of the Notes and pay in respect of each principal amount of Notes equal to the Calculation Amount, the Credit Event Redemption Amount specified in, or determined in the manner specified in the applicable Pricing Supplement on the Credit Event Redemption Date; or
- (b) in respect of Notes which are Portfolio Maturity Settled Credit Linked Notes, redeem the aggregate of all Credit Event Portions (determined to and including the Maturity Date) of all but not some only of the Notes and pay in respect of each principal amount of Notes equal to the Calculation Amount, an amount equal to the aggregate of all Credit Event Redemption Amounts (determined to and including the Maturity Date) specified in, or determined in the manner specified in the applicable Pricing Supplement on the Maturity Date.

For the avoidance of doubt settlement in accordance with this Credit Linked Condition 2 (as provided above) shall occur upon satisfaction of the Conditions to Settlement notwithstanding that the related Cash Settlement Notice may be given later, and in some cases significantly later, than the Credit Event Determination Date.

Unless (i) otherwise stated in the applicable Pricing Supplement or (ii) the Notes are Portfolio Credit Linked Notes or Portfolio Maturity Settled Credit Linked Notes, subject as provided in these Credit Linked Conditions if (a) First to Default is specified as applicable in the applicable Pricing Supplement and (b) more than one Reference Entity is specified in the

applicable Pricing Supplement, a Credit Event Determination Date may only occur and a Cash Settlement Notice may only be delivered on one occasion. If Conditions to Settlement are satisfied in respect of more than one Reference Entity on the same date other than in the case of Portfolio Credit Linked Notes or Portfolio Maturity Settled Credit Linked Notes, the Calculation Agent shall determine which Reference Entity is the Reference Entity in respect of which a Credit Event Determination Date shall occur.

If the Notes are partially redeemed, each relevant Note or, if the Notes are represented by a Global Note, such Global Note, shall be endorsed to reflect such part redemption. If the Calculation Agent, at any time, determines that the aggregate nominal amount of the Note is thereby reduced to zero, the Issuer's obligations in respect of such Note shall immediately be discharged and the Issuer shall have no further liability in respect thereof.

If Conditions to Settlement are satisfied and the Notes become redeemable in whole or in part in accordance with this Credit Linked Condition 2, upon payment of the Credit Event Redemption Amount(s) in respect of the Notes, the Issuer shall have discharged its obligations in respect of the relevant Credit Event Portion of the Notes and shall have no other liability or obligation whatsoever in respect thereof. The Credit Event Redemption Amount may be less than the Calculation Amount of a Note. Any shortfall shall be borne by the Noteholders and no liability shall attach to the Issuer or the Guarantor.

3. PHYSICAL SETTLEMENT

Subject as provided in these Credit Linked Conditions, if Conditions to Settlement are satisfied and (i) Physical Delivery is specified as the applicable Settlement Method in the applicable Pricing Supplement or (ii) Credit Linked Condition 4(B) below applies, the Issuer shall, following receipt of a Calculation Agent Physical Settlement Notice, give notice (such notice a **"Notice of Physical Settlement"**) to the Noteholders, in accordance with Condition 15 (*Notices*), such notice to include the details of the relevant Reference Entity, and redeem the Credit Event Portion of all but not some only of the Notes and Deliver in respect of each principal amount of Notes equal to the Calculation Amount, the Deliverable Obligations comprising the Asset Amount on the Physical Settlement Date, subject to and in accordance with Credit Linked Conditions 9 (*Maturity Date Extension*) and 10 (*Physical Delivery*).

If the Notes are partially redeemed, each relevant Note or, if the Notes are represented by a Global Note, such Global Note, shall be endorsed to reflect such part redemption. If the Calculation Agent, at any time, determines that the aggregate nominal amount of the Notes is thereby reduced to zero, the Issuer's obligations in respect of such Notes shall immediately be discharged and the Issuer shall have no further liability in respect thereof.

For the avoidance of doubt settlement in accordance with this Credit Linked Condition 3 (as provided above) shall occur upon satisfaction of the Conditions to Settlement notwithstanding that the related Notice of Physical Settlement may be given later, and in some cases significantly later, than the Credit Event Determination Date.

In the Notice of Physical Settlement, the Issuer shall specify the Deliverable Obligations comprising the Asset Amount that it reasonably expects to Deliver. For the avoidance of doubt, the Issuer shall be entitled to select any of the Deliverable Obligations to constitute the Asset Amount, irrespective of their market value.

The Issuer may, from time to time, amend a Notice of Physical Settlement by delivering a notice to Noteholders in accordance with Condition 15 (*Notices*) (each such notification, a **"Physical Settlement Amendment Notice"**) that the Issuer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior

Physical Settlement Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date of such Physical Settlement Amendment Notice). A Physical Settlement Amendment Notice shall specify each replacement Deliverable Obligation that the Issuer will, subject to Credit Linked Condition 10 (*Physical Delivery*), Deliver (each, a "**Replacement Deliverable Obligation**") and shall also specify the Outstanding Principal Balance or Due and Payable Amount (determined on the same basis as in the definition of Asset Amount) of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior Physical Settlement Amendment Notice, as applicable, that is being replaced or the equivalent Currency Amount of any such amount (with respect to each such Deliverable Obligation, the "**Replaced Deliverable Obligation Outstanding Amount**"). The Replacement Deliverable Obligation(s), taken together, shall have an aggregate Replaced Deliverable Obligation Outstanding Amount at least equal to the Outstanding Principal Balance(s) and/or Due and Payable Amount(s) (or the equivalent Currency Amount(s) of any such amount(s)) of the Deliverable Obligations being replaced. Each such Physical Settlement Amendment Notice must be delivered on or prior to the Physical Settlement Date (determined without reference to any change resulting from such Physical Settlement Amendment Notice). Notwithstanding the foregoing, the Issuer may correct any errors or inconsistencies contained in the Notice of Physical Settlement or any Physical Settlement Amendment Notice, as applicable, by notice to Noteholders (in accordance with Condition 15 (*Notices*) prior to the relevant Delivery Date; it being understood that such notice of correction shall not constitute a Physical Settlement Amendment Notice.

If "Restructuring Maturity Limitation and Fully Transferable Obligation" is specified as applying in the applicable Pricing Supplement and Restructuring is the only Credit Event specified in a Credit Event Notice, then a Deliverable Obligation may be included in the Asset Amount only if it (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date.

If "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applying in the applicable Pricing Supplement and Restructuring is the only Credit Event specified in a Credit Event Notice, then a Deliverable Obligation may be included in the Asset Amount only 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.

If Conditions to Settlement are satisfied and the Notes become redeemable in whole or in part in accordance with this Credit Linked Condition 3, upon Delivery of the Deliverable Obligations Deliverable and/or payment of the Partial Cash Settlement Amounts, as the case may be, the Issuer shall have discharged its obligations in respect of the relevant Credit Event Portion of the Notes and shall have no other liability or obligation whatsoever in respect thereof. The value of such Deliverable Obligations and/or the Partial Cash Settlement Amount may be less than the Calculation Amount of a Note. Any shortfall shall be borne by the Noteholders and no liability shall attach to the Issuer or the Guarantor.

4. AUCTION SETTLEMENT

If Conditions to Settlement are satisfied and Auction Settlement is specified as the applicable Settlement Method in the applicable Pricing Supplement and a Credit Event Determination Date occurs on or prior to the Auction Final Price Determination Date, the Issuer shall give notice (such notice an "**Auction Settlement Notice**") to the Noteholders in accordance with Condition 15 (*Notices*) and, subject to any adjustment in accordance with Credit Linked Condition 15 (*Credit Event Notice after Restructuring Credit Event*), redeem

the Credit Event Portion of all but not some only of the Notes, each such Credit Event Portion of each Note equal to the Calculation Amount being redeemed at the Credit Event Redemption Amount determined in the manner specified in the applicable Pricing Supplement on the Credit Event Redemption Date.

Unless settlement has occurred in accordance with the paragraph above, if:

- (i) an Auction Cancellation Date occurs;
- (ii) a No Auction Announcement Date occurs (and in circumstances where such No Auction Announcement Date occurs pursuant to paragraph (b) of the definition of No Auction Announcement Date, the Issuer has not exercised the Movement Option);
- (iii) ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, not to determine the matters described in paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date;
- (iv) a Credit Event Determination Date was determined pursuant to paragraph (a) of the definition of Credit Event Determination Date and no Credit Event Resolution Request Date has occurred on or prior to the date falling three (3) Business Days after such Credit Event Determination Date; or
- (v) a Credit Event Determination Date was determined pursuant to paragraph (b)(ii)(A) or (b)(ii)(B) of the definition of Credit Event Determination Date,

then:

- (A) if Fallback Settlement Method - Cash Settlement is specified as applicable in the applicable Pricing Supplement, the Issuer shall redeem the relevant Credit Event Portion(s) of the Notes in accordance with Credit Linked Condition 2 above; or
- (B) if Fallback Settlement Method - Physical Delivery is specified as applicable in the applicable Pricing Supplement, the Issuer shall redeem the relevant Credit Event Portion(s) of the Notes in accordance with Credit Linked Condition 3 above.

If Conditions to Settlement are satisfied and the Notes become redeemable in whole or in part in accordance with this Credit Linked Condition 4, upon payment of the Credit Event Redemption Amount(s) in respect of the Notes, the Issuer shall have discharged its obligations in respect of the relevant Credit Event Portion of the Notes and shall have no other liability or obligation whatsoever in respect thereof. The Credit Event Redemption Amount may be less than the Calculation Amount of a Note. Any shortfall shall be borne by the Noteholders and no liability shall attach to the Issuer or the Guarantor.

5. INTEREST

Subject as provided below each of the Notes will bear interest pursuant to and in accordance with Condition 6 (*Interest Provisions*), provided that (i) for the purposes of determining the interest amounts in respect of Portfolio Credit Linked Notes and Portfolio Maturity Settled Credit Linked Notes, the aggregate outstanding nominal amount of the Notes shall be deemed to be the Weighted Average Outstanding Redemption Amount on the relevant

Interest Payment Date and (ii) in the case of interest bearing Notes other than Portfolio Credit Linked Notes or Portfolio Maturity Settled Credit Linked Notes, if Conditions to Settlement are satisfied, then (x) if "Accrual of Interest upon a Credit Event" is specified as Not Applicable in the applicable Pricing Supplement, each Note shall cease to bear interest from the Interest Payment Date immediately preceding the Credit Event Determination Date, or if the Credit Event Determination Date is an Interest Payment Date such Interest Payment Date (but the Issuer shall only be obliged to make payment of such interest on the Credit Event Redemption Date or Physical Settlement Date, as applicable, and no further amount shall be payable in respect of any such delay) or, if the Credit Event Determination Date falls prior to the first Interest Payment Date, no interest shall accrue on the Notes; or (y) if "Accrual of Interest upon a Credit Event" is specified as being Applicable in the applicable Pricing Supplement, each Note shall cease to bear interest from the Credit Event Determination Date. For the avoidance of doubt the above provisions are subject to adjustment in certain circumstances as provided in these Credit Linked Conditions and including the final paragraph of the definition of Credit Event Determination Date in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*).

For the purposes of this Credit Linked Condition 5:

"Weighted Average Outstanding Redemption Amount" means, on any Interest Payment Date, the quotient of (a) the sum of the Outstanding Redemption Amount determined in respect of each day in the immediately preceding Interest Period, as applicable (provided that for the purposes of this Credit Linked Condition 5 only, the Outstanding Redemption Amount shall be deemed to be reduced by each Credit Event Portion on the related Credit Event Determination Date, rather than the related Credit Event Redemption Date in respect of a Portfolio Credit Linked Note or the date on which the Final Price or Auction Final Price, as applicable, is calculated in respect of a Portfolio Maturity Settled Credit Linked Note) (as numerator) and (b) the actual number of days in such Interest Period (as denominator).

6. REPUDIATION/MORATORIUM EXTENSION

Where Repudiation/Moratorium is specified as a Credit Event in the applicable Pricing Supplement, the provisions of this Credit Linked Condition 6 shall apply.

Where (i) Conditions to Settlement in respect of a Reference Entity have not been satisfied on or prior to the Scheduled Maturity Date (determined by reference to the Relevant Time) and (ii) the Repudiation/Moratorium Extension Condition has been satisfied on or prior to the Scheduled Maturity Date or, if Credit Linked Condition 9 (*Maturity Date Extension*) applies, the Postponed Maturity Date and the Repudiation/Moratorium Evaluation Date in respect of such Potential Repudiation Moratorium will, in the determination of the Calculation Agent, fall after the Scheduled Maturity Date, then the Calculation Agent shall notify the Noteholders in accordance with Condition 15 (*Notices*) that a Potential Repudiation/Moratorium has occurred, giving details of the relevant Reference Entity and:

- (i) where a Repudiation/Moratorium has not occurred on or prior to the Repudiation/Moratorium Evaluation Date:
 - (A) Credit Linked Condition 1 (*Redemption of Credit Linked Notes*) shall apply; and
 - (B) in the case of interest bearing Notes only, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date

(or, if none, the Interest Commencement Date) to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the Maturity Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; and

- (ii) where a Repudiation/Moratorium has occurred on or prior to the Repudiation/Moratorium Evaluation Date and Conditions to Settlement are satisfied, the provisions of Credit Linked Condition 2 (*Cash Settlement*), Credit Linked Condition 3 (*Physical Settlement*) or Credit Linked Condition 4 (*Auction Settlement*), as applicable, shall apply to the relevant Credit Event Portion of the Notes.

7. GRACE PERIOD EXTENSION

If "Grace Period Extension" is specified as applying in the applicable Pricing Supplement, the provisions of this Credit Linked Condition 7 shall apply.

Where (i) Conditions to Settlement in respect of a Reference Entity have not been satisfied on or prior to the Scheduled Maturity Date (determined by reference to the Relevant Time) and (ii) in the determination of the Calculation Agent, a Potential Failure to Pay has occurred with respect to one or more Obligation(s) in respect of which a Grace Period is applicable on or prior to the Scheduled Maturity Date (determined by reference to the Relevant Time) (and such Grace Period(s) is/are continuing as at the Scheduled Maturity Date), then:

- (i) where a Failure to Pay has not occurred on or prior to the Grace Period Extension Date:
 - (A) Credit Linked Condition 1 (*Redemption of Credit Linked Notes*) shall apply; and
 - (B) in the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date (or, if none, the Interest Commencement Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the Maturity Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; and
- (ii) where a Failure to Pay has occurred on or prior to the Grace Period Extension Date and Conditions to Settlement are satisfied, the provisions of Credit Linked Condition 2 (*Cash Settlement*), Credit Linked Condition 3 (*Physical Settlement*) or Credit Linked Condition 4 (*Auction Settlement*), as applicable, shall apply to the relevant Credit Event Portion of the Notes.

8. CREDIT DERIVATIVES DETERMINATIONS COMMITTEE EXTENSION

If, in the determination of the Calculation Agent, a Potential Credit Event has occurred and the Credit Derivatives Determinations Committee has not made its determination on or prior to the Scheduled Maturity Date (determined by reference to the Relevant Time) then the Calculation Agent shall notify Noteholders in accordance with Condition 15 (*Notices*) that the Maturity Date has been postponed to a date (the "**DC Cut-off Date**") being the earliest of: (i) fifteen (15) Business Days following the date on which the Credit Derivatives

Determinations Committee Resolves that a Credit Event has occurred; (ii) the second business day following the date on which the Credit Derivatives Determinations Committee Resolves that a Credit Event has not occurred and (iii) fifteen (15) Business Days following the date on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine whether a Credit Event has occurred and:

- (i) where a Credit Event has not occurred on or prior to the DC Cut-off Date:
 - (A) Credit Linked Condition 1 (*Redemption of Credit Linked Notes*) shall apply; and
 - (B) in the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date or if none the Interest Commencement Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the fifth (5th) Business Day following the DC Cut-off Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; or
- (ii) where a Credit Event has occurred on or prior to the DC Cut-off Date and Conditions to Settlement are satisfied, the provisions of Credit Linked Condition 2 (*Cash Settlement*), Credit Linked Condition 3 (*Physical Settlement*), or Credit Linked Condition 4 (*Auction Settlement*), as applicable, shall apply to the relevant Credit Event Portion of the Notes.

9. MATURITY DATE EXTENSION

Without prejudice to Credit Linked Condition 12 (*Settlement Suspension*), if:

- (x) on or prior to (A) the Scheduled Maturity Date or, (B), if applicable, the Repudiation/Moratorium Evaluation Date, (C) if Grace Period Extension is specified as applying in the applicable Pricing Supplement, the Grace Period Extension Date, or (D) if applicable, the DC Cut-off Date, as the case may be, Conditions to Settlement have not been satisfied but, in the opinion of the Calculation Agent, a Credit Event may have occurred; or
- (y) on or prior to the Scheduled Maturity Date, in the opinion of the Calculation Agent a Potential Repudiation/Moratorium may have occurred,

the Calculation Agent may at its option notify the Noteholders in accordance with Condition 15 (Notices) that the Maturity Date, the Repudiation/Moratorium Evaluation Date, the Grace Period Extension Date or the DC Cut-off Date, as the case may be, has been postponed to a date (such date the "**Postponed Maturity Date**") specified in such notice falling on the fifth (5th) Business Day immediately following the fourteenth (14th) calendar day after the Scheduled Maturity Date, the Repudiation/Moratorium Evaluation Date, the Grace Period Extension Date or the DC Cut off Date, as the case may be, or if such day is not a Business Day the immediately succeeding Business Day, and:

where:

- (i) in the case of Credit Linked Condition 9(x), Conditions to Settlement are not satisfied on or prior to the Postponed Maturity Date or, in the case of Credit Linked

Condition 9(y), the Repudiation/Moratorium Extension Condition is not satisfied on or prior to the Postponed Maturity Date:

- (A) Credit Linked Condition 1 (*Redemption of Credit Linked Notes*) shall apply; and
- (B) in the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated as provided herein accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date or, if none, the Interest Commencement Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the Maturity Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; or

(ii)

- (A) in the case of Credit Linked Condition 9(x), Conditions to Settlement are satisfied on or prior to the Postponed Maturity Date, the provisions of Credit Linked Condition 2 (*Cash Settlement*), Credit Linked Condition 3 (*Physical Settlement*) or Credit Linked Condition 4 (*Auction Settlement*) as applicable shall apply to the relevant Credit Event Portion of the Notes; or
- (B) in the case of Credit Linked Condition 9(y), the Repudiation/Moratorium Extension Condition is satisfied on or prior to the Postponed Maturity Date, the provisions of Credit Linked Condition 6 (*Repudiation/Moratorium Extension*) shall apply to the relevant Credit Event Portion of the Notes.

10. PHYSICAL DELIVERY

- (a) If any Credit Event Portion of a Credit Linked Notes, other than a Credit Linked Note represented by a U.S. Global Note, is to be redeemed by delivery of the Asset Amount(s), in order to obtain delivery of the Asset Amount(s) in respect of any Credit Event Portion of a Note:
 - (X) if such Note is represented by a Global Note, the relevant must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to the Principal Paying Agent and the Calculation Agent no later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice in the form described below; and
 - (Y) if such Note is in definitive form, the relevant Noteholder must deliver, to any Paying Agent with a copy to the Principal Paying Agent no later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice, a copy of which may be obtained from the Calculation Agent.

An Asset Transfer Notice may only be delivered (i) if such Note is represented by a Global Note, in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be, or (ii) if such Note is in definitive form, in writing.

If this Note is in definitive form, this Note must be delivered together with the duly completed Asset Transfer Notice.

The Asset Transfer Notice shall:

- (i) specify the name, address and contact telephone number of the relevant Noteholder and the person from whom the Issuer may obtain details for the Delivery of the Asset Amount;
- (ii) specify the series number of the Notes and the number of Notes which are the subject of such notice;
- (iii) in the case of Notes represented by a Global Note, specify the principal amount which is the subject of such notice and the number of the Noteholder's account at Euroclear or Clearstream, Luxembourg, as the case may be, to be debited with such Notes and irrevocably instruct and authorise the relevant Clearance System to debit the relevant Noteholder's account with the Credit Event Portion of such Notes on or before the Physical Settlement Date;
- (iv) include an undertaking to pay all Delivery Expenses (as defined below) and, in the case of Notes represented by a Global Note, an authority to debit a specified account of the Noteholder with Euroclear or Clearstream, Luxembourg, as the case may be in respect thereof and to pay such Delivery Expenses;
- (v) include such details as are required for Delivery of the Asset Amount which may include account details and/or the name and address of any person(s) into whose name evidence of the Asset Amount is to be registered and/or any bank, broker or agent to whom documents evidencing the Asset Amount are to be delivered and specify the name and number of the Noteholder's account to be credited with any cash payable by the Issuer;
- (vi) certify that the beneficial owner of each Note is not a U.S. person (as defined in the Asset Transfer Notice), the Notes is not being redeemed within the United States or on behalf of a U.S. person and no cash, securities 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; and
- (vii) authorise the production of such certification in any applicable administrative or legal proceedings.

The form of Asset Transfer Notice will be made available by the Issuer to Noteholders in accordance with such procedures as will be confirmed by the Issuer in accordance with Condition 15 (*Notices*) following any determination by the Issuer that the Notes are to be redeemed by delivery of the Asset Amount(s).

(b) Notification of Deliverable Obligations

The Issuer shall give notice to Noteholders prior to the relevant Physical Settlement Date of the Deliverable Obligations comprising the Asset Amount that it reasonably expects to Deliver. For the avoidance of doubt, the Issuer shall be entitled to select any of the Deliverable Obligations to constitute the Asset Amount, irrespective of their market value.

(c) Verification of the Noteholder

In the case of Notes represented by a Global Note, upon receipt of an Asset Transfer Notice, Euroclear or Clearstream, Luxembourg, as the case may be, shall verify that the person Delivering the Asset Transfer Notice is the holder of the Notes described therein according to its records. Subject thereto, Euroclear or Clearstream, Luxembourg, as the case may be, will confirm to the Principal Paying Agent the series number and number of Notes the

subject of such notice, the relevant account details and the details for the Delivery of the Asset Amount of each Note. Upon receipt of such confirmation, the Principal Paying Agent will inform the Issuer thereof. Euroclear or Clearstream, Luxembourg, as the case may be, will on or before the Physical Settlement Date, debit the securities account of the relevant Noteholder with the Credit Event Portion of the relevant Notes.

(d) Determinations and Delivery Expenses

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made, in the case of Notes represented by a Global Note, by Euroclear or Clearstream, Luxembourg, as the case may be, or, in the case of Notes in definitive form, by the relevant Paying Agent or the Registrar, as the case may be, in each case in consultation with the Principal Paying Agent, and shall be conclusive and binding on the Issuer, the Principal Paying Agent(s) and the relevant Noteholder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Paying Agent immediately after being delivered or sent as provided in paragraph (a) above, shall be null and void.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of, in the case of Notes represented by a Global Note, Euroclear or Clearstream, Luxembourg, as the case may be, or, in the case of Note in definitive form, by the relevant Paying Agent or the Registrar, as the case may be, in each case in consultation with the Principal Paying Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered as provided above.

No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant Clearance System, the Registrar or a Paying Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Noteholder may not transfer the Notes which are the subject of such notice.

All costs, taxes, duties and/or expenses including any applicable depositary charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other costs, duties or taxes which the Calculation Agent determines may be or would be, or would have been incurred (i) in connection with the redemption of the Notes and/or the Delivery of the Asset Amount in respect of such Notes and (ii) by the Issuer or any Affiliate had such entity unwound or varied any underlying related hedging arrangements in respect of the Note ("**Delivery Expenses**") shall be for the account of the relevant Noteholder and no Asset Amount will be Deliverable until the relevant Delivery Expenses have been met or otherwise accounted for to the satisfaction of the Issuer.

(e) Delivery

(i) Subject to:

- (A) an Asset Transfer Notice having been duly delivered as provided above on or prior to the Cut-Off Date; and
- (B) all Delivery Expenses having been paid or otherwise accounted for to the satisfaction of the Issuer by the relevant Noteholder,

the Issuer shall, at the risk of the relevant Noteholder, Deliver or procure the Delivery of the Asset Amount for the Credit Event Portion of each Note, pursuant to the details specified in the Asset Transfer Notice or in such commercially reasonable manner as the Calculation Agent shall in its sole discretion determine and notify to

the person designated by the Noteholder in the relevant Asset Transfer Notice on the Physical Settlement Date. Where the Asset Transfer Notice stipulates that the Asset Amount should be Delivered to a specified clearing system, the Issuer's or the Guarantor's obligation to Deliver such Asset Amount will be discharged by Delivery to, or to the order of, the relevant clearing system and each of the persons shown in the records of the relevant clearing system as the account holder must look solely to the relevant clearing system for his share of any Asset Amount so Delivered.

- (ii) If a Noteholder fails to give an Asset Transfer Notice as provided herein with a copy to the Principal Paying Agent, on or prior to the Cut-Off Date, then:
 - (A) the Issuer may elect, in its sole discretion to Deliver or procure the Delivery of the aggregate Asset Amounts for the Credit Event Portion of all such affected Notes, at the risk of the relevant Noteholder, to, or to the order of, the relevant Clearance System(s) in which the Notes are held and its obligation to Deliver any such Asset Amount so Delivered shall be discharged thereby. Each of the persons shown in the records of the relevant Clearance System as the holder of a particular amount of the Notes must look solely to the relevant Clearance System for his share of each such Asset Amount so Delivered to, or to the order of, such Clearance System. For the purposes of paragraph (iv) below, each Clearance System will be deemed to be a single Noteholder and each Clearance System will be requested to divide and deliver such Asset Amounts in accordance with its rules; or
 - (B) the Asset Amount(s) will be Delivered as soon as practicable after the scheduled Physical Settlement Date (in which case, such date of Delivery shall be deemed to be the Physical Settlement Date) at the risk of such Noteholder in the manner provided below, *Provided That* if, in respect of a Notes, a Noteholder fails to give an Asset Transfer Notice prior to the day falling 180 calendar days after the Cut Off Date, the obligations of the Issuer and the Guarantor in respect of such Notes shall be discharged and neither the Issuer nor the Guarantor shall have any liability in respect thereof. For the avoidance of doubt, in such circumstances such Noteholder shall not be entitled to any payment, whether of interest or otherwise, as a result of such Physical Settlement Date falling after the date fixed for redemption and no liability in respect thereof shall attach to the Issuer.
- (iii) To the extent that the Issuer is not satisfied that the Delivery Expenses have been or will be paid in full by the relevant Noteholder on or prior to the relevant Physical Settlement Date, the Issuer may, in its sole discretion, elect to reduce the Asset Amount(s) to be Delivered to that Noteholder by an amount(s) which by market value (determined at the time of reduction by reference to such valuation sources as the Issuer determines appropriate) in aggregate is at least equal to the aggregate Delivery Expenses that it determines, in its sole discretion, have not been paid or otherwise accounted for (the Asset Amount as so reduced, the "**Reduced Asset Amount**"). Where the Issuer elects to make such a reduction, in accordance with this Credit Linked Condition 10(e)(iii) the Issuer's obligation to Deliver the Asset Amount(s) shall be discharged in full by Delivery of the Reduced Asset Amount(s) in accordance with the provisions of this Credit Linked Condition 10(e). The provisions of these Credit Linked Conditions shall apply *mutatis mutandis* to any such Delivery of the Reduced Asset Amount.

(iv) For the purpose of determining the Asset Amounts in respect of the Notes, Notes held by the same Noteholder will be aggregated. The aggregate Asset Amount(s) to be delivered in respect of each such aggregated holding will be rounded down to the nearest whole unit of the relevant Deliverable Obligation (or, where there is more than one type of Deliverable Obligation, each of the Deliverable Obligations), as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Deliverable Obligation or of each of the Deliverable Obligations, as the case may be, will not be delivered but in lieu thereof the Issuer shall pay to the Noteholders in respect of their respective holding an additional amount in the Specified Currency equal to the fair market value of such fraction(s) in such manner as shall be determined by the Calculation Agent in good faith and in a commercially reasonable manner and notified to Noteholders in accordance with Condition 15 (*Notices*).

(f) General

After Delivery of an Asset Amount in respect of a Note and for the Intervening Period, none of the Issuer, the Guarantor, the Calculation Agent and any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Noteholder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of the securities or obligations included in such Asset Amount, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities or obligations included in such Asset Amount or (iii) be under any liability to a Noteholder in respect of any loss or damage which such Noteholder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such securities or obligations included in such Asset Amount.

(g) In relation to each Deliverable Obligation constituting any Asset Amount, the Issuer will Deliver or procure the Delivery of the relevant Deliverable Obligation as provided below on the Physical Settlement Date provided that if all or some of the Deliverable Obligations included in the Asset Amount in respect of a Note are Undeliverable Obligations and/or Hedge Disruption Obligations, then the Issuer shall continue to attempt to Deliver or, if applicable, shall attempt to Deliver where possible all or a portion of such Undeliverable Obligations or Hedge Disruption Obligations, as the case may be, on or before the 65th Business Day following the Scheduled Physical Settlement Date (the "**Final Delivery Date**") or such earlier date as the Calculation Agent may select and notify to the Noteholders in accordance with Condition 15, taking into account the terms of any transaction or arrangements entered into by the Issuer and/or its Affiliates to hedge obligations of the Issuer in respect of the Notes, provided further that if all or a portion of such Undeliverable Obligations or Hedge Disruption Obligations, as the case may be, are not Delivered by the Final Delivery Date the provisions of Credit Linked Condition 11 (*Partial Cash Settlement*) shall apply.

(h) If any Note represented by a U.S. Global Note is to be redeemed (in whole or in part) by Delivery of an Asset Amount, the relevant provisions relating to such Delivery shall be set out in the applicable Pricing Supplement.

11. PARTIAL CASH SETTLEMENT

If all or a portion of the obligations comprising the Asset Amount are Undeliverable Obligations and/or Hedge Disruption Obligations, the Issuer shall give notice (a "**Partial Cash Settlement Notice**") to the Noteholders in accordance with Condition 15 (*Notices*) and the Issuer shall pay in respect of each Undeliverable Obligation and/or Hedge

Disruption Obligation, as the case may be, the Partial Cash Settlement Amount on the Partial Cash Settlement Date.

In the Partial Cash Settlement Notice, the Issuer must give details of why it is unable to deliver the relevant Undeliverable Obligations or Hedge Disruption Obligation, as the case may be.

Unless otherwise specified in the applicable Pricing Supplement, for the purposes of this Credit Linked Condition 11 the following terms shall be defined as follows:

"Full Quotation" means, in relation to any Undeliverable Obligation and in accordance with the Quotation Method, each firm quotation expressed as a percentage obtained from a Quotation Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, with an Outstanding Principal Balance equal to the Quotation Amount.

"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 Obligation or Hedge Disruption Obligation, as the case may be, equal to the Quotation Amount, which reflects such Quotation Dealer's reasonable assessment of the price of such Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, based on such factors as such Quotation Dealer may consider relevant, which may include historical prices and recovery rates.

"Market Value" means, with respect to an Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, on a Valuation Date, (i) 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 such Full Quotations have the same highest or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (ii) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (iii) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations; (iv) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation; (v) if Indicative Quotations are specified as applying in the applicable Pricing Supplement and exactly three Indicative Quotations are obtained, the Indicative Quotation remaining after disregarding the highest and lowest Indicative Quotations (and, if more than one such Indicative Quotations have the same highest or lowest value, then one of such highest or lowest Indicative Quotations shall be disregarded); (vi) 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 paragraph (b) of the definition of "Quotation" below, an amount as determined by the Calculation Agent on the next Business Day on which at least two Full Quotations or a Weighted Average Quotation or, if applicable, three Indicative Quotations are obtained; (vii) if two or more Full Quotations or a Weighted Average Quotation are not obtained or (if applicable) fewer than three Indicative Quotations are obtained, the Market Value shall be determined as provided in paragraph (b) of the definition of "Quotation" below; and (viii) if the Quotations are deemed to be zero, the Market Value shall be zero.

"Partial Cash Settlement Amount" is deemed to be, for each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, an amount calculated by the Calculation Agent equal to the greater of (i) (A) the Outstanding Principal Balance, the Due and Payable Amount or the Currency Amount, as applicable, of each Undeliverable Obligation or Hedge

Disruption Obligation, as the case may be, multiplied by (B) the Final Price or Auction Final Price, if applicable, with respect to such Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, less, if applicable, (C) Unwind Costs, if any (but excluding any Unwind Costs already taken into account in calculating the relevant Asset Amount), and (ii) zero.

"Partial Cash Settlement Date" means, subject to Credit Linked Condition 12 (*Settlement Suspension*), the day falling five (5) Business Days after (i) the calculation of the Final Price or (ii) the Auction Final Price Determination Date, as applicable, in each case in respect of such Undeliverable Obligations or Hedge Disruption Obligation, as the case may be.

"Quotation" means each Full Quotation, the Weighted Average Quotation and, if Indicative Quotations are specified as applying in the applicable Pricing Supplement, each Indicative Quotation obtained and expressed as a percentage 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 applying in the applicable 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 applying in the applicable 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 Obligation or the Hedge Disruption Obligation, 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, Provided That, the Calculation Agent may, at its discretion, elect not to use such Full Quotation or weighted average of any firm quotations determined in respect of such tenth Business Day and, if it so elects, will use such full quotations, weighted average quotation or firm quotations provided to the Calculation Agent on any of the five Business Days immediately following such tenth Business Day in accordance with the terms of any transaction or arrangement entered into by the Issuer and/or its Affiliates to hedge obligations of the Issuer in respect of the Notes (and each such full quotation shall be deemed to be a Full Quotation and each weighted average quotation shall be deemed to be a Weighted Average Quotation for the purposes of these Credit Linked Condition) and shall use such full quotations, weighted average quotation or firm quotations as follows:

- (i) if two or more full quotations or a weighted average quotation is provided to the Calculation Agent in respect of any additional Business Day, the Calculation Agent shall use such full quotations or weighted average quotation;
 - (ii) if a single full quotation is provided to the Calculation Agent in respect of the fifth additional Business Day, the Calculation Agent shall use such full quotation; or
 - (iii) if firm quotations are provided to the Calculation Agent in respect of the fifth additional Business Days, the Calculation Agent shall use the weighted average of such firm quotations for the Undeliverable Obligation or the Hedge Disruption Obligation, as the case may be, 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 provided.
- (c) The Calculation Agent shall determine, based on the then current market practice in the market of the relevant Undeliverable Obligation or Hedge Disruption Obligations, as the case may be, whether such Quotations shall include or exclude accrued but unpaid interest. All Quotations shall be obtained in accordance with this specification or determination.
- (d) If any Quotation obtained with respect to an Accreting Obligation is expressed as a percentage of the amount payable in respect of such obligation at maturity, such Quotation will instead be expressed as a percentage of the Outstanding Principal Balance for purposes of determining the Final Price.

"Quotation Amount" is deemed to be, with respect to each type or issue of Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency converted by the Calculation Agent by reference to exchange rates in effect at the time that the relevant Quotation is being obtained), as applicable, of such Undeliverable Obligation or Hedge Disruption Obligation, as the case may be.

"Quotation Method" is deemed to be Bid.

"Reference Obligation" is deemed to be each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be.

"Valuation Method" is deemed to be Highest unless fewer than two Full Quotations are obtained or a Weighted Average Quotation applies (or, if applicable, Indicative Quotations), in which case "Valuation Method" is deemed to be Market.

"Valuation Time" is the time specified as such in the applicable Pricing Supplement, or, if no time is so specified, 11:00 a.m. in the principal trading market for the Undeliverable Obligation or the Hedge Disruption Obligation, as the case may be.

"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 Undeliverable Obligation or the Hedge Disruption Obligation, as the case may be, with an Outstanding Principal Balance

of as large a size as available but less than the Quotation Amount that in aggregate are approximately equal to the Quotation Amount.

12. SETTLEMENT SUSPENSION

(a) Suspension

Without prejudice to Credit Linked Condition 9 (*Maturity Date Extension*) above, if, following the determination of a Credit Event Determination Date in accordance with sub-paragraph (a) of the definition of Credit Event Determination Date but prior to the relevant Physical Settlement Date or, to the extent applicable, a Valuation Date, ISDA publicly announces that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in sub-paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date are satisfied in accordance with the Rules, the Calculation Agent may, at its option, determine that the applicable timing requirements of these Credit Linked Conditions and the definitions of Credit Event Redemption Date, Valuation Date, Physical Settlement Period, and any other provision in these Credit Linked Conditions as determined by the Calculation Agent shall toll and be suspended and remain suspended (such period of suspension, a "**Suspension Period**") until such time as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved (i) the matters described in sub-paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date or (ii) not to determine such matters. Once ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved (A) the matters described in sub-paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date or (B) not to determine such matters, the relevant timing requirements of these Credit Linked Conditions that have previously tolled or been suspended shall resume on the Business Day following such public announcement by ISDA.

In the event of any such Suspension Period, the Calculation Agent may make (x) such consequential or other adjustment(s) or determination(s) to or in relation to these Credit Linked Conditions as may be desirable or required either during or following any relevant Suspension Period to account for or reflect such suspension and (y) determine the effective date of such adjustment(s) or determination(s).

(b) Interest

In the case of interest bearing Notes:

- (i) if a Suspension Period falls in any one or more Interest Period(s), then no interest (or any interest on any delayed payment of interest) shall accrue during each portion of an Interest Period during which a Suspension Period exists; and
- (ii) if an Interest Payment Date falls in a Suspension Period, such Interest Payment Date will be deferred until such date as determined by the Calculation Agent falling no earlier than the first Payment Date and no later than the fifth Payment Date following the end of the Suspension Period, all subject to the provisions of Condition 6 (*Interest Provisions*) and Credit Linked Condition 6 (*Repudiation/Moratorium Extension*), Credit Linked Condition 7 (*Grace Period Extension*) and Credit Linked Condition 8 (*Credit Derivatives Determinations Committee Extension*).

13. REDEMPTION FOLLOWING A MERGER EVENT

Where "Merger Event" is specified as applying in the applicable Pricing Supplement, in the event that in the determination of the Calculation Agent a Merger Event has occurred, the Issuer may give notice to the Noteholders in accordance with Condition 15 (*Notices*) and redeem each Note at the Early Redemption Amount on the Merger Event Redemption Date (as specified in the applicable Pricing Supplement).

14. DEFINITIONS APPLICABLE TO CREDIT LINKED NOTES

"2.5-year Limitation Date" has the meaning given to that term in the definition of "Limitation Date".

"5-year Limitation Date" has the meaning given to that term in the definition of "Limitation Date".

"20-year Limitation Date" has the meaning given to that term in the definition of "Limitation Date".

"Accreted Amount" means, with respect to an Accreting Obligation, an amount equal to (a) the sum of (i) the original issue price of such obligation and (ii) the portion of the amount payable at maturity that has accreted in accordance with the terms of the obligation (or as otherwise described below), less (b) any cash payments made by the obligor thereunder that, under the terms of such obligation, reduce the amount payable at maturity (unless such cash payments have been accounted for in (a)(ii) above), in each case calculated as of the earlier of (A) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (B) the Delivery Date or applicable Valuation Date, as the case may be. Such Accreted Amount shall include any accrued and unpaid periodic cash interest payments (as determined by the Calculation Agent) only if "Include Accrued Interest" is specified as being applicable in the applicable Pricing Supplement. If an Accreting Obligation is expressed to accrete pursuant to a straight-line method or if such Obligation's yield to maturity is not specified in, nor implied from, the terms of such Obligation, then, for the purposes of (a)(ii) above, the Accreted Amount shall be calculated using a rate equal to the yield to maturity of such Obligation. Such yield shall be determined on a semi-annual bond equivalent basis using the original issue price of such obligation and the amount payable at the scheduled maturity of such obligation, and shall be determined as of the earlier of (A) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (B) the Delivery Date or applicable Valuation Date, as the case may be. The Accreted Amount shall exclude, in the case of an Exchangeable Obligation, any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

"Accreting Obligation" means any obligation (including, without limitation, a Convertible Obligation or an Exchangeable Obligation), the terms of which expressly provide for an amount payable upon acceleration equal to the original issue price (whether or not equal to the face amount thereof) plus an additional amount or amounts (on account of original issue discount or other accruals of interest or principal not payable on a periodic basis) that will or may accrete, whether or not (a) payment of such additional amounts is subject to a contingency or determined by reference to a formula or index, or (b) periodic cash interest is also payable.

"Additional Credit Event" means, in respect of Notes, an event specified as such in the applicable Pricing Supplement.

"Asset Amount" means, subject to the provisions of Credit Linked Condition 10 (*Physical Delivery*), in respect of each principal amount of Notes equal to the relevant Credit Event Portion, Deliverable Obligations, as selected by the Calculation Agent, with:

- (a) in the case of Deliverable Obligations that are Borrowed Money, an Outstanding Principal Balance (including accrued but unpaid interest (as determined by the Calculation Agent) if "Include Accrued Interest" is specified as applying in the applicable Pricing Supplement, but excluding accrued but unpaid interest if "Exclude Accrued Interest" is specified as applying in the applicable Pricing Supplement, and if neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified as applying in the applicable Pricing Supplement, excluding accrued but unpaid interest); or
- (b) in the case of Deliverable Obligations that are not Borrowed Money, a Due and Payable Amount,

(or, in the case of either (a) or (b), the equivalent Currency Amount of any such amount), in an aggregate amount as of the relevant Delivery Date equal to or greater than the relevant Credit Event Portion less, if Unwind Costs are specified as applying in the applicable Pricing Supplement, Deliverable Obligations with a market value determined by the Calculation Agent on the Business Day selected by the Calculation Agent falling during the period from and including the Credit Event Determination Date to and including the Delivery Date less than or equal to the Unwind Costs.

If an obligation by its terms represents or contemplates an obligation to pay an amount greater than the Outstanding Principal Balance of such obligation as of the Delivery Date as a result of the occurrence or non-occurrence of an event or circumstance, the Outstanding Principal Balance of such obligation shall not include any additional amount that would be payable upon the occurrence or non-occurrence of such event or circumstance.

"Asset Transfer Notice" means a duly completed asset transfer notice, the form of which may be obtained from the Calculation Agent.

"Auction" shall have the meaning as shall be set forth in the relevant Transaction Auction Settlement Terms.

"Auction Cancellation Date" shall have the meaning as shall be set forth in the relevant Transaction Auction Settlement Terms.

"Auction Covered Transaction" shall have the meaning as shall be set forth in the relevant Transaction Auction Settlement Terms.

"Auction Final Price" shall have the meaning as shall be set forth in the relevant Transaction Auction Settlement Terms.

"Auction Final Price Determination Date" shall have the meaning as shall be set forth in the relevant Transaction Auction Settlement Terms.

"Auction Settlement Date" shall mean the date that is the number of Business Days as shall be specified in the relevant Transaction Auction Settlement Terms (or, if a number of Business Days is not so specified, five (5) Business Days) immediately following the Auction Final Price Determination Date.

"**Auction Settlement Notice**" has the meaning given to that term in Credit Linked Condition 4 (*Auction Settlement*).

"**Bankruptcy**" means a 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 or composition with or for the benefit of its creditors;
- (d) 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 (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 (30) calendar days of the institution or presentation thereof or before the Maturity Date, whichever is earlier;
- (e) has a resolution passed for its winding-up, official management 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 (30) calendar days thereafter or before the Maturity Date, whichever is earlier; or
- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has any analogous effect to any of the events specified in paragraphs (a) to (g) (inclusive).

"**Best Available Information**" means:

- (i) in the case of a Reference Entity which files information with its primary securities regulator or primary stock exchange that includes unconsolidated, pro forma financial information which assumes that the relevant Succession Event has occurred or which provides such information to its shareholders, creditors or other persons whose approval of the Succession Event is required, that unconsolidated, pro forma financial information and, if provided subsequently to the provision of unconsolidated, pro forma financial information but before the Calculation Agent makes its determination for the purposes of the definition of "Successor", other relevant information that is contained in any written communication provided by the Reference Entity to its primary securities regulator, primary stock exchange,

shareholders, creditors or other persons whose approval of the Succession Event is required; or

- (ii) in the case of a Reference Entity which does not file with its primary securities regulators or primary stock exchange, or which does not provide to shareholders, creditors or other persons whose approval of the Succession Event is required, the information contemplated in (i) above, the best publicly available information at the disposal of the Calculation Agent to allow it to make a determination for the purposes of the definition of "Successor".

Information which is made available more than fourteen (14) calendar days after the legally effective date of the Succession Event shall not constitute "Best Available Information".

"Business Day" means for the purposes of this Annex only, a day which is a day on which commercial banks and foreign exchange markets are generally open to settle payments (including dealing in foreign exchange and foreign currency deposits) in the jurisdiction of the Credit Linked Specified Currency specified in the applicable Pricing Supplement, and in respect of the Delivery of any Deliverable Obligations, shall include any day in any jurisdiction on which banks must be open in order to effect settlement of such Delivery.

"Business Day Convention" means the convention for adjusting any relevant date if it would otherwise fall on a day that is not a Business Day. The following terms, when used in conjunction with the term "Business Day Convention" and a date, shall mean that an adjustments will be made if that date would otherwise fall on a day that is not a Business Day so that:

- (a) if "Following" is specified as the applicable Business Day Convention in the applicable Pricing Supplement, that date will be the first following day that is a Business Day;
- (b) if "Modified Following" is specified as the applicable Business Day Convention in the applicable Pricing Supplement, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day; and
- (c) if "Preceding" is specified as the applicable Business Day Convention in the applicable Pricing Supplement, that date will be the first preceding day that is a Business Day.

"Calculation Agent City Business Day" means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the Calculation Agent City specified in the applicable Pricing Supplement.

"Calculation Agent Physical Settlement Notice" has the meaning given to that term in the definition of Conditions to Settlement.

"Cash Settlement Notice" has the meaning given to that term in Credit Linked Condition 2 (*Cash Settlement*).

"Clearance System" means DTC, Euroclear, Clearstream, Luxembourg, any successor operator and/or clearing system and/or any additional or alternative clearing system specified in the applicable Pricing Supplement.

"Conditionally Transferable Obligation" means a Deliverable Obligation or Valuation 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 or Valuation Obligation, as the case may be, other than Bonds, provided, however, that a Deliverable Obligation or Valuation Obligation, as the case may be, 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 or Valuation Obligations, as the case may be, other than Bonds (or the consent of the relevant obligor if a Reference Entity is guaranteeing such Deliverable Obligation or Valuation Obligations, as the case may be) or any agent is required for such novation, assignment or transfer so long as the terms of such Deliverable Obligation or Valuation Obligations, as the case may be, provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation or Valuation Obligation, as the case may be, be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation or Valuation Obligation, as the case may be, shall not be considered to be a requirement for consent for purposes of this definition of "Conditionally Transferable Obligation".

For purposes of determining whether a Deliverable Obligation or a Valuation Obligation, as the case may be, satisfies the requirements of the definition of "Conditionally Transferable Obligation", such determination shall be made as of the Delivery Date for the Deliverable Obligation or the date of selection of the relevant Valuation Obligation, as the case may be, taking into account only the terms of the Deliverable Obligation or the Valuation Obligation, as the case may be, and any related transfer or consent documents which have been obtained by the Issuer or the Guarantor, as the case may be.

"Conditions to Settlement" means the requirements set out in each of (a), (b) and (c), as applicable, below:

- (a) all of the Conditions to Settlement shall be deemed to be satisfied by the occurrence of a Credit Event Determination Date except where such Credit Event Determination Date is subsequently reversed prior to any of (i) the relevant Auction Final Price Determination Date, (ii) a relevant Valuation Date, (iii) the relevant Physical Settlement Date (or, if earlier, a Delivery Date), (iv) the relevant Credit Event Redemption Date or (v) the Maturity Date, as applicable, unless Physical Delivery is specified as the applicable Settlement Method in the applicable Pricing Supplement (or is applicable pursuant to the Fallback Settlement Method) in which case all of the Conditions to Settlement shall be deemed to be satisfied by delivery of a Calculation Agent Physical Settlement Notice as described in (c) below on or following the occurrence of a Credit Event Determination Date;
- (b) if Notice of Publicly Available Information is specified as applicable in the applicable Pricing Supplement, the Notice of Publicly Available Information Condition to Settlement is satisfied if either (i) the Calculation Agent delivers to the Issuer a Notice of Publicly Available Information during one of the periods specified in paragraph (a) of the definition of Credit Event Determination Date or (ii) ISDA publicly announces on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event for purposes of the relevant Notes has occurred with respect to the relevant Reference Entity or Obligation thereof; and

- (c) where Physical Delivery is specified as the applicable Settlement Method in the applicable Pricing Supplement (or is applicable pursuant to the Fallback Settlement Method), the Calculation Agent delivers to the Issuer a notice of physical settlement (a "**Calculation Agent Physical Settlement Notice**"), subject where applicable to Credit Linked Condition 12 (*Settlement Suspension*), on or prior to:
 - (i) the later of:
 - (A) the thirty-third (33rd) calendar day (subject to adjustment in accordance with the applicable Business Day Convention) after the Credit Event Determination Date; and
 - (B) the thirteenth(13th) calendar day after either (I) the date of the relevant DC Credit Event Announcement, if any, or (II) the date on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date; or
 - (ii) if "Physical Delivery" is applicable pursuant to the Fallback Settlement Method in accordance with Credit Linked Condition 4(B) (*Auction Settlement*) and:
 - (A) the relevant Credit Event is not a Restructuring (or, if such Credit Event is a Restructuring, such Restructuring has occurred where neither "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" nor "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the applicable Pricing Supplement), the thirty-third (33rd) calendar day after the Auction Cancellation Date or the No Auction Announcement Date, as applicable; or
 - (B) the relevant Credit Event is a Restructuring and either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the applicable Pricing Supplement, either:
 - (1) the thirty-third (33rd) calendar day after:
 - (i) a No Auction Announcement Date occurring pursuant to paragraph (a) of the definition of No Auction Announcement Date, if any; or
 - (ii) a No Auction Announcement Date occurring pursuant to paragraph (c) of the definition of No Auction Announcement Date, if any, in circumstances where no Parallel Auction will be held; or
 - (iii) the Auction Cancellation Date, if any; or

- (2) the second (2nd) Relevant City Business Day immediately following the later of the Parallel Auction Final Price Determination Date, if any (or, if more than one should occur, the last Parallel Auction Final Price Determination Date), and the Parallel Auction Cancellation Date, if any (or, if more than one should occur, the last Parallel Auction Cancellation Date), as applicable, in circumstances where either:
- (i) a No Auction Announcement Date occurs pursuant to paragraph (b) of the definition of No Auction Announcement Date and the Issuer has not exercised the Movement Option; or
 - (ii) a No Auction Announcement Date occurs pursuant to paragraph (c) of the definition of No Auction Announcement Date in circumstances where one or more Parallel Auctions will be held,

provided that in the case of paragraphs (c)(i)(B) and (c)(ii), the relevant Credit Event Resolution Request Date occurred on or prior to the date described in paragraph (c)(i)(A).

For purposes of determining whether the conditions of this paragraph (c) have been satisfied, the date of delivery of the Calculation Agent Physical Settlement Notice (whether or not subsequently changed) shall be used.

"Convertible Obligation" means any obligation that is convertible, in whole or in part, into Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation).

"Credit Derivatives Auction Settlement Terms" means any Credit Derivatives Auction Settlement Terms published by ISDA, in accordance with the Rules, 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 in accordance with the Rules.

"Credit Derivatives Determinations Committees" means the committees established by ISDA for purposes of reaching certain DC Resolutions in connection with credit derivative transactions (each a **"Credit Derivatives Determinations Committee"**), as more fully described in the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof (the **"Rules"**).

"Credit Event" means the occurrence of any one or more of the Credit Events specified in the applicable Pricing Supplement which may include Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium or Restructuring, or any Additional Credit Event specified in the applicable Pricing Supplement, as determined by the Calculation Agent.

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 a 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 purposes of any event that constitutes a Credit Event (or with respect to Repudiation/Moratorium, the event described in paragraph (b) of the definition of Repudiation/Moratorium), as determined by DC Resolution, the date that is sixty (60) calendar days prior to the Credit Event Resolution Request Date; or
- (b) otherwise, the date that is sixty (60) calendar days prior to the earlier of:
 - (i) the first date on which both the Credit Event Notice and, if Notice of Publicly Available Information is specified as applicable in the applicable Pricing Supplement, the Notice of Publicly Available Information are delivered by the Calculation Agent to the Issuer during the Notice Delivery Period; and
 - (ii) in circumstances where:
 - (A) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in paragraph (a) and (b) of the definition of Credit Event Resolution Request Date are satisfied in accordance with the Rules;
 - (B) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters; and
 - (C) the Credit Event Notice and, if Notice of Publicly Available Information is specified as applicable in the applicable Pricing Supplement, the Notice of Publicly Available Information are delivered by the Calculation Agent to the Issuer not more than fourteen (14) calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters,

the Credit Event Resolution Request Date.

The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"Credit Event Determination Date" means, in respect of any Credit Event:

- (a) subject to paragraph (b) below, if neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred, the first date on which both the Credit Event Notice and, if Notice of Publicly Available Information is specified as applicable in the applicable Pricing Supplement, the Notice of Publicly Available Information are delivered by the Calculation Agent to the Issuer during either:
 - (i) the Notice Delivery Period; or
 - (ii) the period (I) from, and including, the date on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date (II) to, and including, the date that is fourteen (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)); or
- (b) notwithstanding paragraph (a) above, if a DC Credit Event Announcement has occurred, either:
 - (i) the Credit Event Resolution Request Date, if
 - (A) either:
 - (1) Auction Settlement is specified as the applicable Settlement Method in the applicable Pricing Supplement; or
 - (2) the relevant Credit Event is a Restructuring; and
 - (B) the Credit Event Notice is delivered by the Calculation Agent to the Issuer on or prior to the date falling two (2) Business Days after the Exercise Cut-off Date; or
 - (ii) the first date on which the Credit Event Notice is delivered by the Calculation Agent to the Issuer during (I) the Notice Delivery Period or (II) the period from, and including, the date on which ISDA publicly announces the occurrence of the relevant DC Credit Event Announcement to, and including, the date that is fourteen (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)), if either:
 - (A) Auction Settlement is not specified as the applicable Settlement Method in the applicable Pricing Supplement; or
 - (B) Auction Settlement is specified as the applicable Settlement Method in the applicable Pricing Supplement and the Credit Event Notice is delivered by the Calculation Agent to the Issuer on a date that is

later than the date falling two (2) Business Days after the relevant Exercise Cut-off Date,

provided that, in the case of paragraph (b) above, (1) this shall be subject to any adjustment in accordance with Credit Linked Condition 15 (*Credit Event Notice after Restructuring Credit Event*) and (2) no Credit Event Notice specifying a Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer unless the Restructuring specified in such Credit Event Notice is also the subject of the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date; and

provided further that no Credit Event Determination Date will occur, and any Credit 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, a Physical Settlement Date, a Credit Event Redemption Date or the Maturity Date, as applicable, a DC No Credit Event Announcement Date occurs with respect to the relevant Reference Entity or Obligation thereof.

If, in accordance with the provisions above, (i) following the determination of a Credit Event Determination Date, such Credit Event Determination Date is deemed (A) to have occurred on a date that is different from the date that was originally determined to be the Credit Event Determination Date or (B) not to have occurred or (ii) a Credit Event Determination Date is deemed to have occurred prior to one or more preceding Interest Payment Dates, the Calculation Agent will determine (1) such adjustment(s) to these Credit Linked Conditions (including any adjustment to payment amounts) as may be required to achieve as far as practicable the same economic position of Noteholders as would have prevailed had a Credit Event Determination Date occurred on such deemed date of occurrence and (2) the effective date of such adjustment(s).

"Credit Event Notice" means a notice from the Calculation Agent to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) that describes a Credit Event that occurred at or after the Credit Event Backstop Date (determined by reference to the Relevant Time) and on or prior to the Extension Date (determined by reference to the Relevant Time).

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 delivered. A Credit Event Notice shall be subject to the requirements regarding notices set out in Condition 15 (Notices).

"Credit Event Portion" means, in the case of any Credit Event and in respect of each principal amount of the Notes equal to the Calculation Amount, an amount equal to:

- (a) in the case of a Portfolio Credit Linked Note or a Portfolio Maturity Settled Credit Linked Note,
 - (i) the Reference Amount of the Reference Entity in respect of which the Credit Event Notice has been given, expressed as a proportion of the aggregate of the Reference Amounts of all the Reference Entities specified in the Pricing Supplement;

multiplied by

 - (ii) the Calculation Amount; or

(b) in all other cases, 100 per cent. (100%) of the Calculation Amount.

"Credit Event Redemption Amount" means, in respect of a Credit Event, the amount specified as such in the applicable Pricing Supplement or if no such amount is specified in the applicable Pricing Supplement, an amount calculated by the Calculation Agent equal to:

$(A \times B) - C$

where:

"A" is the Credit Event Portion in relation to such Credit Event;

"B" is the Final Price or the Auction Final Price, as applicable, in relation to the relevant Reference Obligation or (if specified as applicable in relation to the relevant Reference Entity in the applicable Pricing Supplement) the relevant Valuation Obligation; and

"C" is Unwind Costs in relation to such Credit Event, (unless the applicable Pricing Supplement specify that Unwind Costs are not applicable),

provided that in no event shall the Credit Event Redemption Amount be less than zero.

"Credit Event Redemption Date" means, subject to Credit Linked Condition 12 (*Settlement Suspension*), the day falling the number of Business Days specified in the applicable Pricing Supplement (or, if a number of Business Days is not so specified, five (5) Business Days) after (i) the calculation of the Final Price or (ii) the Auction Settlement Date, as applicable.

"Credit Event Resolution Request Date" means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (a) whether an event that constitutes a Credit Event has occurred with respect to the relevant Reference Entity or Obligation thereof; and
- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the first date on which such notice was effective and on which the relevant Credit Derivatives Determinations Committee was in possession, in accordance with the Rules, of Publicly Available Information with respect to the DC Resolutions referred to in paragraphs (a) and (b) above.

"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 Physical Settlement 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 Physical Settlement Amendment Notice with respect to that portion of the relevant Note 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 Principal Balance or Due and Payable 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, determined by the Calculation Agent and (b) a Replacement Deliverable Obligation specified in a Physical Settlement 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.

"Cut-off Date" is the date as specified in the applicable Pricing Supplement.

"DC Credit Event Announcement" means, with respect to a Reference Entity, a public announcement by ISDA that the relevant Credit Derivatives Determinations Committee has Resolved that (a) an event that constitutes a Credit Event has occurred with respect to such Reference Entity (or an Obligation thereof) and (b) such event occurred on or after the Credit Event Backstop Date (determined by reference to the Relevant Time) and on or prior to the Extension Date (determined by reference to the Relevant Time). A DC Credit Event Announcement will be deemed not to have occurred unless (i) the Credit Event Resolution Request Date with respect to such Credit Event occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date) and (ii) the Trade Date occurs on or prior to the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is twenty-one (21) calendar days following the No Auction Announcement Date, if any, as applicable.

"DC Cut-off Date" has the meaning given to that term in Credit Linked Condition 8 (*Credit Derivatives Determinations Committee Extension*).

"DC No Credit Event Announcement" means, with respect to a Reference Entity, a public announcement by ISDA that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, that the event that is the subject of the notice to ISDA resulting in the occurrence of such Credit Event Resolution Request Date does not constitute a Credit Event with respect to such Reference Entity (or an Obligation thereof).

"DC Resolution" has the meaning set out in the Rules.

"Default Requirement" means the amount specified as such in the applicable Pricing Supplement or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency or, if a Default Requirement is not specified in the applicable Pricing Supplement, U.S.\$10,000,000, or its equivalent as calculated by the Calculation Agent 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 Qualifying Guarantee, transfer of the benefit of the Qualifying 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 and interest in the Asset Amount(s) to the relevant Noteholder free and clear of any and all liens, charges, claims or encumbrances (including without limitation any counterclaim, defence (other than a counterclaim or defence based on

the factors set out in (a) to (d) in the definition of "Credit Event" above or right of set-off by or of the Reference Entity or, as applicable, an Underlying Obligor); provided that if all or a portion of an Asset Amount consists of Direct Loan Participations, "Deliver" means to create (or procure the creation) of a participation in favour of the relevant Noteholder and to the extent that the Deliverable Obligations consist of Qualifying Guarantees, "Deliver" means to deliver both the Qualifying Guarantee and the Underlying Obligation. "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.

"Deliverable Obligation" means, subject as provided in Credit Linked Condition 3 (*Physical Settlement*):

- (a) any obligation of such Reference Entity (either directly, as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the applicable Pricing Supplement, as provider of any Qualifying Guarantee) determined pursuant to the method described in sub-paragraph (d) "(A) Method for Determining Deliverable Obligations" below (but excluding any Excluded Deliverable Obligation specified in the applicable Pricing Supplement) that (i) is payable in an amount equal to its Outstanding Principal Balance or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in paragraphs (a) to (d) of the definition of "Credit Event" above) or right of set off by or of a Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Delivery Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the Outstanding Principal Balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement;
- (b) subject to the second paragraph of the definition of "Not Contingent" in sub-paragraph (d) (A)(2)(i) "Method for Determining Deliverable Obligations" below, each Reference Obligation, unless specified in the applicable Pricing Supplement as an Excluded Deliverable Obligation;
- (c) solely in relation to a Restructuring Credit Event applicable to a Sovereign Reference Entity, any Sovereign Restructured Deliverable Obligation (but excluding any Excluded Deliverable Obligation) that (i) is payable in an amount equal to its Outstanding Principal Balance or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in paragraphs (a) to (d) of the definition of "Credit Event" above) or right of set-off by or of a Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Delivery Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the Outstanding Principal Balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement; and
- (d) any Additional Deliverable Obligation of a Reference Entity specified as such in the applicable Pricing Supplement.

(A) **Method for Determining Deliverable Obligations**

For the purposes of this definition of "Deliverable Obligation", the term "Deliverable Obligation" may be defined as each obligation of each Reference Entity described by the Deliverable Obligation Category specified in the applicable Pricing Supplement, and, subject to (B)(3) below, having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Pricing Supplement, in each case, as of the date of the event which constitutes the Credit Event which is the subject of either the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

- (1) **"Deliverable Obligation Category"** means one of Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan (each as defined in the definition of "Obligation" below, except that, for the purpose of determining Deliverable Obligations, the definition of "Reference Obligations Only" shall be amended to state that no Deliverable Obligation Characteristics shall be applicable to Reference Obligations Only).
- (2) **"Deliverable Obligation Characteristics"** means any one or more of Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance (each as defined in the definition of "Obligation" below), Not Contingent, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer, where:
 - (i) **"Not Contingent"** means any obligation having as of the Delivery Date and all times thereafter an Outstanding Principal Balance or, in the case of obligations that are not Borrowed Money, a Due and Payable Amount, that pursuant to the terms of such obligation may not be reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). A Convertible Obligation, an Exchangeable Obligation and an Accreting Obligation shall constitute Deliverable Obligations that are Not Contingent if such Convertible Obligation, Exchangeable Obligation or Accreting Obligation otherwise meets the requirements of the preceding sentence so long as, in the case of a Convertible Obligation or an Exchangeable Obligation, the right (x) to convert or exchange such obligation or (y) to require the issuer to purchase or redeem such obligation (if the issuer has exercised the right to pay the purchase or redemption price, in whole or in part, in Equity Securities) has not been exercised (or such exercise has been effectively rescinded) on or before the Delivery Date.

If a Reference Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Reference Obligation may be included as a Deliverable Obligation only if the rights referred to in clauses (x) and (y) of sub-paragraph (i)

above have not been exercised (or such exercise has been effectively rescinded) on or before the Delivery Date;

- (ii) **"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 relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if a Reference Entity is guaranteeing such Loan) or any agent;
- (iii) **"Consent Required Loan"** means a Loan that is capable of being assigned or novated with the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if a Reference Entity is guaranteeing such loan) or any agent;
- (iv) **"Direct Loan Participation"** means a Loan in respect of which, pursuant to a participation agreement, the 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 or the Guarantor, as the case may be, (in either case, to the extent that the Issuer or the Guarantor, as applicable, is then a lender or a member of the relevant lending syndicate), or (B) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate);
- (v) **"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 United States Securities 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); or
 - (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds;
- (vi) **"Maximum Maturity"** means an obligation that has a remaining maturity from the Physical Settlement Date of

not greater than the period specified in the applicable Pricing Supplement;

- (vii) **"Accelerated or Matured"** means an obligation under which the total amount owed, whether at maturity, by reason of acceleration, upon termination or otherwise (other than amounts in respect of default interest, indemnities, tax gross ups and other similar amounts), is, or on or prior to the Delivery Date will be, 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; and
- (viii) **"Not Bearer"** means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Euroclear, Clearstream, Luxembourg or any other internationally recognised clearing system.

(B) Interpretation of Provisions

- (1) If the Obligation Characteristic "Listed" is specified in the applicable Pricing Supplement, the Pricing Supplement shall be construed as though Listed had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category;
- (2) if (i) either of the Deliverable Obligation Characteristics "Listed" or "Not Bearer" is specified in the applicable Pricing Supplement, the Pricing Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Deliverable Obligation Category; (ii) the Deliverable Obligation Characteristic "Transferable" is specified in the applicable Pricing Supplement, the 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 (and shall only be relevant to the extent that obligations other than Loans are covered by the selected Deliverable Obligation Category); or (iii) any of the Deliverable Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the applicable Pricing Supplement, the 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 shall only be relevant if Loans are covered by the selected Deliverable Obligation Category;
- (3) if any of Payment, Borrowed Money, Loan or Bond or Loan is specified as the Deliverable Obligation Category and more than one of Assignable Loan, Consent Required Loan and Direct Loan Participation are specified as Deliverable Obligation Characteristics, 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; and

- (4) in the event that an Obligation or a Deliverable Obligation is a Qualifying Guarantee, the following will apply:
- (i) For purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Qualifying Guarantee shall be deemed to be described by the same category or categories as those that describe the Underlying Obligation.
 - (ii) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Qualifying Guarantee and the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Pricing Supplement from the following list: Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency and Not Domestic Law. For these purposes, unless otherwise specified in the applicable Pricing Supplement, (A) the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro shall not be a Domestic Currency and (B) the laws of England and the laws of the State of New York shall not be a Domestic Law.
 - (iii) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Qualifying Guarantee must satisfy on the relevant date the Obligation Characteristic or the Deliverable Obligation Characteristic of Not Subordinated, if specified in the applicable Pricing Supplement.
 - (iv) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Pricing Supplement from the following list: Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.
 - (v) For 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.
 - (vi) The terms "Outstanding Principal Balance" and "Due and Payable Amount" (as they are used in these Credit Linked

Conditions, including without limitation, the definitions of "Partial Cash Settlement Amount" and "Quotation Amount" in Credit Linked Condition 11 (*Partial Cash Settlement*), when used in connection with Qualifying Guarantees are to be interpreted to be the then "Outstanding Principal Balance" or "Due and Payable Amount", as applicable, of the Underlying Obligation which is supported by a Qualifying Guarantee.

For the avoidance of doubt the provisions of this paragraph (B) apply in respect of the definitions of Obligation and Deliverable Obligation as the context admits.

"Deliverable Obligation Terms" has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

"Delivery Date" means, with respect to a Deliverable Obligation, the date such Deliverable Obligation is Delivered.

"Domestic Currency" means the currency specified as such in the applicable Pricing Supplement and any successor currency. If no currency is specified in the applicable Pricing Supplement, the Domestic Currency shall be 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 relevant Reference Entity is organised, if the Reference Entity is not a Sovereign. In no event shall Domestic Currency include any successor currency if such successor currency is the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro (or any successor currency to any such currency).

"Downstream Affiliate" means an entity, at the date of the event giving rise to the Credit Event which is the subject of the Credit Event Notice, the Delivery Date (in the case of a Deliverable Obligation), the date of selection of the relevant Valuation Obligation (in the case of a Valuation Obligation) or the time of identification of a Substitute Reference Obligation (as applicable), whose outstanding Voting Shares are more than 50 per cent., owned, directly or indirectly, by the Reference Entity. As used herein, "Voting Shares" shall mean those shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

"Due and Payable Amount" means subject as provided in sub-paragraph (4)(vi) of paragraph (B) (*Interpretation of Provisions*) in the definition of Deliverable Obligation (or Valuation Obligation if "Valuation Obligation" is specified as applicable in the relevant Pricing Supplement), the amount that is due and payable under (and in accordance with the terms of) a Deliverable Obligation on the Delivery Date or a Valuation Obligation on the date of selection of the relevant Valuation Obligation, as the case may be, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts).

"Effective Date" has the meaning given in the applicable Pricing Supplement.

"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) below); and
- (iv) registered or licensed broker or dealer (other than a natural person or proprietorship),

provided, however, that, in each case, such entity has total assets of at least U.S.\$500 million;

- (b) an Affiliate of an entity specified in the preceding sub-paragraph (a);
- (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 obligations, commercial paper conduit or other special purpose vehicle) that (1) has total assets of at least U.S.\$100 million or (2) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least U.S.\$100 million; or
 - (ii) that has total assets of at least U.S.\$500 million; or
 - (iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keep well, support, or other agreement by an entity described in sub paragraphs (a), (b), (c)(ii) or (d); or
- (d) a Sovereign, Sovereign Agency or Supranational Organisation.

All references in this definition to U.S.\$ include equivalent amounts in other currencies.

"Enabling Obligation" means an outstanding Deliverable Obligation that (i) is a Fully Transferable Obligation or a Conditionally Transferable Obligation, as applicable, and (ii) has a final maturity date occurring on or prior to the Scheduled Maturity Date and following the Limitation Date immediately preceding the Scheduled Maturity Date (or, in circumstances where the Scheduled Maturity Date occurs prior to the 2.5-year Limitation Date, following the final maturity date of the Latest Maturity Restructured Bond or Loan, if any).

"Equity Securities" means:

- (a) in the case of a Convertible Obligation, equity securities (including options and warrants) of the issuer of such obligation or depositary receipts representing equity securities of the issuer of such obligation together with any other property distributed to or made available to holders of those equity securities from time to time; and
- (b) in the case of an Exchangeable Obligation, equity securities (including options and warrants) of a person other than the issuer of such obligation or depositary receipts representing those equity securities of a person other than the issuer of such obligation together with any other property distributed to or made available to holders of those equity securities from time to time.

"Exchangeable Obligation" means any obligation that is exchangeable, in whole or in part, for Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation).

"Excluded Deliverable Obligation" means any obligation of a Reference Entity specified as such or of a type described in the applicable Pricing Supplement.

"Excluded Obligation" means any obligation of a Reference Entity specified as such or of a type described in the applicable Pricing Supplement.

"Excluded Valuation Obligation" means any obligation of a Reference Entity specified as such or of a type described in the applicable Pricing Supplement.

"Exercise Cut-off Date" means, with respect to a Credit Event:

- (a) if such Credit Event is not a Restructuring (or if such Credit Event is a Restructuring, such Restructuring has occurred and neither "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" nor "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the applicable Pricing Supplement), 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 twenty-one (21) calendar days following the No Auction Announcement Date, if any,as applicable; or
- (b) if such Credit Event is a Restructuring and either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the applicable Pricing Supplement and:
 - (i) the relevant Credit Derivatives Determinations Committee has Resolved that Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms may be published, the date that is five (5) Relevant City Business Days following the date on which ISDA publishes the Final List applicable to such Credit Derivatives Auction Settlement Terms in accordance with the Rules; or
 - (ii) a No Auction Announcement Date occurs pursuant to paragraph (a) of the definition of No Auction Announcement Date, the date that is twenty-one (21) calendar days following such No Auction Announcement Date.

"Extension Date" means the latest of:

- (a) the Scheduled Maturity Date;

- (b) the Grace Period Extension Date if:
 - (i) "Grace Period Extension" is specified as applying in the applicable Pricing Supplement;
 - (ii) the Credit Event that is the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable, is a Failure to Pay that occurs after the Scheduled Maturity Date (determined by reference to the Relevant Time); and
 - (iii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the Scheduled Maturity Date (determined by reference to the Relevant Time); and
- (c) the Repudiation/Moratorium Evaluation Date if:
 - (i) "Repudiation Moratorium" is specified as a Credit Event in the applicable Pricing Supplement;
 - (ii) the Credit Event that is the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable, is a Repudiation/Moratorium for which the event described in paragraph (b) of the definition of Repudiation/Moratorium occurs after the Scheduled Maturity Date (determined by reference to the Relevant Time);
 - (iii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the Scheduled Maturity Date (determined by reference to the Relevant Time); and
 - (iv) the Repudiation/Moratorium Extension Condition is satisfied.

"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 a 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.

"Fallback Settlement Method" means, with respect to any Notes for which Auction Settlement is specified as the applicable Settlement Method in the applicable Pricing Supplement, the fallback settlement method specified in the applicable Pricing Supplement.

"Final Delivery Date" has the meaning given to that term in Credit Linked Condition 10 (*Physical Delivery*)

"Final List" has the meaning set out in the Rules.

"Final Price" means the price of a Reference Obligation or Valuation Obligation, expressed as a percentage, determined in accordance with the Valuation Method specified in the applicable Pricing Supplement or, where applicable, Credit Linked Condition 15 (*Credit Event Notice after Restructuring Credit Event*). The Calculation Agent shall as soon as practicable after obtaining all Quotations for a Valuation Date, make available for inspection by Noteholders at the specified office of the Agent and, for so long as the Notes are listed on any stock exchange at the office of any Paying Agent in such place as may be required by

the rules and regulations of that stock exchange (i) each such Quotation that it receives in connection with the calculation of the Final Price and (ii) a written computation showing its calculation of the Final Price.

"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 or the relevant Valuation Obligation with an Outstanding Principal Balance equal to the Quotation Amount.

"Fully Transferable Obligation" means a Deliverable Obligation or a Valuation 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 or a Valuation Obligation, as the case may be, other than Bonds. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation or a Valuation Obligation, as the case may be, be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation or a Valuation Obligation, as the case may be, shall not be considered to be a requirement for consent for purposes of this definition of "Fully Transferable Obligation". For purposes of determining whether a Deliverable Obligation or a Valuation Obligation, as the case may be, satisfies the requirements of this definition of "Fully Transferable Obligation", such determination shall be made as of the Delivery Date for the relevant Deliverable Obligation or the date of selection of the relevant Valuation Obligation, as the case may be, taking into account only the terms of the Deliverable Obligation or the Valuation Obligation, as the case may be, and any related transfer or consent documents which have been obtained by the Issuer or the Guarantor, as the case may be.

"Governmental Authority" 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 a Reference Entity or of the jurisdiction of organisation of a Reference Entity.

"Grace Period" means:

- (a) subject to paragraphs (b) and (c) below, the applicable grace period with respect to payments under the relevant Obligation under 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 applying in the applicable Pricing Supplement, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Date (determined by reference to the Relevant Time) and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Date (determined by reference to the Relevant Time), the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the applicable Pricing Supplement or, if no period is specified in the applicable Pricing Supplement, thirty (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 applying in the applicable Pricing Supplement, such deemed Grace Period shall expire no later than the Scheduled Maturity 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 and if a place or places are not so specified, in the jurisdiction of the Obligation Currency.

"Grace Period Extension Date" means, if:

- (a) Grace Period Extension is specified as applying in the applicable Pricing Supplement; and
- (b) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Date (determined by reference to the Relevant Time),

the date that is five (5) Business Days following the day falling the number of days in the Grace Period after the date of such Potential Failure to Pay.

"Hedge Disruption Event" means in the opinion of the Calculation Agent any event as a result of which the Issuer and/or any of its Affiliates has not received the relevant Deliverable Obligations under the terms of any transaction entered into by the Issuer and/or any such Affiliate to hedge the obligations or position of the Issuer in respect of the Notes.

"Hedge Disruption Obligation" means a Deliverable Obligation included in the Asset Amount which, on the Physical Settlement Date for such Deliverable Obligation, the Calculation Agent determines cannot be Delivered as a result of a Hedge Disruption Event.

"Hypothetical Investor" means, with respect to any Obligation or Reference Obligation, a hypothetical investor in such Obligation or Reference Obligation in the Hypothetical Investor Jurisdiction and who is deemed to have the benefits and obligations, as provided under the terms and conditions of the Obligation or Reference Obligation, of an investor holding, as of the Trade Date (or, if later, its date of issue), an interest in the Obligation or Reference Obligation.

"Hypothetical Investor Jurisdiction" means, at any relevant time, the jurisdiction of organisation or formation, as applicable, of the Issuer or any of its Affiliates or any other party providing the Issuer directly or indirectly with hedging arrangements in relation to the Notes as the Issuer may select at such time.

"Intervening Period" means such period of time as any person other than the relevant Noteholder shall continue to be registered as the legal owner of any securities or other obligations comprising an Asset Amount.

"ISDA" means the International Swaps and Derivatives Association, Inc.

"Japanese Default Requirement" means, if the Specified Currency is Japanese Yen, JPY1,000,000,000, or in all other cases, U.S.\$10,000,000 or, in each case, its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event.

"Japanese Payment Requirement" means, if the Specified Currency of the Notes is Japanese Yen, JPY100,000,000, or in all other cases, U.S.\$1,000,000 or, in each case, its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency as of the occurrence of the Failure to Pay or Potential Failure to Pay, as applicable.

"Japanese Reference Entity" means a Reference Entity for which the jurisdiction of incorporation or organisation is Japan.

"Latest Maturity Restructuring Bond or Loan" has the meaning given to that term in the definition of "Restructuring Maturity Limitation Date".

"Limitation Date" means the first of 20th March, 20th June, 20th September or 20th December 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 (the "5-year Limitation Date"), 7.5 years, 10 years, 12.5 years, 15 years, or 20 years (the "20-year Limitation Date"), as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention unless it is specified in the applicable Pricing Supplement that Limitation Dates will be adjusted in accordance with a specified Business Day Convention.

"London Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.

"Market Value" means, with respect to a Reference Obligation or Valuation 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 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 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 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 as provided in the definition of Quotation, an amount as determined by the Calculation Agent on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation is obtained; and
- (f) 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 (10th) 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 (10th) Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Obligation, Hedge Disruption Obligation or Valuation Obligation, as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth (10th) 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.

"Merger Event" means that at any time during the period from (and including) the Trade Date to (but excluding) the Maturity Date (1) the Issuer, the Guarantor, any Affiliate of the Issuer or the Guarantor or a Reference Entity (any such entity, the "**Mergor**") consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to (a) where the Mergor is the Issuer or the Guarantor or any Affiliate of the Issuer or the Guarantor, a Reference Entity or (b) where the Mergor is a Reference Entity, the Issuer or the Guarantor or any Affiliate of the Issuer or the Guarantor, or, (2) (I) the Guarantor and a Reference Entity or (II) the Issuer and a Reference Entity or (III) any Affiliate of the Issuer or the Guarantor and a Reference Entity, become Affiliates.

"Minimum Quotation Amount" means the amount specified as such in the applicable Pricing Supplement (or its equivalent in the relevant Obligation Currency) or, if no amount is so specified, the lower of (a) U.S.\$1,000,000 (or its equivalent in the relevant Obligation Currency) and (b) the Quotation Amount.

"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, securities and other financial assets.

"Modified Restructuring Maturity Limitation Date" means, with respect to a Deliverable Obligation, as the case may be, the Limitation Date occurring on or immediately following the Scheduled Maturity Date, provided that, in circumstances where the Scheduled Maturity Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. Where "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the applicable Pricing Supplement and the Scheduled Maturity Date is later than the 2.5-year Limitation Date and prior to the 5-year Limitation Date, a Restructured Bond or Loan will not constitute an Enabling Obligation. Notwithstanding the foregoing, if the Scheduled Maturity Date is either (i) on or prior to the 2.5-year Limitation Date or (ii) later than the 2.5-year Limitation Date and on or prior to the 5-year Limitation Date and no Enabling Obligation exists, the Modified Restructuring Maturity Limitation Date will be the 5-year Limitation Date in the case of a Restructured Bond or Loan only.

Subject to the foregoing, in the event that the Scheduled Maturity Date is later than (A) the 2.5 year Limitation Date and no Enabling Obligation exists or (B) the 20-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Maturity Date.

"Movement Option" means, where either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the applicable Pricing Supplement, and where a No Auction Announcement Date has occurred pursuant to paragraph (b) of the definition of No Auction Announcement Date, the option of the Issuer to apply to the Notes, for purposes of settlement, the Parallel Auction Settlement Terms, if any, for purposes of which the Permissible Deliverable Obligations are more limited than the Deliverable Obligations that could be specified in any Calculation Agent Physical Settlement 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 no Notice to Exercise Movement Option is delivered by the Issuer on or prior to the Movement Option Cut-off Date, the Notes will be settled in accordance with the Fallback Settlement Method.

If a Notice to Exercise Movement Option is delivered by the Issuer on or prior to the Movement Option Cut-off Date, such event will be notified to Noteholders in accordance with Condition 15 (Notices).

"Movement Option Cut-off Date" means the date that is six (6) Relevant City Business Days following the Exercise Cut-off Date.

"Multiple Valuation Date" shall have the meaning specified in the definition of "Valuation Date" below.

"Next Currency Fixing Time" means 4:00 p.m. (London time) on such London Business Day as the Calculation Agent shall select falling no more than five (5) London Business Days immediately preceding the date on which the Notice of Physical Settlement or relevant Physical Settlement Amendment Notice or relevant Partial Cash Settlement Notice, as applicable, is delivered.

"No Auction Announcement Date" means, with respect to a Credit Event, the date on which ISDA 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 a Restructuring where either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the applicable Pricing Supplement only, 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 ISDA to the contrary.

"Notice Delivery Period" means the period from and including the Trade Date to and including the date that is fourteen (14) calendar days after the Extension Date.

"Notice of Physical Settlement" has the meaning given to that term in Credit Linked Condition 3 (*Physical Settlement*).

"Notice of Publicly Available Information" means a notice from the Calculation Agent to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) 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. In relation to a Repudiation/Moratorium Credit Event, the Notice of Publicly Available Information must cite Publicly Available Information confirming the occurrence of both paragraphs (a) and (b) of the definition of Repudiation/Moratorium. The notice given must contain a copy or description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is specified as applying in the applicable Pricing Supplement and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, 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. A Notice of Publicly Available Information shall be subject to the requirements regarding notices in Credit Linked Condition 21 (*Calculation Agent and Calculation Agent Notices*).

"Notice to Exercise Movement Option" means, where (a) either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the applicable Pricing Supplement and (b) the Fallback Settlement Method would otherwise be applicable pursuant to the Auction Settlement provisions, a notice from

the Calculation Agent to the Issuer that (i) specifies the Parallel Auction Settlement Terms applicable in accordance with the definition of Movement Option and (ii) is delivered on or prior to the Movement Option Cut-off Date.

"Obligation" means:

- (a) any obligation of a Reference Entity (either directly, as a provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the applicable Pricing Supplement, as provider of any Qualifying Guarantee) determined pursuant to the method described in "Method for Determining Obligations" below (but excluding any Excluded Obligation);
- (b) each Reference Obligation specified in the applicable Pricing Supplement, unless specified as an Excluded Obligation; and
- (c) any Additional Obligation of a Reference Entity specified as such in the applicable Pricing Supplement.

Method for Determining Obligations. For the purposes of paragraph (a) of this definition of "Obligation", the term "Obligation" may be defined as each obligation of each Reference Entity described by the Obligation Category specified in the applicable Pricing Supplement, and having each of the Obligation Characteristics (if any) specified in the applicable Pricing Supplement, in each case, as of the date of the event which constitutes the Credit Event which is the subject of either the Credit Event Notice or the notice to ISDA 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 Obligations Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the applicable Pricing Supplement, where:
 - (1) **"Payment"** means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money;
 - (2) **"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);
 - (3) **"Reference Obligations Only"** means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligations Only;
 - (4) **"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 security or other debt security and shall not include any other type of Borrowed Money;
 - (5) **"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; and

- (6) **"Bond or Loan"** means any obligation that is either a Bond or a Loan.
- (B) **"Obligation Characteristics"** means any one or more of Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance specified in the applicable Pricing Supplement, where:
- (1) (a) **"Not Subordinated"** means an obligation that is not Subordinated to (1) the most senior Reference Obligation in priority of payment or (2), if no Reference Obligation is specified in the applicable Pricing Supplement, any unsubordinated Borrowed Money obligation of the Reference Entity provided that, if any of the events set forth under paragraph (a) of the definition of Substitute Reference Obligation has occurred with respect to all of the Reference Obligations or if the final paragraph of the definition of Successor is applicable with respect to the Reference Obligation (each, in each case, a **"Prior Reference Obligation"**) and no Substitute Reference Obligation has been identified for any of the Prior Reference Obligations at the time of the determination of whether an obligation satisfies the "Not Subordinated" Obligation Characteristic or Deliverable Obligation Characteristic or Valuation Obligation Characteristic, as applicable, "Not Subordinated" shall mean an obligation that would not have been Subordinated to the most senior such Prior Reference Obligation in priority of payment. For purposes of determining whether an obligation satisfies the "Not Subordinated" Obligation Characteristic or Deliverable Obligation Characteristic or Valuation Obligation Characteristic, the ranking in priority of payment of each Reference Obligation or each Prior Reference Obligation, as applicable, shall be determined as of the date as of which the relevant Reference Obligation or Prior Reference Obligation, as applicable, was issued or incurred and shall not reflect any change to such ranking in priority of payment after such date;
- (b) **"Subordination"** means, with respect to an obligation (the **"Subordinated Obligation"**) and another obligation of the Reference Entity to which such obligation is being compared (the **"Senior Obligation"**), a contractual, trust or other similar arrangement providing that (i) upon the liquidation, dissolution, reorganisation or winding-up of the Reference Entity, claims of the holders of the Senior Obligation will be satisfied prior to the claims of the holders of the Subordinated Obligation or (ii) the holders of the Subordinated Obligation will not be entitled to receive or retain 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 Senior Obligation. **"Subordinated"** will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, the existence of preferred creditors arising by operation

of law or of collateral, credit support or other credit enhancement 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;

- (2) **"Credit Linked Specified Currency"** means an obligation that is payable in the currency or currencies specified as such in the applicable Pricing Supplement (or, if Credit Linked Specified Currency is specified in the applicable Pricing Supplement and no currency is so specified, any of the lawful currencies 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 currencies shall be referred to collectively in the applicable Pricing Supplement as the "Standard Specified Currencies");
- (3) **"Not Sovereign Lender"** means any obligation that is not primarily owed to a Sovereign or Supranational Organisation, including, without limitation, obligations generally referred to as "Paris Club debt";
- (4) **"Not Domestic Currency"** means any obligation that is payable in any currency other than the Domestic Currency;
- (5) **"Not Domestic Law"** means any obligation that is not governed by the laws of (a) the relevant Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction of organisation of the relevant Reference Entity, if such Reference Entity is not a Sovereign;
- (6) **"Listed"** means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange; and
- (7) **"Not Domestic Issuance"** means any obligation other than an obligation that was, at the time the relevant obligation was issued (or reissued, as the case may be) or incurred, intended to be offered for sale primarily in the domestic market of the relevant Reference Entity. Any obligation that is registered or 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 relevant Reference Entity) shall be deemed not to be intended 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 or default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

"Obligation Currency" means the currency or currencies in which the 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 a Reference Entity under one or more Obligations.

"Outstanding Principal Balance" means, subject as provided in sub-paragraph (4)(vi) of paragraph (B) (Interpretation of Provisions) in the definition of Deliverable Obligation or Valuation Obligation, as the case may be:

- (a) with respect to any Accreting Obligation, the Accreted Amount thereof; and
- (b) with respect to any other obligation, the outstanding principal balance of such obligation,

Provided That with respect to any Exchangeable Obligation that is not an Accreting Obligation, "Outstanding Principal Balance" shall exclude any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

"Outstanding Redemption Amount" means in respect of each principal amount of Notes equal to the Calculation Amount, on any day, the greater of (a) the Final Redemption Amount specified in the applicable Pricing Supplement for such Note less the aggregate of all Credit Event Portions determined pursuant to Credit Linked Condition 2 (*Cash Settlement*), Credit Linked Condition 3 (*Physical Settlement*) or Credit Linked Condition 4 (*Auction Settlement*) (as applicable) determined up to and including such day and (b) zero.

"Parallel Auction" means "Auction" as such term shall be defined in the relevant Parallel Auction Settlement Terms.

"Parallel Auction Cancellation Date" means "Auction Cancellation Date" as such term shall be defined in the relevant Parallel Auction Settlement Terms.

"Parallel Auction Final Price Determination Date" means "Auction Final Price Determination Date" as such term shall be defined in the relevant Parallel Auction Settlement Terms.

"Parallel Auction Settlement Date" means "Auction Settlement Date" as such term shall be defined in the relevant Parallel Auction Settlement Terms.

"Parallel Auction Settlement Terms" means, following the occurrence of a Restructuring where either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the applicable Pricing Supplement, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such Restructuring in accordance with the Rules, and for which (i) the Deliverable Obligation Terms are the same as the Reference Transaction and (ii) the Reference Transaction would not be an Auction Covered Transaction.

"Pass-Through Event" means in respect of any Reference Entity:

- (a) any event that (i) results in the Issuer or any of its agents or Affiliates receiving less than the full value of any principal, interest or other amounts due on any Obligation or Reference Obligation in respect of that Reference Entity on the date such amounts are due; or (ii) affects in any way the cost to or ability of the Issuer or its agents or Affiliates of acquiring, holding, realising or redeeming the Reference Obligations, or of hedging, directly or indirectly, the obligations of the Issuer in

respect of the Notes, or of converting any Obligation Currency amount into the Specified Currency or Settlement Currency, as the case may be, (or any other freely convertible and transferable currency) or vice versa;

- (b) any custodian used by the Issuer or any of its agents or Affiliates for the purposes of hedging exposure to the relevant Reference Entity in respect of the Notes: (i) is dissolved, becomes insolvent or is unable to pay its debts as they become due, makes a general assignment, arrangement or composition with or for the benefit of its creditors, institutes or has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any law, has a secured party take possession of all or substantially all its assets, or takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts or any analogous event or circumstance exists or occurs; or (ii) fails to do one or more of the following:
 - (A) deliver or credit any Obligation Currency, or Obligations owned by the Issuer or any of its agents or Affiliates, to the account of the Issuer (or of any of its agents or Affiliates) as instructed by the Issuer (or any of its agents or Affiliates);
 - (B) deliver any Obligation Currency to a third party when requested to do so by the Issuer (or any of its agents or Affiliates);
 - (C) surrender any Obligations owned by the Issuer (or any of its agents or Affiliates) when requested to do so by the Issuer (or any of its agents or Affiliates);
 - (D) purchase or sell any Obligations or take any other action when instructed to do so by the Issuer (or any of its agents or Affiliates); or
 - (E) perform in a full and timely manner all of its obligations to the Issuer (or any of its agents or Affiliates) under any custodian or similar arrangements entered into by the Issuer (or any of its agents or Affiliates) at any time in relation to Obligations and/or an Obligation Currency (which shall include, for the avoidance of doubt, a repudiation or termination of any such arrangements without the prior consent of the Issuer (or any of its agents or Affiliates)); or
- (c) (i) (A) the enactment, promulgation, execution, ratification or adoption of, or any change in or amendment to, any rule, law, regulation or statute (or in the applicability or official interpretation of any rule, law, regulation or statute) by or in relation to the Reference Entity or by any governmental authority, (B) the issuance of any order or decree by any governmental authority, (C) any action being taken by a taxing authority in the jurisdiction of the Reference Entity, or (D) the occurrence of any other act or event at any time relating to withholding or deduction for or on account of tax in relation to any Obligations, which (in the case of (A), (B), (C) or (D) above) will adversely affect the economic value of any Obligation or Reference Obligation to the Hypothetical Investor; (ii) the imposition of taxes on the transfer of any relevant currency out of the jurisdiction of the Reference Entity, (iii) the imposition of any additional taxes on debt of the Reference Entity issued in the jurisdiction of the Reference Entity, or (iv) the imposition of any taxes on any conversion of an Obligation Currency into the Specified Currency or the Settlement Currency (as the case may be).

"Payment Requirement" means the amount specified as such in the applicable Pricing Supplement or its equivalent in the relevant Obligation Currency or, if a Payment Requirement is not specified in the applicable Pricing Supplement, USD1,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

"Permissible Deliverable Obligations" has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included in the Final List pursuant to the Deliverable Obligation Terms applicable to the relevant Auction.

"Permitted Currency" means (i) the legal tender of any Group of 7 country (or any country that becomes a member of the Group of 7 if such Group of 7 expands its membership), or (ii) the legal tender of any country which, as of the date of such change, is a member of the Organisation for Economic Co-operation and Development and has a local currency long term debt rating of either AAA or higher assigned to it by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. or any successor to the rating business thereof, Aaa or higher assigned to it by Moody's Investors Service, Inc. or any successor to the rating business thereof or AAA or higher assigned to it by Fitch Ratings or any successor to the rating business thereof.

"Physical Settlement Amendment Notice" has the meaning given to that term in Credit Linked Condition 3 (*Physical Settlement*).

"Physical Settlement Date" means, subject to the provisions of Credit Linked Condition 10 (*Physical Delivery*) in relation to any Deliverable Obligation, the last day of the longest Physical Settlement Period following the satisfaction of Conditions to Settlement (the **"Scheduled Physical Settlement Date"**) provided that:

- (a) if a Hedge Disruption Event has occurred and is continuing on the second (2nd) Business Day immediately preceding the Scheduled Physical Settlement Date, the Physical Settlement Date shall be the earlier of (i) the second Business Day following the date on which no Hedge Disruption Event subsists and (ii) the day falling 65 Business Days following the Scheduled Physical Settlement Date; or
- (b) if such day is not a Relevant Clearance Business Day, it shall be postponed to the immediately following Relevant Clearance Business Day.

"Physical Settlement Period" means, subject to Credit Linked Condition 12 (*Settlement Suspension*), the number of Business Days specified as such in the applicable Pricing Supplement or, if a number of Business Days is not so specified, then, with respect to a Deliverable Obligation comprising an Asset Amount, the longest number of Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the Calculation Agent.

"Portfolio Credit Linked Note" means each Credit Linked Note indicated as such in the applicable Pricing Supplement, where the Issuer purchases credit protection from the Noteholders in respect of two or more Reference Entities on a *pro rata* basis. Satisfaction of the Conditions to Settlement with respect to any of the Reference Entities will, unless otherwise specified in the Pricing Supplement, result in a proportional redemption of the Notes pursuant to these Credit Linked Conditions, by cash, physical or auction settlement, as specified in the applicable Pricing Supplement.

"Portfolio Maturity Settled Credit Linked Note" means each Credit Linked Note indicated as such in the applicable Pricing Supplement and in respect of which Cash Settlement or Auction Settlement is specified as applicable in the Pricing Supplement, where the Issuer purchases credit protection from the Noteholders in respect of two or more Reference Entities on a *pro rata* basis. Satisfaction of the Conditions to Settlement with respect to any of the Reference Entities will, unless otherwise specified in the applicable Pricing Supplement, result in a reduction of the Outstanding Redemption Amount of the Notes on the date the related Final Price is calculated, provided that redemption of the Notes by cash settlement or auction settlement pursuant to these Credit Linked Conditions shall not occur until the Maturity Date.

"Potential Credit Event" means a Potential Failure to Pay (if Failure to Pay is an applicable Credit Event in respect of the Reference Entity), a Potential Repudiation/Moratorium (if Repudiation/Moratorium is an applicable Credit Event in respect of the Reference Entity) or if a Credit Event Resolution Request Date has occurred and the relevant Credit Derivatives Determinations Committee has not made its determination, such event will be deemed to be a Potential Credit Event. A Credit Derivatives Determinations Committee and the Calculation Agent may each determine whether a Potential Failure to Pay or a Potential Repudiation/Moratorium has occurred.

"Potential Failure to Pay" means the failure by a 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, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations, in accordance with the terms of such Obligations at the time of such failure.

"Potential Repudiation/Moratorium" means the occurrence of an event described in paragraph (a) of the definition of Repudiation/Moratorium.

"Publicly Available Information" means:

- (a) information that reasonably confirms any of the facts relevant to the determination that the Credit Event or a Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice 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 provided that, if either the Calculation Agent or the Issuer, the Guarantor or any of their respective Affiliates is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless either the Calculation Agent or the Issuer, the Guarantor or any of their Affiliates is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation;
 - (ii) is information received from or published by (A) a Reference Entity or, as the case may be, a Sovereign Agency in respect of a Reference Entity which is a Sovereign or (B) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; or
 - (iii) is information contained in any petition or filing instituting a proceeding described in paragraph (d) of the definition of Bankruptcy against or by a Reference Entity; 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.
- (b) In the event that the Calculation Agent is (i) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for the Obligation with respect to which a Credit Event has occurred and (ii) a holder of such Obligation, the Calculation Agent shall be required to deliver to the Issuer a certificate signed by a Managing Director (or other substantially equivalent title) of the Calculation Agent, which shall certify the occurrence of a Credit Event with respect to such Obligation.
- (c) In relation to any information of the type described in paragraphs (a)(ii), (iii) and (iv) above, the Calculation Agent may assume that such information has been disclosed to it without violating any law, agreement or understanding regarding the confidentiality of such information and that the entity disclosing 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.
- (d) Publicly Available Information need not state:
 - (i) in relation to the definition of "Downstream Affiliate", the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity; and
 - (ii) that such occurrence:
 - (A) has met the Payment Requirement or Default Requirement;
 - (B) is the result of exceeding any applicable Grace Period; or
 - (C) has met the subjective criteria specified in certain Credit Events.

"Public Source" means each source of Publicly Available Information specified as such in the applicable Pricing Supplement (or if a source is not specified in the applicable Pricing Supplement, 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 Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

"Qualifying Affiliate Guarantee" means a Qualifying Guarantee provided by a Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of that Reference Entity.

"Qualifying Guarantee" means an arrangement evidenced by a written instrument pursuant to which a Reference Entity irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an obligation (the **"Underlying Obligation"**) for which another party is the obligor (the **"Underlying Obligor"**) and that is not at the time of the Credit Event Subordinated to any unsubordinated Borrowed Money obligation of the Underlying Obligor (with references in the definition of Subordination to the Reference Entity deemed to refer to the Underlying Obligor). Qualifying Guarantees shall exclude any

arrangement (i) structured as a surety bond, financial guarantee insurance policy, letter of credit or equivalent legal arrangement or (ii) pursuant to the terms of which the payment obligations of the Reference Entity can be discharged, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). The benefit of a Qualifying Guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation.

"Qualifying Participation Seller" means any participation seller that meets the requirements specified in the applicable Pricing Supplement. If no such requirements are specified, there shall be no Qualifying Participation Seller.

"Quotation" means, in respect of any Reference Obligation or Valuation Obligation, each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage 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 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 or Valuation 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.
- (b)
 - (i) If "Include Accrued Interest" is specified in the applicable Pricing Supplement in respect of Quotations, such Quotations shall include accrued but unpaid interest;
 - (ii) if "Exclude Accrued Interest" is specified in the applicable Pricing Supplement in respect of Quotations, such Quotations shall not include accrued but unpaid interest; and
 - (iii) if neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the applicable Pricing Supplement in respect of Quotations, the Calculation Agent shall determine based on the then current market practice in the market of the Reference Obligation or Valuation Obligation, whether such Quotations shall include or exclude accrued but unpaid interest. All Quotations shall be obtained in accordance with this specification or determination.
- (c) If any Quotation obtained with respect to an Accreting Obligation is expressed as a percentage of the amount payable in respect of such obligation at maturity, such Quotation will instead be expressed as a percentage of the Outstanding Principal Balance for the purposes of determining the Final Price.

"Quotation Amount" means the amount specified as such in the applicable Pricing Supplement (which may be specified by reference to an amount in a currency or by reference to a Representative Amount) or, if no amount is specified in the applicable Pricing Supplement, the Aggregate Nominal Amount (or, in either case, its equivalent in the relevant Obligation Currency converted by the Calculation Agent by reference to exchange rates in effect at the time that the relevant Quotation is being obtained).

"Quotation Dealer" means a dealer in obligations of the type of Obligation(s) for which Quotations are to be obtained, including each Quotation Dealer specified in the applicable Pricing Supplement. If no Quotation Dealers are specified in the applicable Pricing Supplement, the Calculation Agent shall select the Quotation Dealers. 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 substitute any other Quotation Dealer(s) for such Quotation Dealer(s).

"Quotation Method" means the applicable Quotation Method specified in the applicable Pricing Supplement by reference to one of the following terms:

- (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 purposes of determining a relevant Quotation Dealer's quotation.

If a Quotation Method is not specified in the applicable Pricing Supplement, Bid shall apply.

"Received Reference Obligations Interest Amount" means any aggregate interest amount received on a Reference Obligation Interest Payment Date by the Hypothetical Investor in respect of a holding of Reference Obligations of an aggregate principal or nominal amount (if necessary rounded down to the nearest whole unit) equal to the Calculation Amount (or the Reference Obligation currency amount equivalent thereof), all as determined by the Calculation Agent.

"Reference Amount" means the amount and the currency in which the Issuer has purchased credit protection from the Noteholders in respect of each Reference Entity, as specified in the applicable Pricing Supplement.

"Reference Entity" means the entity or entities specified as such in the applicable Pricing Supplement. Any Successor to a Reference Entity identified pursuant to the definition of **"Successor"** in this Credit Linked Condition 14 on or following the Trade Date (which may include an entity determined to be a Successor in accordance with the Rules) shall, in each case, be a Reference Entity for the purposes of the relevant Series.

"Reference Obligation Interest Payment Date" means any day on which the Hypothetical Investor receives payment on account of interest in respect of the Reference Obligations.

"Reference Obligation" means each obligation specified or of a type described as such in the applicable Pricing Supplement (if any are so specified or described) and any Substitute Reference Obligation.

"Reference Transaction" means a hypothetical credit derivative transaction:

- (a) for which the Deliverable Obligation Terms and the Reference Obligation are:
 - (i) the same as in respect of the Notes (if such Deliverable Obligation Terms and Reference Obligation are specified in the applicable Pricing Supplement); or
 - (ii) if and to the extent the Deliverable Obligation Terms and/or the Reference Obligation are not specified, the Deliverable Obligation Terms and Reference Obligation or Valuation Obligation determined by the Calculation Agent to be appropriate in respect of a credit derivative transaction linked to the relevant Reference Entity;
- (b) with a scheduled termination date matching the Scheduled Maturity Date of the Notes; and
- (c) otherwise having such other characteristics as the Calculation Agent may determine appropriate by reference to, without limitation, the Issuer's hedging arrangements and/or any credit derivative elections made in relation to the Notes.

"Relevant City Business Day" has the meaning set out in the Rules.

"Relevant Clearance Business Day" is a day which is:

- (a) a Business Day; and
- (b)
 - (i) where the Deliverable Obligations are Bonds, a day on which the relevant clearance system for settlement of the Bonds is open for the acceptance and execution of settlement instructions other than a day on which such clearance system is scheduled to close prior to its regular weekday closing time; or
 - (ii) where the Deliverable Obligations are Loans, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the jurisdiction of the currency of denomination of the relevant Loan, or if such currency is euro, a day on which the TARGET2 System (as defined in the Conditions) is open.

"Relevant Obligations" means the Obligations constituting Bonds and Loans of the Reference Entity outstanding immediately prior to the effective date of the Succession Event, excluding any debt obligations outstanding between the Reference Entity and any of its Affiliates, as determined by the Calculation Agent. The Calculation Agent will determine the entity which succeeds to such Relevant Obligations on the basis of the Best Available Information. If the date on which the Best Available Information becomes available or is filed precedes the legally effective date of the relevant Succession Event, any assumptions as to the allocation of obligations between or among entities contained in the Best Available Information will be deemed to have been fulfilled as of the legally effective date of the Succession Event, whether or not this is in fact the case.

"Relevant Time" means Greenwich Mean Time (or Tokyo time for the purpose of Japanese Reference Entities).

"Replaced Deliverable Obligation Outstanding Amount" has the meaning given to that term in Credit Linked Condition 3 (*Physical Settlement*).

"Replacement Deliverable Obligation" has the meaning given to that term in Credit Linked Condition 3 (*Physical Settlement*).

"Representative Amount" means an amount that is representative for a single transaction in the relevant market and at the relevant time, such amount to be determined by the Calculation Agent.

"Repudiation/Moratorium" means the occurrence of both of the following events:

- (a) an authorised officer of a 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 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 Scheduled Maturity Date (determined by reference to the Relevant Time), (i) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (A) the date that is sixty (60) days after the date of such Potential Repudiation/Moratorium and (B) 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 (ii) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is sixty (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 Scheduled Maturity Date unless the Repudiation/Moratorium Extension Condition is satisfied.

"Repudiation/Moratorium Extension Condition" will be satisfied:

- (i) if ISDA publicly announces, pursuant to a valid request that was delivered in accordance with the Rules and effectively received on or prior to the date that is fourteen (14) calendar days after the Scheduled Maturity 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 relevant Reference Entity and that such event occurred on or prior to the Scheduled Maturity Date or, if Credit Linked Condition 9 (*Maturity Date Extension*) applies, the Postponed Maturity Date (determined by reference to the Relevant Time); or
- (ii) otherwise, by the delivery by the Calculation Agent to the Issuer of a Repudiation/Moratorium Extension Notice and, if Notice of Publicly Available is

specified as applicable in the applicable Pricing Supplement, a Notice of Publicly Available Information on or prior to the date that is fourteen (14) calendar days after the Scheduled Maturity Date.

In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or capable of being satisfied, if, or to the extent that, ISDA publicly announces, pursuant to a valid request that was delivered in accordance with the Rules and effectively received on or prior to the date that is fourteen (14) calendar days after the Scheduled Maturity Date, that the relevant Credit Derivatives Determinations Committee has Resolved that either (A) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the relevant Reference Entity or (B) an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the relevant Reference Entity but that such event occurred after the Scheduled Maturity Date (determined by reference to the Relevant Time).

"Repudiation/Moratorium Extension Notice" means a notice from the Calculation Agent to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) that describes a Potential Repudiation/Moratorium that occurred on or prior to the Scheduled Maturity Date (determined by reference to the Relevant Time). 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 delivered.

"Resolve" has the meaning set out in the Rules, and "Resolved" and "Resolves" shall be interpreted accordingly.

"Restructured Bond or Loan" means an Obligation which is a Bond or Loan and in respect of which the relevant Restructuring has occurred.

"Restructuring" means, 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 a Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all the holders of that Obligation or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as of the later of (a) the Credit Event Backstop Date applicable to the relevant Notes and (b) the date as of which such 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 (i) the payment or accrual of interest or (ii) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or

- (v) any change in the currency or composition of any payment of interest or principal to any currency which is not a Permitted Currency.

Notwithstanding the above provisions, none of the following shall constitute a Restructuring:

- (a) the payment in euro of interest or principal 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;
- (b) the occurrence of, agreement to or announcement of any of the events described in (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 (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 Reference Entity.

For purposes of the definition of Restructuring and Credit Linked Condition 16 (*Provisions relating to Multiple Holder Obligation*), the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the applicable Pricing Supplement, as provider of any Qualifying Guarantee. In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in the definition of Restructuring and the definition of Subordination shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in the second paragraph of this definition of Restructuring shall continue to refer to the Reference Entity.

"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 Scheduled Maturity Date, provided that, in circumstances where the Scheduled Maturity Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. 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 Scheduled Maturity Date occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan.

In the event that the Scheduled Maturity Date is later than (i)(A) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (B) the 2.5-year Limitation Date, and, in either case, no Enabling Obligation exists or (ii) the 20 year Limitation Date, the Restructuring Maturity Limitation Date will be the Scheduled Maturity Date.

"Revised Currency Rate" means, with respect to a Replacement Deliverable Obligation specified in a Physical Settlement 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 Principal Balance or Due and Payable 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, by the Calculation Agent.

"Rules" has the meaning given to that term in the definition of "Credit Derivatives Determinations Committees" above.

"Scheduled Maturity Date" has the meaning specified in the applicable Pricing Supplement.

"Settlement Currency" means the currency specified as such in the applicable Pricing Supplement, or if no currency is specified in the applicable Pricing Supplement, the Specified Currency of the Notes.

"Settlement Method" means, if (a) Auction Settlement is specified as the applicable Settlement Method in the applicable Pricing Supplement, Auction Settlement, (b) Cash Settlement is specified as the applicable Settlement Method in the applicable Pricing Supplement, Cash Settlement, or (c) Physical Delivery is specified as the applicable Settlement Method in the applicable Pricing Supplement, Physical Delivery.

"Single Valuation Date" shall have the meaning as specified in the definition of "Valuation Date" below.

"Sovereign" means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority (including without limiting the foregoing, the central bank) thereof.

"Sovereign Agency" means any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central bank) of a Sovereign.

"Sovereign Restructured Deliverable Obligation" means an Obligation of a Sovereign Reference Entity (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred and (b) described by the Deliverable Obligation Category specified in the applicable Pricing Supplement, and, subject to sub-paragraph (3) of sub-paragraph (B) (Interpretation of Provisions) in the definition of "Deliverable Obligation", having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Pricing Supplement, in each case, immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring without regard to whether the Obligation would satisfy such Deliverable Obligation Category or Deliverable Obligation Characteristics after such Restructuring.

"Sovereign Restructured Valuation Obligation" means an Obligation of a Sovereign Reference Entity (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred and (b) described by the Valuation Obligation Category specified in the applicable Pricing Supplement, and, subject to sub-paragraph (3) of sub-paragraph (B) (Interpretation of Provisions) in the definition of "Valuation Obligation", having each of the Valuation Obligation Characteristics, if any, specified in the applicable Pricing Supplement, in each case, immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring without regard to whether the Obligation would satisfy such Valuation Obligation Category or Valuation Obligation Characteristics after such Restructuring.

"Specified Number" means the number of Public Source(s) specified in the applicable Pricing Supplement, or if no number is specified in the applicable Pricing Supplement, two.

"Standard Unwind Costs" shall have the meaning as specified in the definition of "Unwind Costs" below.

"Substitute Reference Obligation" means any of (1) the relevant Substitute Reference Obligation(s) specified in the applicable Pricing Supplement or (2) one or more obligations of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the applicable Pricing Supplement, as provider of any Qualifying Guarantee) that will replace one or more Reference Obligations in respect of such Reference Entity, identified by the Calculation Agent in accordance with the following procedures:

- (a) In the event that:
 - (i) a Reference Obligation in respect of such Reference Entity is redeemed in whole; or
 - (ii) in the opinion of the Calculation Agent (A) the aggregate amounts due under any Reference Obligation in respect of such Reference Entity have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments), (B) any Reference Obligation in respect of such Reference Entity 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 other reason, other than due to the existence or occurrence of a Credit Event, any Reference Obligation in respect of a Reference Entity is no longer an obligation of such Reference Entity,

the Calculation Agent shall identify one or more Obligations to replace such Reference Obligation in respect of a Reference Entity.

- (b) Any Substitute Reference Obligation or Substitute Reference Obligations shall be an Obligation that (1) ranks *pari passu* in priority of payment with the ranking in priority of payment of each of the Substitute Reference Obligation and such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as of the date as of which such Reference Obligation was issued or incurred and not reflecting any change to such ranking in priority of payment after such date), (2) preserves the economic equivalent, as closely as practicable as determined by the Calculation Agent of the delivery and payment obligations of the Issuer and (3) is an obligation of the relevant Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the applicable Pricing Supplement, as provider of any Qualifying Guarantee). The Substitute Reference Obligation or Substitute Reference Obligations identified by the Calculation Agent shall, without further action, replace such Reference Obligation or Reference Obligations.
- (c) If more than one specific Reference Obligation is identified as a Reference Obligation in respect of a Reference Entity in relation to a Series, any of the events set forth in paragraph (a) above has occurred with respect to one or more but not all such Reference Obligations, and the Calculation Agent determines that no Substitute

Reference Obligation is available for one or more of such Reference Obligations, each such Reference Obligation for which no Substitute Reference Obligation is available shall cease to be a Reference Obligation.

- (d) If more than one specific Reference Obligation is identified as a Reference Obligation in respect of a Reference Entity in relation to a Series, any of the events set forth in paragraph (a) above has occurred with respect to all such Reference Obligations, and the Calculation Agent determines that at least one Substitute Reference Obligation is available for any such Reference Obligation, then each such Reference Obligation shall be replaced by a Substitute Reference Obligation and each Reference Obligation for which no Substitute Reference Obligation is available will cease to be a Reference Obligation.
- (e) If:
 - (i) more than one specific Reference Obligation is identified as a Reference Obligation in respect of a Reference Entity in relation to a Series, any of the events set forth in paragraph (a) above has occurred with respect to all such Reference Obligations and the Calculation Agent determines that no Substitute Reference Obligation is available for any of such Reference Obligations; or
 - (ii) only one specific Reference Obligation is identified as a Reference Obligation in respect of a Reference Entity in relation to a Series, any of the events set forth in paragraph (a) above has occurred with respect to such Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for that Reference Obligation,

then the Calculation Agent shall continue to attempt to identify a Substitute Reference Obligation until the Extension Date. If (A) either (x) Cash Settlement is specified as the Settlement Method in the applicable Pricing Supplement (or is applicable pursuant to the Fallback Settlement Method) and the Credit Event Redemption Amount is determined by reference to a Reference Obligation or (y) either Auction Settlement or Physical Delivery is specified as the Settlement Method in the applicable Pricing Supplement (or, in the case of Physical Delivery, is applicable pursuant to the Fallback Settlement Method) and, in each case, the Reference Obligation is the only Deliverable Obligation or (z) if Valuation Obligation is specified as applicable in the applicable Pricing Supplement and the Reference Obligation is the only Valuation Obligation and (B) on or prior to the Extension Date, a Substitute Reference Obligation has not been identified, the Issuer shall have the right on or after the Extension Date to early redeem the Notes at the Early Redemption Amount (determined by the Calculation Agent taking into account the creditworthiness of the Reference Entity at the time of early redemption) by notice to Noteholders in accordance with Condition 15 (*Notices*). Such notice shall contain details of the procedures and due date for such early redemption.

- (f) For the purposes of identification of a Reference Obligation, any change in the Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, convert such Reference Obligation into a different Obligation.

"Succession Event" means (i) with respect to a Reference Entity that is not a Sovereign, an event such as a merger, de merger, consolidation, amalgamation, transfer of assets or liabilities, spin off or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to any agreement or (ii) with respect

to a Reference Entity that is a Sovereign, an event such as an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other event that results in any direct or indirect successor(s) to such Reference Entity. Notwithstanding the foregoing, "Succession Event" shall not include an event (A) in which the holders of obligations of the Reference Entity exchange such obligations for the obligations of another entity, unless such exchange occurs in connection with a merger, demerger, consolidation, amalgamation, transfer of assets or liabilities, spin-off or other similar event or (B) with respect to which the legally effective date (or, in the case of a Reference Entity that is a Sovereign, the date of occurrence) has occurred prior to the Succession Event Backstop Date (determined by reference to the Relevant Time) applicable to the relevant Series.

"Succession Event Backstop Date" means:

- (a) for purposes of any event that constitutes a Succession Event, as determined by DC Resolution, the date that is ninety (90) calendar days prior to the Succession Event Resolution Request Date (determined by reference to the Relevant Time); or
- (b) otherwise, the date that is ninety (90) calendar days prior to the earlier of:
 - (i) the date on which the Succession Event Notice is delivered; and
 - (ii) in circumstances where (I) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in paragraphs (a) and (b) of the definition of Succession Event Resolution Request Date are satisfied in accordance with the Rules, (II) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (III) the Succession Event Notice is delivered by the Calculation Agent to the Issuer not more than fourteen (14) calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Succession Event Resolution Request Date.

The Succession Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention unless specified in the applicable Pricing Supplement that the Succession Event Backstop Date will be adjusted in accordance with a specified Business Day Convention.

"Succession Event Notice" means a notice from the Calculation Agent to the Issuer that describes a Succession Event that occurred on or after the Succession Event Backstop Date (determined by reference to the Relevant Time).

A Succession Event Notice must contain a description in reasonable detail of the facts relevant to the determination, of (i) whether a Succession Event has occurred and (ii) if relevant, the identity of any Successor(s).

"Succession Event Resolution Request Date" means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (a) whether an event that constitutes a Succession Event for purposes of a Series has occurred with respect to the relevant Reference Entity; and
- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred, (i) with respect to a Reference Entity that is not a Sovereign, the

legally effective date of such event or (ii) with respect to a Reference Entity that is a Sovereign, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

"Successor" means:

- (a) in relation to a Reference Entity that is not a Sovereign, the entity or entities, if any, determined as set forth below:
 - (i) if one entity directly or indirectly succeeds to seventy-five per cent. (75%) or more of the Relevant Obligations of the Reference Entity by way of a Succession Event, that entity will be the sole Successor;
 - (ii) if only one entity directly or indirectly succeeds to more than twenty-five per cent. (25%) (but less than seventy-five per cent.(75%)) of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than twenty-five per cent. (25%) of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent. (25%) of the Relevant Obligations will be the sole Successor;
 - (iii) if more than one entity each directly or indirectly succeed to more than twenty-five per cent. (25%) of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than twenty-five per cent. (25%) of the Relevant Obligations of the Reference Entity remain with Reference Entity, the entities that succeed to more than twenty-five per cent. (25%) of the Relevant Obligations will each be a Successor and these Credit Linked Conditions and/or the applicable Pricing Supplement will be adjusted as provided below;
 - (iv) if one or more entity each directly or indirectly succeed to more than twenty-five per cent. (25%) of the Relevant Obligations of the Reference Entity by way of a Succession Event, and more than twenty-five per cent. (25%) of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor and these Credit Linked Conditions and/or the applicable Pricing Supplement will be adjusted as provided below;
 - (v) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than twenty-five per cent. (25%) of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of the Succession Event; and
 - (vi) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than twenty-five per cent. (25%) 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 (or, if two or more entities succeed to an equal percentage of Relevant Obligations, the entity from among those entities

which succeeds to the greatest percentage of obligations of the Reference Entity) will be the sole Successor; and

- (b) in relation to a Reference Entity that is a Sovereign, each entity which becomes a direct or indirect successor to that Reference Entity by way of Succession Event irrespective of whether any such successor assumes any of the obligations of such Reference Entity.

The Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than fourteen (14) calendar days after the legally effective date of the occurrence of the relevant Succession Event), and with effect from the legally effective date of the occurrence of the Succession Event, whether the relevant thresholds set forth above have been met, or which entity qualifies under (a)(vi) above, as applicable provided that the Calculation Agent will not make any such determination if, at such time, either (A) ISDA has publicly announced that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in (a) above and paragraphs (a) and (b)(i) of the definition of Succession Event Resolution Request Date (in the case of a Reference Entity that is not a Sovereign) or (b) above and paragraphs (a) and (b)(ii) of the definition of Succession Event Resolution Request Date (in the case of a Sovereign Reference Entity) are satisfied in accordance with the Rules (until such time (if any) that ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine a Successor) or (B) ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that no event that constitutes a Succession Event has occurred. In calculating the percentages used to determine whether the relevant thresholds set forth above have been met, or which entity qualifies under (a)(vi) above, as applicable, the Calculation Agent shall use, in respect of each applicable Relevant Obligation included in such calculation, the amount of the liability in respect of such Relevant Obligation listed in the Best Available Information and shall, as soon as practicable after such calculation, make such calculation available for inspection by Noteholder(s) at the specified office of the Principal Paying Agent.

Where pursuant to paragraph (a)(iii) or (a)(iv) above, more than one Successor has been identified, the Calculation Agent shall adjust such of these Credit Linked Conditions and/or the applicable Pricing Supplement as it shall determine to be appropriate to reflect that the relevant Reference Entity has been succeeded by more than one Successor and shall determine the effective date of that adjustment. The Calculation Agent shall be deemed to be acting in a commercially reasonable manner if it adjusts such of these Credit Linked Conditions and/or the applicable Pricing Supplement in such a manner as to reflect the adjustment to and/or division of any credit derivative transaction(s) related to or underlying the Notes under the provisions of the 2003 ISDA Credit Derivatives Definitions and any relevant publication published by ISDA.

Where First to Default is specified as applicable in the applicable Pricing Supplement, the additional provisions (1) - (3) below will also apply. These provisions are in addition to and without prejudice to the rights of the Issuer under the provisions of Credit Linked Condition 13 (*Redemption Following a Merger Event*) which will apply where Merger Event is specified as applying in the applicable Pricing Supplement. In particular the Issuer may in each case determine in its sole discretion which of such provisions apply in the case of a Merger Event occurring.

(1) *Substitution Not Applicable*: Where any Reference Entity (the "**Surviving Reference Entity**") (other than the Reference Entity that is subject to the Succession Event) would be a Successor to any other Reference Entity (the "**Legacy Reference Entity**") pursuant to a

Succession Event through the application of this definition of "Successor" and Substitution is specified as Not Applicable in the applicable Pricing Supplement, such Surviving Reference Entity shall be deemed a Successor to the Legacy Reference Entity.

(2) *Substitution Applicable*: Where any Reference Entity (the "**Surviving Reference Entity**") (other than the Reference Entity that is subject to the Succession Event) would be a Successor to any other Reference Entity (the "**Legacy Reference Entity**") pursuant to a Succession Event through the application of this definition of Successor and Substitution is specified as Applicable in the applicable Pricing Supplement:

- (a) such Surviving Reference Entity shall be deemed not to be a Successor to the Legacy Reference Entity; and
- (b) the Calculation Agent may but is not required to select any Eligible Reference Entity in accordance with "(3) *Selection of an Eligible Reference Entity*" below as a Successor to the Legacy Reference Entity pursuant to that Succession Event.

(3) *Selection of an Eligible Reference Entity*:

"**Eligible Reference Entity**" means an entity:

- (i) that is in the same Moody's, S&P or any Other Rating Agency industry group (the "**Industry Requirement**") as the relevant Surviving Reference Entity, where:

"**Moody's**" means Moody's Investors Service, Inc. or any successor thereto;

"**S&P**" means Standard and Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc. or any successor thereto; and

"**Other Rating Agency**" means any rating agency other than S&P or Moody's that publishes industry groups as selected by the Calculation Agent in its sole discretion;

- (ii) that has a bid-side credit spread on any day following the relevant Succession Event no greater than 110% (or such other Credit Spread Requirement if any specified in the applicable Pricing Supplement) of the bid-side credit spread of the relevant Surviving Reference Entity at that same time (the "**Credit Spread Requirement**"), in each case based on a credit default swap:

- (a) on market standard terms for the relevant entity as at the time of such determination;
- (b) in respect of a floating rate payer calculation amount equal to at least 50 per cent., but not more than 100 per cent., of the aggregate Outstanding Redemption Amounts of the Notes outstanding at the relevant time; and
- (c) with a term equal to the period from (and including) the date of the determination to (and including) the Scheduled Maturity Date (the "**Remaining Term**") or, if the Calculation Agent determines it is or may be impractical to obtain quotations in respect of the Remaining Term, the term for the purposes of this sub-clause (c) shall be five years.

The bid-side credit spreads for the purpose of the Credit Spread Requirement shall be the unweighted arithmetic mean of the spread quotations obtained by the

Calculation Agent (on the basis of the terms set out above) from at least three Quotation Dealers;

- (iii) that is principally traded in the credit derivatives market in respect of the same Geographical Region as the relevant Surviving Reference Entity, as determined in good faith and a commercially reasonable manner by the Calculation Agent, where:

"Geographical Region" means such region determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner, to give best effect to then current credit derivatives market practice in respect of the relevant Surviving Reference Entity (and which may but does not have to be one of North America, Latin America, Western Europe, Eastern Europe, Australia/New Zealand, Singapore, Asia (excluding Japan) or Japan); and

- (iv) that is not the Issuer or an Affiliate of any Reference Entity or the Issuer both immediately prior to and following the relevant Succession Event, as applicable.

Upon the Calculation Agent making such adjustment, the Issuer shall give notice as soon as practicable to Noteholders in accordance with Condition 15 (*Notices*), stating the adjustment to these Credit Linked Conditions and/or the applicable Pricing Supplement, the effective dates thereof and giving brief details of the relevant Succession Event.

For the purposes of this definition of "Successor", **"succeed"** means, with respect to a Reference Entity and its Relevant Obligations (or, as applicable, obligations), that a party other than such Reference Entity (i) assumes or becomes liable for such Relevant Obligations (or, as applicable, obligations) whether by operation of law or pursuant to any agreement or (ii) issues Bonds that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case such Reference Entity is no longer an obligor (primarily or secondarily) or guarantor with respect to such Relevant Obligations (or, as applicable, obligations). The determinations required pursuant to paragraph (a) of this definition of "Successor" shall be made, in the case of an exchange offer, on the basis of the Outstanding Principal Balance of Relevant Obligations tendered and accepted in the exchange and not on the basis of the Outstanding Principal Balance of Bonds for which Relevant Obligations have been exchanged.

Where:

- (A) a Reference Obligation is specified in the applicable Pricing Supplement; and
- (B) one or more Successors to the relevant Reference Entity have been identified; and
- (C) any one or more such Successors have not assumed the Reference Obligation,

a Substitute Reference Obligation will be determined in accordance with the definition of "Substitute Reference Obligation" above.

The Calculation Agent will also determine the Standard Terms as set out in Credit Linked Condition 24 (*Standard Terms*) which will apply to any Successor and/or all relevant elections in respect of the Successor for purposes of the Pricing Supplement in a commercially reasonable manner.

"Supranational Organisation" means any entity or organisation established by treaty or other arrangement between two or more Sovereigns or the Sovereign Agencies of two or more Sovereigns, and includes, without limiting the foregoing, the International Monetary

Fund, European Central Bank, International Bank for Reconstruction and Development and the European Bank for Reconstruction and Development.

"Trade Date" means the date specified as such in the applicable Pricing Supplement.

"Transaction Auction Settlement Terms" means, with respect to a Credit Event, the Credit Derivatives Auction Settlement Terms selected by the Calculation Agent in accordance with this provision. In relation to a Credit Event (and as set out in the definition of Credit Derivatives Auction Settlement Terms), ISDA may publish one or more form(s) of Credit Derivatives Auction Settlement Terms on its website at www.isda.org (or any successor website thereto) and may amend such forms from time to time. Each such form of Credit Derivatives Auction Settlement Terms shall set out, *inter alia*, definitions of "Auction", "Auction Cancellation Date", "Auction Covered Transaction" and "Auction Final Price Determination Date" in relation to the relevant Credit Event. The Transaction Auction Settlement Terms for purposes of the Notes shall be the relevant form of Credit Derivatives Auction Settlement Terms for which the Reference Transaction would be an Auction Covered Transaction (as such term will be set out in the relevant Credit Derivatives Auction Settlement Terms). The Reference Transaction (as set out in the definition thereof) is a hypothetical credit derivative transaction included in these Credit Linked Conditions principally for the purpose of selecting the Credit Derivatives Auction Settlement Terms appropriate to the Notes.

"Undeliverable Obligation" means a Deliverable Obligation included in the Asset Amount which, on the Physical Settlement Date for such Deliverable Obligation, the Calculation Agent determines for any reason (including without limitation, failure of the relevant clearance system or due to any law, regulation, court order or market conditions or the non-receipt of any requisite consents with respect to the Delivery of Loans, the failure of a Noteholder to give the Issuer details of accounts for settlement, or a failure of any Noteholder to open or procure the opening of such accounts) it is impossible or illegal to Deliver on the Physical Settlement Date.

"Underlying Obligation" has the meaning given in "Qualifying Guarantee" above.

"Underlying Obligor" has the meaning given in the "Qualifying Guarantee" above.

"Unwind Costs" means the amount specified in the applicable Pricing Supplement or if "Standard Unwind Costs" are specified in the applicable Pricing Supplement, an amount determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer and/or any of its Affiliates in connection with the redemption (in whole or in part) of the Notes and the related termination, settlement or re-establishment (in whole or in part) of any hedge or related trading position, such amount to be apportioned *pro rata* amongst each principal amount of Notes in the Calculation Amount.

"Valuation Date" means (a) where Physical Delivery is specified as applying in the applicable Pricing Supplement the day falling five (5) Business Days after the Final Delivery Date (as such term is defined in Credit Linked Condition 10 (*Physical Delivery*)), (b) where Valuation Obligation is specified as applying in the applicable Pricing Supplement a date falling no more than a number of Business Days equal to the relevant Valuation Obligation Determination Period following the Credit Event Determination Event, as selected by the Calculation Agent or (c) otherwise, if "Single Valuation Date" is specified in the applicable Pricing Supplement, the date that is the number of Business Days specified in the Pricing Supplement after the satisfaction of all Conditions to Settlement or, if the number of Business Days is not so specified, five Business Days after the satisfaction of all

Conditions to Settlement (or, if Cash Settlement is applicable pursuant to the Fallback Settlement Method, the date that is the number of Business Days specified in the applicable Pricing Supplement or, if the number of Business Days is not so specified, five Business Days after the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable), and if "Multiple Valuation Dates" is specified in the applicable Pricing Supplement, each of the following dates:

- (i) Subject to Credit Linked Condition 12 (*Settlement Suspension*) the date that is the number of Business Days specified in the applicable Pricing Supplement (or, if the number of Business Days is not specified, five (5) Business Days) following the satisfaction of all Conditions to Settlement (or if Cash Settlement is the applicable Fallback Settlement Method, the date that is the number of Business Days specified in the applicable Pricing Supplement (or, if the number of Business Days is not specified, five Business Days) following the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable); and
- (ii) each successive date that is the number of Business Days specified in the applicable Pricing Supplement (or if the number of Business Days is not so specified, five (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 Pricing Supplement, the total number of Valuation Dates shall be equal to the number of Valuation Dates specified in the applicable Pricing Supplement (or, if the number of Valuation Dates is not so specified, five (5) Valuation Dates).

If neither Single Valuation Date nor Multiple Valuation Dates is specified in the applicable Pricing Supplement, Single Valuation Date shall apply.

"Valuation Method":

- (a) The following Valuation Methods may be specified in the applicable Pricing Supplement for a Series with only one Reference Obligation or Valuation Obligation and only one Valuation Date:
 - (i) "Market" means the Market Value determined by the Calculation Agent with respect to the Valuation Date; or
 - (ii) "Highest" means the highest Quotation obtained by the Calculation Agent with respect to the Valuation Date.

If no such Valuation Method is specified in the applicable Pricing Supplement, the Valuation Method shall be Highest.

- (b) The following Valuation Methods may be specified in the applicable Pricing Supplement for a Series with only one Reference Obligation or Valuation Obligation and more than one Valuation Date:
 - (i) "Average Market" means the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to each Valuation Date; or
 - (ii) "Highest" means the highest Quotation obtained by the Calculation Agent with respect to any Valuation Date; or

- (iii) "Average Highest" means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent with respect to each Valuation Date.

If no such Valuation Method is specified in the applicable Pricing Supplement, the Valuation Method shall be Average Highest.

- (c) The following Valuation Methods may be specified in the applicable Pricing Supplement for a Series with more than one Reference Obligation or Valuation Obligation and only one Valuation Date:

- (i) "**Blended Market**" means the unweighted arithmetic mean of the Market Value for each Reference Obligation or Valuation Obligation determined by the Calculation Agent with respect to the Valuation Date; or
- (ii) "**Blended Highest**" means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent for each Reference Obligation or Valuation Obligation with respect to the Valuation Date.

If no such Valuation Method is specified in the applicable Pricing Supplement, the Valuation Method shall be Blended Highest.

- (d) The following Valuation Methods may be specified in the applicable Pricing Supplement for a Series with more than one Reference Obligation or Valuation Obligation and more than one Valuation Date:

- (i) "**Average Blended Market**" means, using values with respect to each Valuation Date determined by the Calculation Agent in accordance with the Blended Market Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each Valuation Date;
- (ii) "**Average Blended Highest**" means, using values with respect to each Valuation Date determined by the Calculation Agent in accordance with the Blended Highest Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each Valuation Date; or
- (iii) "**Highest**" means the highest Quotation obtained by the Calculation Agent in respect of any Valuation Date and the relevant Reference Obligation or Valuation Obligation.

If no such Valuation Method is specified in the applicable Pricing Supplement, the Valuation Method shall be Average Blended Highest.

- (e) Notwithstanding paragraphs (a) to (d) above, if Quotations include Weighted Average Quotations or fewer than two Full Quotations, the Valuation Method shall be Market, Average Market, Blended Market or Average Blended Market, as the case may be.

"Valuation Obligation" means:

- (a) any obligation of a Reference Entity (either directly, as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the applicable Pricing Supplement, as provider of any Qualifying Guarantee) determined pursuant to the method described in "(A) Method for Determining Valuation Obligations"

below (but excluding any Excluded Valuation Obligation specified in the applicable Pricing Supplement) that (i) is payable in an amount equal to its Outstanding Principal Balance or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in paragraphs (a) to (d) of the definition of "Credit Event" above) or right of set-off by or of a Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the date of selection of the relevant Valuation Obligation, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the Outstanding Principal Balance or Due and Payable Amount apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement;

- (b) subject to the second paragraph of the definition of "Not Contingent" in (d)(A)(2)(i) below, each Reference Obligation, unless specified in the applicable Pricing Supplement as an Excluded Valuation Obligation;
- (c) solely in relation to a Restructuring Credit Event applicable to a Sovereign Reference Entity, any Sovereign Restructured Valuation Obligation (but excluding any Excluded Valuation Obligation) that (i) is payable in an amount equal to its Outstanding Principal Balance or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in paragraphs (a)-(d) of the definition of "Credit Event" above) or right of set-off by or of a Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the date on which the Notice of Valuation Obligations is deemed given, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the Outstanding Principal Balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement; and
- (d) any Additional Valuation Obligation of a Reference Entity specified as such in the applicable Pricing Supplement.

(A) ***Method for Determining Valuation Obligations.*** For the purposes of this definition of "Valuation Obligation", the term "Valuation Obligation" may be defined as each obligation of each Reference Entity described by the Valuation Obligation Category specified in the applicable Pricing Supplement, and, subject to (B)(2) below, having each of the Valuation Obligation Characteristics, if any, specified in the applicable Pricing Supplement, in each case, as of the date of the event which constitutes the Credit Event which is the subject of either the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

- (1) **"Valuation Obligation Category"** means one of Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan (each as defined in the definition of "Obligation" below, except that, for the purpose of determining Valuation Obligations, the definition of "Reference Obligations Only" shall be

amended to state that no Valuation Obligation Characteristics shall be applicable to Reference Obligations Only).

(2) **"Valuation Obligation Characteristics"** means any one or more of Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance (each as defined in the definition of "Obligation" below), Not Contingent, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer where:

(i) **"Not Contingent"** means any obligation having as of the first date of selection of the relevant Valuation Obligation and all times thereafter an Outstanding Principal Balance or, in the case of obligations that are not Borrowed Money, a Due and Payable Amount, that pursuant to the terms of such obligation may not be reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). A Convertible Obligation, an Exchangeable Obligation and an Accreting Obligation shall satisfy the Not Contingent Valuation Obligation Characteristics if such Convertible Obligation, Exchangeable Obligation or Accreting Obligation otherwise meets the requirements of the preceding sentence so long as, in the case of a Convertible Obligation or an Exchangeable Obligation, the right (A) to convert or exchange such obligation or (B) to require the issuer to purchase or redeem such obligation (if the issuer has exercised or may exercise the right to pay the purchase or redemption price, in whole or in part, in Equity Securities) has not been exercised (or such exercise has been effectively rescinded) on or before the date of selection of the relevant Valuation Obligation.

If a Reference Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Reference Obligation may be included as a Valuation Obligation only if the rights referred to in clauses (A) and (B) of the preceding paragraph have not been exercised (or such exercise has been effectively rescinded) on or before the date of selection of the relevant Valuation Obligation;

(ii) **"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 relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if a Reference Entity is guaranteeing such Loan) or any agent;

(iii) **"Consent Required Loan"** means a Loan that is capable of being assigned or novated with the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or

the consent of the relevant borrower if a Reference Entity is guaranteeing such loan) or any agent;

- (iv) **"Direct Loan Participation"** means a Loan in respect of which, pursuant to a participation agreement, the 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 or the Guarantor (as applicable) (in either case, to the extent that the Issuer or the Guarantor (as applicable), is then a lender or a member of the relevant lending syndicate), or (B) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate);
- (v) **"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 United States Securities 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); or
 - (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds;
- (vi) **"Maximum Maturity"** means an obligation that has a remaining maturity from the first Valuation Date of not greater than the period specified in the applicable Pricing Supplement;
- (vii) **"Accelerated or Matured"** means an obligation under which the total amount owed, whether at maturity, by reason of acceleration, upon termination or otherwise (other than amounts in respect of default interest, indemnities, tax gross ups and other similar amounts), is, or on or prior to the first Valuation Date will be, 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; and
- (viii) **"Not Bearer"** means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Euroclear, Clearstream,

Luxembourg or any other internationally recognised clearing system.

(B) Interpretation of Provisions.

- (1) If the Obligation Characteristic "Listed" is specified in the applicable Pricing Supplement, the Pricing Supplement shall be construed as though Listed had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category;
- (2) if (i) either of the Valuation Obligation Characteristics "Listed" or "Not Bearer" is specified in the applicable Pricing Supplement, the Pricing Supplement shall be construed as though such Valuation Obligation Characteristic had been specified as a Valuation Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Valuation Obligation Category; (ii) the Valuation Obligation Characteristic "Transferable" is specified in the applicable Pricing Supplement, the Pricing Supplement shall be construed as though such Valuation Obligation Characteristic had been specified as a Valuation Obligation Characteristic only with respect to Valuation Obligations that are not Loans (and shall only be relevant to the extent that obligations other than Loans are covered by the selected Valuation Obligation Category); or (iii) any of the Valuation Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the applicable Pricing Supplement, the Pricing Supplement shall be construed as though such Valuation Obligation Characteristic had been specified as a Valuation Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the selected Valuation Obligation Category;
- (3) if any of Payment, Borrowed Money, Loan or Bond or Loan is specified as the Valuation Obligation Category and more than one of Assignable Loan, Consent Required Loan and Direct Loan Participation are specified as Valuation Obligation Characteristics, the Valuation Obligations may include any Loan that satisfies any one of such Valuation Obligation Characteristics specified and need not satisfy all such Valuation Obligation Characteristics; and
- (4) in the event that an Obligation or a Valuation Obligation is a Qualifying Guarantee, the following will apply:
 - (i) For purposes of the application of the Obligation Category or the Valuation Obligation Category, the Qualifying Guarantee shall be deemed to be described by the same category or categories as those that describe the Underlying Obligation.
 - (ii) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics, both the Qualifying Guarantee and the Underlying Obligation must satisfy on the relevant date each of the

applicable Obligation Characteristics or the Valuation Obligation Characteristics, if any, specified in the applicable Pricing Supplement from the following list: Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency and Not Domestic Law. For these purposes, unless otherwise specified in the applicable Pricing Supplement, (A) the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro shall not be a Domestic Currency and (B) the laws of England and the laws of the State of New York shall not be a Domestic Law.

- (iii) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics, only the Qualifying Guarantee must satisfy on the relevant date the Obligation Characteristic or the Valuation Obligation Characteristic of Not Subordinated, if specified in the applicable Pricing Supplement.
 - (iv) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or the Valuation Obligation Characteristics, if any, specified in the applicable Pricing Supplement from the following list: Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.
 - (v) For purposes of the application of the Obligation Characteristics or the Valuation Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.
 - (vi) The terms "Outstanding Principal Balance" and "Due and Payable Amount" (as they are used in the Credit Linked Conditions, including without limitation, the definition of "Quotation Amount" in Credit Linked Condition 11), when used in connection with Qualifying Guarantees are to be interpreted to be the then "Outstanding Principal Balance" or "Due and Payable Amount", as applicable, of the Underlying Obligation which is supported by a Qualifying Guarantee.
- (5) If only one Valuation Date is specified in the applicable Pricing Supplement, any reference in these Credit Linked Conditions to the first Valuation Date shall be deemed to be a reference to such Valuation Date.
 - (6) Where the Standard Terms are applicable to determine the Valuation Obligations the row entitled "Physical Settlement Period" shall not be applicable.

For the avoidance of doubt the provisions of this paragraph (B) apply in respect of the definitions of Obligation and Valuation Obligation as the context admits.

"Valuation Obligation Determination Period" means the number of Business Days specified as such in the applicable Pricing Supplement.

"Valuation Time" means the time specified as such in the applicable Pricing Supplement or, if no time is so specified, 11.00 a.m. in the principal trading market for the Reference Obligation.

"Voting Shares" has the meaning given in the definition of "Downstream Affiliate" above.

"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 of as large a size as available but less than the Quotation Amount (but of a size equal to the Minimum Quotation Amount or, if quotations of a size equal to the Minimum Quotation Amount are not available, quotations as near in size as practicable to the Minimum Quotation Amount) that in aggregate are approximately equal to the Quotation Amount.

15. CREDIT EVENT NOTICE AFTER RESTRUCTURING CREDIT EVENT

Notwithstanding anything to the contrary in these Credit Linked Conditions, upon the occurrence of a Restructuring with respect to a Series for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified as applicable in the applicable Pricing Supplement:

- (a) the Calculation Agent may deliver multiple Credit Event Notices with respect to such Restructuring, each such Credit Event Notice setting forth an amount (the **"Partial Redemption Amount"**) that may be less than the Reference Amount in respect of the relevant Reference Entity. In such circumstances, the Credit Event Portion shall be deemed to be the Partial Redemption Amount only, and each such Note shall be redeemed in part (such redeemed part being equal to the Partial Redemption Amount).
- (b) For the avoidance of doubt (i) the Outstanding Redemption Amount of each such Note not so redeemed in part shall remain outstanding and interest shall accrue on the Outstanding Redemption Amount of such Note as provided in Credit Linked Condition 5 (*Interest*) (adjusted in such manner as the Calculation Agent determines to be appropriate), (ii) the provisions of Credit Linked Condition 1 (*Redemption of Credit Linked Notes*) and related provisions shall apply to the Outstanding Redemption Amount of such Note in the event that subsequent Credit Event Notices are delivered in respect of the Reference Entity that was the subject of the Restructuring Credit Event and (iii) if, following a Restructuring Credit Event, different Credit Event Determination Dates have been determined with respect to different portions of amounts payable or deliverable to Noteholders under the relevant Series, the Calculation Agent will (x) determine such adjustment(s) to these Credit Linked Conditions as may be required to achieve as far as practicable the same economic effect as if each such portion was a separate series or otherwise reflect or account for the effect of the above provisions of this Credit Linked Condition 15 and (y) the effective date of such adjustment(s).

- (c) If the provisions of this Credit Linked Condition 15 apply in respect of the Notes, on redemption of part of each such Note the relevant Note or, if the Notes are represented by a Global Note, such Global Note, shall be endorsed to reflect such part redemption.
- (d) If any Note represented by a U.S. Global Note is to be redeemed (in whole or in part) by delivery of an Asset Amount, the relevant provisions relating to such delivery shall be set out in the applicable Pricing Supplement.
- (e) In the case of Notes for which First to Default is specified as applicable in the applicable Pricing Supplement, where a Partial Redemption Amount applies then subsequent Credit Event Notices may only be delivered in respect of that Reference Entity for which the first Credit Event Notice referred to above is delivered.

16. PROVISIONS RELATING TO MULTIPLE HOLDER OBLIGATION

Notwithstanding anything to the contrary in the definition of Restructuring and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub-paragraphs (i) to (v) of the definition of "Restructuring" shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

"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 any Obligation that is a Bond shall be deemed to satisfy the requirement in (ii) above.

17. PROVISIONS TAKEN FROM THE ISDA SUPPLEMENT TITLED "ADDITIONAL PROVISIONS - MONOLINE INSURER AS REFERENCE ENTITY (MAY 2003)"

If this Credit Linked Condition 17 is specified as applicable in the applicable Pricing Supplement, the following provisions will apply:

- (a) **Obligation and Deliverable Obligation and Valuation Obligations.** Paragraph (a) of the definition of "Obligation" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) and paragraph (a) of the definition of "Deliverable Obligation" and "Valuation Obligation" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) are hereby amended by adding "or Qualifying Policy" after "or as provider of a Qualifying Affiliate Guarantee".
- (b) **Interpretation of Provisions.** In the event that an Obligation or a Deliverable Obligation or a Valuation Obligation is a Qualifying Policy, paragraph (b) of the definition of "Deliverable Obligation" and "Valuation Obligation" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) will apply, with references to the Qualifying Guarantee, the Underlying Obligation and the Underlying Obligor deemed to include the Qualifying Policy, the Insured Instrument and the Insured Obligor, respectively, except that:
 - (A) the Obligation Category Borrowed Money and the Obligation Category and Deliverable Obligation Category Bond and the Valuation Obligation Category Bond shall be deemed to include distributions payable under an Insured Instrument in the form of a pass-through certificate or similar

funded beneficial interest, the Deliverable Obligation Category Bond and the Valuation Obligation Category Bond shall be deemed to include such an Insured Instrument, and the terms "obligation" and "obligor" as used in this Credit Linked Condition 17 in respect of such an Insured Instrument shall be construed accordingly;

- (B) references in the definitions of Assignable Loan and Consent Required Loan to "the guarantor" and "guaranteeing" shall be deemed to include "the insurer" and "insuring", respectively;
 - (C) neither the Qualifying Policy nor the Insured Instrument must satisfy on the relevant date the Deliverable Obligation Characteristic of Accelerated or Matured or the Valuation Obligation Characteristic of Accelerated or Matured, as the case may be, whether or not that characteristic is otherwise specified as applicable in the applicable Pricing Supplement;
 - (D) if the Assignable Loan, Consent Required Loan, Direct Loan Participation or Transferable Deliverable Obligation Characteristics or Valuation Obligation Characteristic, as the case may be are specified in the applicable Pricing Supplement and if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument; and
 - (E) with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term "Outstanding Principal Balance" shall mean the outstanding Certificate Balance and "maturity", as such term is used in the Maximum Maturity Deliverable Obligation Characteristic or Valuation Obligation Characteristic, as the case may be, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.
- (c) Not Contingent. An Insured Instrument will not be regarded as failing to satisfy the Not Contingent Deliverable Obligation Characteristic or the Not Contingent Valuation Obligation Characteristic, as the case may be, solely because such Insured Instrument is subject to provisions limiting recourse in respect of such Insured Instrument to the proceeds of specified assets (including proceeds subject to a priority of payments) or reducing the amount of any Instrument Payments owing under such Insured Instrument, provided that such provisions are not applicable to the Qualifying Policy by the terms thereof and the Qualifying Policy continues to guarantee or insure, as applicable, the Instrument Payments that would have been required to be made absent any such limitation or reduction. By specifying that this Credit Linked Condition 17 is applicable, no inference should be made as to the interpretation of the "Not Contingent" Deliverable Obligation Characteristic or the "Not Contingent" Valuation Obligation Characteristic in the context of limited recourse or similar terms applicable to Deliverable Obligations or Valuation Obligations other than Qualifying Policies.
- (d) Deliver. For the purposes of "Deliver" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*), "Deliver" with respect to an obligation that is a Qualifying Policy means to Deliver both the Insured Instrument and the benefit of the Qualifying Policy (or a custodial receipt issued by an internationally recognised

custodian representing an interest in such an Insured Instrument and the related Qualifying Policy), and "Deliver" and "Delivered" will be construed accordingly.

- (e) Provisions for Determining a Successor. The paragraph commencing "For the purposes of this definition of "Successor" ..." in the definition of "Successor" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) is hereby amended by adding "or insurer" after "or guarantor".
- (f) Substitute Reference Obligation. The first paragraph of the definition of "Substitute Reference Obligation" and paragraph (b) thereof in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) is hereby amended by adding "or Qualifying Policy" after "or as provider of a Qualifying Affiliate Guarantee". For purposes of sub-paragraph (a)(ii)(B) the definition of "Substitute Reference Obligation" references to "the Qualifying Guarantee" and the "Underlying Obligation" shall be deemed to include "the Qualifying Policy" and "the Insured Instrument", respectively.
- (g) Other Provisions. For the purposes of paragraph (a)(ii) of the definition of "Deliverable Obligation" or "Valuation Obligation" and the definitions of "Credit Event" and "Deliver" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) references to "the Underlying Obligation" and "the Underlying Obligor" shall be deemed to include "Insured Instruments" and the "Insured Obligor", respectively.
- (h) Additional Definitions.

"Qualifying Policy" means a financial guaranty insurance policy or similar financial guarantee pursuant to which a Reference Entity irrevocably guarantees or insures all Instrument Payments of an instrument that constitutes Borrowed Money (modified as set forth in this Credit Linked Condition 17 (the **"Insured Instrument"**) for which another party (including a special purpose entity or trust) is the obligor (the **"Insured Obligor"**). Qualifying Policies shall exclude any arrangement (i) structured as a surety bond, letter of credit or equivalent legal arrangement or (ii) pursuant to the express contractual terms of which the payment obligations of the Reference Entity can be discharged or reduced as a result of the occurrence or non occurrence of an event or circumstance (other than the payment of Instrument Payments). The benefit of a Qualifying Policy must be capable of being delivered together with the Delivery of the Insured Instrument.

"Instrument Payments" means (A) in the case of any Insured Instrument that is in the form of a pass through certificate or similar funded beneficial interest, (x) the specified periodic distributions in respect of interest or other return on the Certificate Balance on or prior to the ultimate distribution of the Certificate Balance and (y) the ultimate distribution of the Certificate Balance on or prior to a specified date and (B) in the case of any other Insured Instrument, the scheduled payments of principal and interest, in the case of both (A) and (B) (1) determined without regard to limited recourse or reduction provisions of the type described in Credit Linked Condition 17(c) above and (2) excluding sums in respect of default interest, indemnities, tax gross ups, make-whole amounts, early redemption premiums and other similar amounts (whether or not guaranteed or insured by the Qualifying Policy).

"Certificate Balance" means, in the case of an Insured Instrument that is in the form of a pass through certificate or similar funded beneficial interest, the unit

principal balance, certificate balance or similar measure of unreimbursed principal investment.

18. PROVISIONS TAKEN FROM THE ISDA SUPPLEMENT TITLED "ADDITIONAL PROVISIONS - MONOLINE INSURER AS REFERENCE ENTITY (MAY 2005)"

If Credit Linked Condition 18 is specified as applicable in the applicable Pricing Supplement, the following provisions will apply:

- (a) Obligation, Deliverable Obligation and Valuation Obligations. Paragraph (a) of the definition of "Obligation" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) and paragraph (a) of the definition of "Deliverable Obligation" and "Valuation Obligation" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) are hereby amended by adding "or Qualifying Policy" after "or as provider of a Qualifying Affiliate Guarantee".
- (b) Interpretation of Provisions. In the event that an Obligation, a Deliverable Obligation or a Valuation Obligation is a Qualifying Policy, paragraph (b) of the definition of "Deliverable Obligation" and "Valuation Obligation" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) will apply, with references to the Qualifying Guarantee, the Underlying Obligation and the Underlying Obligor deemed to include the Qualifying Policy, the Insured Instrument and the Insured Obligor, respectively, except that:
 - (A) the Obligation Category Borrowed Money and the Obligation Category and Deliverable Obligation Category Bond and the Valuation Obligation Category Bond shall be deemed to include distributions payable under an Insured Instrument in the form of a pass through certificate or similar funded beneficial interest, the Deliverable Obligation Category Bond and the Valuation Obligation Category Bond shall be deemed to include such an Insured Instrument, and the terms "obligation" and "obligor" as used in this Credit Linked Condition 18 in respect of such an Insured Instrument shall be construed accordingly;
 - (B) references in the definitions of Assignable Loan and Consent Required Loan to "the guarantor" and "guaranteeing" shall be deemed to include "the insurer" and "insuring", respectively;
 - (C) neither the Qualifying Policy nor the Insured Instrument must satisfy on the relevant date the Deliverable Obligation Characteristic of Accelerated or Matured or the Valuation Obligation Characteristic of Accelerated or Matured, as the case may be, whether or not that characteristic is otherwise specified as applicable in the applicable Pricing Supplement;
 - (D) if the Assignable Loan, Consent Required Loan, Direct Loan Participation or Transferable Deliverable Obligation Characteristic or Valuation Obligation Characteristic, as the case may be, are specified in the applicable Pricing Supplement and if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument; and
 - (E) with respect to an Insured Instrument in the form of a pass through certificate or similar funded beneficial interest, the term "Outstanding

Principal Balance" shall mean the outstanding Certificate Balance and "maturity", as such term is used in the Maximum Maturity Deliverable Obligation Characteristic or Valuation Obligation Characteristic, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.

- (c) For the avoidance of doubt if Credit Linked Condition 18 is specified as applying in the applicable Pricing Supplement the amendments to paragraph (b) of the definition of "Deliverable Obligation" or "Valuation Obligation" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) provided in Credit Linked Condition 19 shall not be construed to apply to Qualifying Policies and Insured Instruments.
- (d) Not Contingent. An Insured Instrument will not be regarded as failing to satisfy the Net Contingent Deliverable Obligation Characteristic or Not Contingent Valuation Obligation Characteristic, as the case may be, solely because such Insured Instrument is subject to provisions limiting recourse in respect of such Insured Instrument to the proceeds of specified assets (including proceeds subject to a priority of payments) or reducing the amount of any Instrument Payments owing under such Insured Instrument, provided that such provisions are not applicable to the Qualifying Policy by the terms thereof and the Qualifying Policy continues to guarantee or insure, as applicable, the Instrument Payments that would have been required to be made absent any such limitation or reduction. By specifying that Credit Linked Condition 18 applicable, no inference should be made as to the interpretation of the "Not Contingent" Deliverable Obligation Characteristic or the "Not Contingent" Valuation Obligation Characteristic in the content of limited recourse or similar terms, applicable to Deliverable Obligations or Valuation Obligations other than Qualifying Policies.
- (e) Deliver. For the purposes of the definition of "Deliver" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*), "Deliver" with respect to an obligation that is a Qualifying Policy means to Deliver both the Insured Instrument and the benefit of the Qualifying Policy (or a custodial receipt issued by an internationally recognised custodian representing an interest in such an Insured Instrument and the related Qualifying Policy), and "Delivery" and "Delivered" will be construed accordingly.
- (f) Provisions for Determining a Successor. The paragraph commencing "For the purposes of this definition of "Successor" ..." in the definition of "Successor" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) is hereby amended by adding "or insurer" after "or guarantor".
- (g) Substitute Reference Obligation. The first paragraph of the definition of "Substitute Reference Obligation" and paragraph (b) thereof in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) are hereby amended by adding "or Qualifying Policy" after "or as provider of a Qualifying Affiliate Guarantee". For purposes of sub-paragraph (a)(ii)(B) the definition of "Substitute Reference Obligation" references to "the Qualifying Guarantee" and the "Underlying Obligation" shall be deemed to include "the Qualifying Policy" and "the Insured Instrument", respectively.
- (h) Restructuring.

- (A) With respect to an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest or a Qualifying Policy with respect thereto, paragraphs (i) to (v) inclusive of the definition of "Restructuring" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) are hereby amended to read as follows:
- (1) a reduction in the rate or amount or the Instrument Payment in clause (A)(x) of the definition thereof that are guaranteed or insured by the Qualifying Policy;
 - (2) a reduction in the amount of the Instrument Payments described in clause (A)(y) of the definition thereof that are guaranteed or insured by the Qualifying Policy;
 - (3) a postponement or other deferral of a date or dates for either (A) the payment or accrual of the Instrument Payments described in clause (A)(x) of the definition thereof or (B) the payment of the Instrument Payments described in clause (A)(y) of the definition thereof, in each case that are guaranteed or insured by the Qualifying Policy;
 - (4) a change in the ranking in priority of payment of (A) any Obligation under a Qualifying Policy in respect of Instrument Payments, causing the Subordination of such Obligation to any other Obligation or (B) any Instrument Payments, causing the Subordination of such Insured Instrument to any other instrument in the form of a pass-through certificate or similar funded beneficial interest issued by the Insured Obligor, it being understood that, for this purpose, Subordination will be deemed to include any such change that results in a lower ranking under a priority of payments provision applicable to the relevant Instrument Payments; or
 - (5) any change in the currency or composition of any payment of Instrument Payments that are guaranteed or insured by the Qualifying Policy to any currency which is not a Permitted Currency.
- (B) Paragraph (c) of the definition of "Restructuring" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) is hereby amended by adding "or, in the case of a Qualifying Policy and an Insured Instrument, where (A) the Qualifying Policy continues to guarantee or insure, as applicable, that the same Instrument Payments will be made on the same dates on which the Qualifying Policy guaranteed or insured that such Instrument Payments would be made prior to such event and (B) such event is not a change in the ranking in the priority of payment of the Qualifying Policy" after "Reference Entity".
- (C) The definitions of "Restructuring in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) is hereby amended by the insertion of the following paragraph after the final paragraph thereof:
- "For purposes of the definition of "Restructuring" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) and if Credit Linked Condition 16 (*Provisions relating to Multiple Holder Obligation*) is specified as applying in the applicable Pricing Supplement for the purposes

of this Annex the term Obligation shall be deemed to include Insured Instruments for which the Reference Entity is acting as provider of a Qualifying Policy. In the case of a Qualifying Policy and an Insured Instrument, references to the Reference Entity in the definition of "Restructuring" shall be deemed to refer to the Insured Obligor and the references to the Reference Entity in paragraphs (a) to (c) inclusive in the definition of "Restructuring" shall continue to refer to the Reference Entity."

- (i) Fully Transferable Obligation and Conditionally Transferable Obligation. In the event that a Fully Transferable Obligation and/or Conditionally Transferable Obligation is specified as applying in the applicable Pricing Supplement and a Fully Transferable Obligation or Conditionally Transferable Obligation is a Qualifying Policy, the Insured Instrument must meet the requirements of the relevant definition and, if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument. References in the definition of Conditionally Transferable Obligation to the guarantor and guaranteeing shall be deemed to include the insurer and insuring, respectively. With respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term "final maturity date", as such term is used in Credit Linked Condition 3 (*Physical Settlement*) and the definition of "Restructuring Maturity Limitation Date", shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.
- (j) Other Provisions. For purposes of paragraph (a)(ii) of the definition of "Deliverable Obligation" or "Valuation Obligation", as the case may be, and the definition of "Credit Event" and "Deliver" in Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*), references to the "Underlying Obligation" and the "Underlying Obligor" shall be deemed to include "Insured Instruments" and the "Insured Obligor", respectively.
- (k) Additional Definitions.

"Qualifying Policy" means a financial guaranty insurance policy or similar financial guarantee pursuant to which a Reference Entity irrevocably guarantees or insures all Instrument Payments of an instrument that constitutes Borrowed Money (modified as set forth in this Credit Linked Condition) (the **"Insured Instrument"**) for which another party (including a special purpose entity or trust) is the obligor (the **"Insured Obligor"**). Qualifying Policies shall exclude any arrangement (i) structured as a surety bond, letter of credit or equivalent legal arrangement or (ii) pursuant to the express contractual terms of which the payment obligations of the Reference Entity can be discharged or reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than the payment of Instrument Payments). The benefit of a Qualifying Policy must be capable of being Delivered together with the Delivery of the Insured Instrument.

"Instrument Payments" means (A) in the case of any Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, (x) the specified periodic distributions in respect of interest or other return on the Certificate Balance on or prior to the ultimate distribution of the Certificate Balance and (y) the ultimate distribution of the Certificate Balance on or prior to a specified date and (B) in the case of any other Insured Instrument, the scheduled payment of principal and interest, in the case of both (A) and (B) (1) determined without regard

to limited recourse or reduction provisions of the type described in sub-paragraph (d) above and (2) excluding sums in respect of default interest, indemnities, tax gross-ups, make-whole amounts, early redemption premiums and other similar amounts (whether or not guaranteed or insured by the Qualifying Policy).

"Certificate Balance" means, in the case of an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, the unit principal balance, certificate balance or similar measures of unreimbursed principal investment.

19. SUPPLEMENT TO PROVISIONS RELATING TO QUALIFYING GUARANTEE AND UNDERLYING OBLIGATION

If this Credit Linked Condition 19 is specified as applicable in the applicable Pricing Supplement, Credit Linked Condition 14 (*Definitions Applicable to Credit Linked Notes*) shall be amended by:

- (a) the deletion of the definition of **"Downstream Affiliate"** and the substitution of the following therefor:

"Downstream Affiliate" means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent. (50%) owned, directly or indirectly, by the Reference Entity;

- (b) the deletion of paragraphs (B)(4)(ii) and (B)(4)(iii) of the definition of "Deliverable Obligation" or "Valuation Obligation", as the case may be, the substitution of the following therefor and the re-numbering of the remaining paragraphs accordingly:

"(ii) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics or the Valuation Obligation Characteristics, both the Qualifying Guarantee and the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics or Valuation Obligation Characteristics, if any, specified in the applicable Pricing Supplement from the following list: Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency and Not Domestic Law. For these purposes, unless otherwise specified in the applicable Pricing Supplement, (A) the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro shall not be a Domestic Currency and (B) the laws of England and the laws of the State of New York shall not be a Domestic Law."; and

- (c) the deletion of the definition of "Qualifying Guarantee" and the substitution of the following therefor:

"Qualifying Guarantee" means an arrangement evidenced by a written instrument pursuant to which a Reference Entity irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an obligation (the **"Underlying Obligation"**) for which another party is the obligor (the **"Underlying Obligor"**). Qualifying Guarantees shall exclude any arrangement (i) structured as a surety bond, financial guarantee, insurance policy, letter of credit or equivalent legal arrangement or (ii) pursuant to the terms of which the payment obligations of the Reference Entity can be discharged, reduced or otherwise altered or assigned (other than by operation of law) as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). The benefit of a Qualifying Guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation."

20. ADDITIONAL PROVISIONS FOR LPN REFERENCE ENTITIES

If Credit Linked Condition 20 is specified as applicable in the applicable Pricing Supplement, notwithstanding anything to the contrary in the Credit Linked Conditions, the following provisions will apply:

- (a) provisions relating to Multiple Holder Obligation will be deemed to be Not Applicable with respect to any Reference Obligation (and any Underlying Loan);
- (b) each Reference Obligation will be an Obligation, notwithstanding anything to the contrary in the Credit Linked Conditions including, but not limited to the definition of "Obligation" in Credit Linked Condition 14, and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity;
- (c) each Reference Obligation will be a Deliverable Obligation or Valuation Obligation, as the case may be, notwithstanding anything to the contrary in the Credit Linked Conditions including, but not limited to, the definition of "Deliverable Obligation" or "Valuation Obligation" in Credit Linked Condition 14 and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity.

For the avoidance of doubt with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance Instrument, the outstanding principal balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation.

The Not Subordinated Obligation Characteristic and Deliverable Obligation Characteristic and Valuation Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity;

- (d) the definition of Reference Obligation shall be deleted and the following substituted therefor:

""**Reference Obligation**" means, as of the Trade Date, each of the obligations listed as a Reference Obligation of the Reference Entity in the applicable Pricing Supplement or set forth on the relevant LPN Reference Obligations List (each a "**Markit Published LPN Reference Obligation**"), as published by Markit Group Limited, or any successor thereto, which list is as of the Trade Date available at <http://www.markit.com/marketing/services.php>, any Additional LPN and each Additional Obligation."; and

- (e) the following additional definitions shall apply:

"**Additional LPN**" means any bond issued in the form of a loan participation note (an "**LPN**") by an entity (the "**LPN Issuer**") for the sole purpose of providing funds for the LPN Issuer to (a) finance a loan to the Reference Entity (the "**Underlying Loan**") or (b) provide finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument (the "**Underlying Finance Instrument**"), provided that (i) either (x) in the event that there is an Underlying Loan with respect to such LPN the Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity or (y) in the event that there is an Underlying Finance Instrument with respect to such LPN the Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics; (ii) the LPN satisfies the following Deliverable

Obligation Characteristics or Valuation Obligation Characteristics, as applicable: Transferable, Not Bearer, Credit Linked Specified Currency - Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and (iii) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of the holders of the LPNs.

"Additional Obligation" means each of the obligations listed as an Additional Obligation of the Reference Entity in the applicable Pricing Supplement or set forth on the relevant LPN Reference Obligations List, as published by Markit Group Limited, or any successor thereto, which list is, as of the Trade Date, available at <http://www.markit.com/marketing/services.php>.

"First Ranking Interest" means a charge, security interest (or other type of interest having similar effect) (an **"Interest"**), which is expressed as being "first ranking", "first priority", or similar (**"First Ranking"**) in the document creating such Interest (notwithstanding that such Interest may not be First Ranking under any insolvency laws of any related insolvency jurisdiction of the LPN Issuer).

"LPN Reference Obligation" means each Reference Obligation other than any Additional Obligation.

For the avoidance of doubt, any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation constituting a Reference Obligation.

Each LPN Reference Obligation is issued for the sole purpose of providing funds for the Issuer to finance a loan to the Reference Entity. For the purposes of the Credit Linked Conditions each such loan shall be an Underlying Loan.

21. CALCULATION AGENT AND CALCULATION AGENT NOTICES

Whenever the Calculation Agent is required to act or exercise judgment in relation to these Credit Linked Conditions, it will do so in good faith and in a commercially reasonable manner. The Calculation Agent shall, as soon as practicable after making any determination pursuant to these Credit Linked Conditions, notify the Issuer, the Guarantor and the Noteholders of such determination. The Calculation Agent is not acting as a fiduciary for or as an adviser to the Noteholders in respect of its duties as Calculation Agent in connection with any Notes.

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to these Credit Linked Conditions shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Noteholders. Whenever the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Notes including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer and the Guarantor shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

Any notice to be delivered by the Calculation Agent to the Issuer or the Guarantor, as applicable, pursuant to these Credit Linked Conditions, may be given in writing (including by facsimile and/or email) and/or by telephone. Any such notice delivered on or prior to 4:00 p.m. (Calculation Agent City time) on a Calculation Agent City Business Day will be effective on such Calculation Agent City Business Day. A notice delivered after 4:00 p.m. (Calculation Agent City time) on a Calculation Agent City Business Day or on a day which is not a Calculation Agent City Business Day will be deemed effective on the next following Calculation Agent City Business Day, regardless of the form in which it is delivered. For purposes of the two preceding sentences, a notice given by telephone will be deemed to have been delivered at the time the telephone conversation takes place. If the notice is delivered by telephone, a written confirmation will be executed and delivered confirming the substance of that notice within one Calculation Agent City Business Day of that notice. Failure to provide that written confirmation will not affect the effectiveness of that telephonic notice.

22. AMENDMENT OF CREDIT LINKED CONDITIONS IN ACCORDANCE WITH MARKET CONVENTION

The Calculation Agent may from time to time amend any provision of these Credit Linked Conditions (i) to incorporate and/or reflect (x) further or alternative documents or protocols from time to time published by ISDA with respect to the settlement of credit derivative transactions and/or (y) the operation or application of determinations by the ISDA Credit Derivatives Determinations Committees and/or (ii) in any manner which the Calculation Agent determine in a commercially reasonable manner are necessary or desirable to reflect or govern market practice for credit derivative transactions and/or reflect hedging arrangements of the Issuer or its Affiliates. Any amendment made in accordance with this Credit Linked Condition 22 shall be notified to the Noteholders in accordance with Condition 15 (Notices).

23. VARIATION OF SETTLEMENT

If the applicable Pricing Supplement indicates that the Issuer has the option to vary settlement in respect of the Notes, the Issuer may at its sole and absolute discretion in respect of each such Note give notice pursuant to Condition 15 (*Notices*) no later than the tenth (10th) Business Day following the relevant Credit Event Determination Date, that the Settlement Method or Fallback Settlement Method (as applicable) specified in the applicable Pricing Supplement shall be varied either:

- (i) where Cash Settlement is specified, from Cash Settlement to Physical Settlement; or
- (ii) where Physical Settlement is specified, from Physical Settlement to Cash Settlement.

24. STANDARD TERMS

If Standard Terms are specified as applicable in the applicable Pricing Supplement, the provisions set out below in respect of the Standard Terms specified in the applicable Pricing Supplement in respect of the relevant Reference Entity(s) set out in this Credit Linked Condition 24 shall apply.

Corporate Standard Terms

Part 1 – Corporate Standard Terms

Standard Terms	North American Corporate	North American High Yield Corporate	North American Monoline Insurer Corporate	European Corporate	European Insurance Corporate (Subordinated Debt)	Emerging European Corporate	Emerging European Corporate LPN	Australia & New Zealand Corporate	Japan Corporate	Singapore Corporate	Latin American Corporate B	Latin American Corporate B&L	Asia Corporate
All Guarantees	Not Applicable	Not Applicable	Not Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable
Credit Event	Bankruptcy Failure to Pay Restructuring Restructuring Maturity Limitation and Fully Transferable Obligation: Applicable	Bankruptcy Failure to Pay Restructuring Restructuring Maturity Limitation and Fully Transferable Obligation: Applicable	Bankruptcy Failure to Pay Restructuring Restructuring Maturity Limitation and Fully Transferable Obligation: Applicable	Bankruptcy Failure to Pay Restructuring Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation: Applicable	Bankruptcy Failure to Pay Restructuring	Bankruptcy Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Repudiation/ Moratorium Restructuring Multiple Holder Obligation: Applicable for Loans and Not Applicable for Bonds	Bankruptcy Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Repudiation/ Moratorium Restructuring Multiple Holder Obligation: Applicable for Loans and Not Applicable for Bonds	Bankruptcy Failure to Pay Restructuring Restructuring Maturity Limitation and Fully Transferable Obligation: Applicable	Bankruptcy Failure to Pay Payment Requirement: Japanese Payment Requirement Restructuring Multiple Holder Obligation: Not Applicable Default Requirement: Japanese Default Requirement	Bankruptcy Failure to Pay Restructuring	Bankruptcy Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Repudiation/ Moratorium Restructuring Multiple Holder Obligation: Not Applicable	Bankruptcy Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Repudiation/ Moratorium Restructuring	Bankruptcy Failure to Pay Restructuring

Corporate Standard Terms

Standard Terms	North American Corporate	North American High Yield Corporate	North American Monoline Insurer Corporate	European Corporate	European Insurance Corporate (Subordinated Debt)	Emerging European Corporate	Emerging European Corporate LPN	Australia & New Zealand Corporate	Japan Corporate	Singapore Corporate	Latin American Corporate B	Latin American Corporate B&L	Asia Corporate
Obligation Category	Borrowed Money	Borrowed Money	Borrowed Money	Borrowed Money	Borrowed Money	Bond or Loan	Bond or Loan	Borrowed Money	Borrowed Money	Bond or Loan	Bond	Bond or Loan	Bond or Loan
Obligation Characteristics	None	None	None	None	None	Not Subordinated Not Domestic Currency Not Domestic Law Not Domestic Issuance	Not Subordinated Not Domestic Currency Not Domestic Law Not Domestic Issuance	None	Not Subordinated	Not Subordinated Credit Linked Specified Currency Standard Specified Currencies & Domestic Currency Not Sovereign Lender	Not Subordinated Not Domestic Currency Not Domestic Law Not Domestic Issuance	Not Subordinated Not Sovereign Lender Not Domestic Currency Not Domestic Law Not Domestic Issuance	Not Subordinated Not Sovereign Lender Not Domestic Currency Not Domestic Law Not Domestic Issuance
Deliverable Obligation Category / Valuation Obligation Category	Bond or Loan	Bond or Loan	Bond or Loan	Bond or Loan	Bond or Loan	Bond or Loan	Bond or Loan	Bond or Loan	Bond or Loan	Bond or Loan	Bond	Bond or Loan	Bond or Loan
Deliverable Obligation Characteristics / Valuation Obligation Characteristics	Not Subordinated Credit Linked Specified Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum	Not Subordinated Credit Linked Specified Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years	Not Subordinated Credit Linked Specified Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years	Not Subordinated Credit Linked Specified Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years	Not Subordinated Credit Linked Specified Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years	Not Subordinated Credit Linked Specified Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years	Not Subordinated Credit Linked Specified Currency Not Domestic Law Not Contingent Not Domestic Issuance Assignable Loan Consent Required Loan	Not Subordinated Credit Linked Specified Currency Not Domestic Law Not Contingent Not Domestic Issuance Assignable Loan Consent Required Loan	Not Subordinated Credit Linked Specified Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years	Not Subordinated Credit Linked Specified Currency Standard Specified Currencies & Domestic Currency Not Sovereign Lender Not Contingent Transferable Maximum Maturity: 30 years	Not Subordinated Credit Linked Specified Currency Not Domestic Law Not Contingent Not Domestic Issuance Transferable Not Bearer Assignable Loan	Not Subordinated Credit Linked Specified Currency Not Sovereign Lender Not Domestic Law Not Contingent Not Domestic Issuance Assignable Loan	Not Subordinated Credit Linked Specified Currency Not Sovereign Lender Not Domestic Law Not Contingent Not Domestic Issuance

Corporate Standard Terms

Standard Terms	North American Corporate	North American High Yield Corporate	North American Monoline Insurer Corporate	European Corporate	European Insurance Corporate (Subordinated Debt)	Emerging European Corporate	Emerging European Corporate LPN	Australia & New Zealand Corporate	Japan Corporate	Singapore Corporate	Latin American Corporate B	Latin American Corporate B&L	Asia Corporate
	Maturity: 30 years Not Bearer	years Not Bearer	Not Bearer	Not Bearer	Not Bearer	Loan Consent Required Loan Transferable Not Bearer	Transferable Not Bearer	Transferable Maximum Maturity: 30 years Not Bearer	Not Bearer	Transferable Maximum Maturity: 30 years Not Bearer		Consent Required Loan Transferable Not Bearer	Assignable Loan Transferable Maximum Maturity: 30 years Not Bearer
Physical Settlement Period	As per definition of "Physical Settlement Period" in Credit Linked Condition 14 capped at 30 Business Days	As per definition of "Physical Settlement Period" in Credit Linked Condition 14 capped at 30 Business Days	As per definition of "Physical Settlement Period" in Credit Linked Condition 14 capped at 30 Business Days	30 Business Days	30 Business Days	As per definition of "Physical Settlement Period" in Credit Linked Condition 14	As per definition of "Physical Settlement Period" in Credit Linked Condition 14	30 Business Days	30 Business Days	30 Business Days	As per definition of "Physical Settlement Period" in Credit Linked Condition 14	As per definition of "Physical Settlement Period" in Credit Linked Condition 14	30 Business Days

Sovereign Standard Terms

Part 2 – Sovereign Standard Terms

Standard Terms	Asian Sovereign	Emerging European & Middle Eastern Sovereign	Australia Sovereign	New Zealand Sovereign	Japan Sovereign	Singapore Sovereign	Latin America Sovereign	Western European Sovereign
All Guarantees	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable	Applicable
Credit Event	Failure to Pay Repudiation/ Moratorium Restructuring	Failure to Pay Grace Period Extension Applicable Obligation Acceleration Repudiation Moratorium Restructuring Multiple Holder Obligation: Not Applicable	Failure to Pay Repudiation/ Moratorium Restructuring Restructuring Maturity Limitation and Fully Transferable Obligation: Applicabl e	Failure to Pay Repudiation/ Moratorium Restructuring Restructuring Maturity Limitation and Fully Transferable Obligation: Applicabl e	Failure to Pay Payment Requirement: Japanese Payment Requirement Repudiation/ Moratorium Restructuring Multiple Holder Obligation: Not Applicable Default Requirement: Japanese Default Requirement Credit Linked Condition 15: Not Applicable	Failure to Pay Repudiation/ Moratorium Restructuring	Failure to Pay Grace Period Extension Applicable Obligation Acceleration Repudiation Moratorium Restructuring Multiple Holder Obligation: Not Applicable	Failure to Pay Repudiation/ Moratorium Restructuring
Obligation Category	Bond or Loan	Bond	Borrowed Money	Borrowed Money	Borrowed Money	Bond or Loan	Bond	Borrowed Money
Obligation Characteristics	Not Subordinated Not Sovereign Lender Not Domestic Law Not Domestic Issuance Not Domestic Currency	Not Subordinated Not Domestic Law Not Domestic Issuance Not Domestic Currency	None	None	None	Not Subordinated Credit Linked Specified Currency: Standard Specified Currencies & Domestic Currency Not Sovereign Lender	Not Subordinated Not Domestic Law Not Domestic Issuance Not Domestic Currency	None

Sovereign Standard Terms

Standard Terms	Asian Sovereign	Emerging European & Middle Eastern Sovereign	Australia Sovereign	New Zealand Sovereign	Japan Sovereign	Singapore Sovereign	Latin America Sovereign	Western European Sovereign
Deliverable Obligation Category / Valuation Obligation Category	Bond or Loan	Bond	Bond or Loan	Bond or Loan	Bond or Loan	Bond or Loan	Bond	Bond or Loan
Deliverable Obligation Characteristics / Valuation Obligation Characteristics	Not Subordinated Credit Linked Specified Currency Not Sovereign Lender Not Domestic Law Not Contingent Not Domestic Issuance Assignable Loan Transferable Maximum Maturity: 30 years Not Bearer	Not Subordinated Credit Linked Specified Currency Not Domestic Law Not Contingent Not Domestic Issuance Transferable Not Bearer	Not Subordinated Credit Linked Specified Currency: Standard Specified Currency & Domestic Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years	Not Subordinated Credit Linked Specified Currency: Standard Specified Currency & Domestic Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer	Credit Linked Specified Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer	Not Subordinated Credit Linked Specified Currency: Standard Specified Currency & Domestic Currency Not Sovereign Lender Not Contingent Assignable Loan Transferable Maximum Maturity: 30 years Not Bearer	Not Subordinated Credit Linked Specified Currency Not Domestic Law Not Contingent Not Domestic Issuance Transferable Not Bearer	Credit Linked Specified Currency Not Contingent Assignable Loan Consent Required Loan Transferable Maximum Maturity: 30 years Not Bearer
Physical Settlement Period	30 Business Days	As per definition of "Physical Settlement Period" in Credit Linked Condition 14	30 Business Days	30 Business Days	30 Business Days	30 Business Days	As per definition of "Physical Settlement Period" in Credit Linked Condition 14	30 Business Days"