

SUPPLEMENTARY LISTING PARTICULARS

AB FINANCIAL PRODUCTS DESIGNATED ACTIVITY COMPANY

incorporated under the laws of Ireland

ANDORRA BANC AGRÍCOL REIG, S.A.

incorporated under the laws of the Principality of Andorra

Acting as Guarantor

EUR 500,000,000 STRUCTURED NOTE PROGRAMME

AB Financial Products Designated Activity Company (the "**Issuer**") has prepared these supplementary listing particulars (the "**Supplementary Listing Particulars**") to be supplemental to, form part of and be read and construed in conjunction with, the listing particulars dated 18 March 2018, as supplemented by the supplementary listing particulars dated 3 May 2018 (the "**Listing Particulars**") published in relation to the Issuer's EUR 500,000,000 structured note programme (the "**Programme**").

Unless otherwise defined herein, terms defined in the Listing Particulars shall have the same meaning when used in these Supplementary Listing Particulars.

The purpose of these Supplementary Listing Particulars is to disclose that the Issuer has amended the Listing Particulars to permit:

- (i) the issuance of Credit Linked Notes under the Programme; and
- (ii) certain ancillary amendments made in connection with (i) above.

The Issuer confirms the following:

Each of AB Financial Products Designated Activity Company whose registered office is at: 2nd Floor, 1-2 Victoria, Buildings, Haddington Road, Dublin 4, Ireland as Issuer and Andorra Banc Agricol Reig, S.A. whose registered office is at: C/ Manuel Cerqueda i Escaler N° 6, Escaldes-Engordany (*Principat d'Andorra*) as Guarantor accepts responsibility for the information contained in these supplementary Listing Particulars and declares that, having taken all reasonable care to ensure that such is the case, the information contained in these Supplementary Listing Particulars is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

To the extent that there is any inconsistency between (a) any statement in these Supplementary Listing Particulars and (b) any other statement in, or incorporated by reference into, the Listing Particulars, the statement in (a) above will prevail.

The Listing Particulars are available on the website of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") at: http://www.ise.ie/debt_documents/ListingParticulars_c6008417-ca27-4fb4-bc4f-620f55538210.pdf

These Supplementary Listing Particulars has been approved by Euronext Dublin.

These Supplementary Listing Particulars are available for viewing, and copies may be obtained from, the offices of the Fiscal Agent. The supplementary listing particulars dated 3 May 2018 and these Supplementary Listing Particulars are also available on the website of the Euronext Dublin at: <http://www.ise.ie/Market-Data-Announcements/Debt/Individual-Debt-Instrument-Data/Dept-Security-Documents/?progID=937&uID=8864&FIELDSORT=docId>

24 December 2018

ANDORRA BANC AGRÍCOL REIG, S.A.

incorporated under the laws of the Principality of Andorra

Acting as Arranger and Dealer

AMENDMENTS AND ADDITIONS TO THE LISTING PARTICULARS

With effect from the date of these Supplementary Listing Particulars the information appearing in the Listing Particulars shall be amended and/or supplemented in the manner described below:

- (a) The second paragraph under the heading 'Important Notices' on page 3 of the Listing Particulars shall be deleted and replaced with the following:

"Terms and Conditions

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "*General Conditions*" as supplemented by the "*Additional Terms and Conditions for Equity Linked Notes*", "*Additional Terms and Conditions for Index Linked Notes*", "*Additional Terms and Conditions for Commodity Linked Notes*", "*Additional Terms and Conditions for Fund Linked Notes*" or "*Additional Terms and Conditions for Credit Linked Notes*" and the "*Product Specific Terms*" as appended to and by a document specific to such Tranche called the pricing supplement (the "**Pricing Supplement**"). The General Conditions, the Additional Terms and Conditions for Equity Linked Notes, Additional Terms and Conditions for Index Linked Notes, Additional Terms and Conditions for Commodity Linked Notes, Additional Terms and Conditions for Fund Linked Notes, Additional Terms and Conditions for Credit Linked Notes and the Product Specific Terms as appended to the relevant Pricing Supplement are collectively referred to herein as the '*Terms and Conditions of the Notes*' in these Listing Particulars."

- (b) The following shall be inserted as new risk factors on page 19 of the Listing Particulars:

"Risks Relating to Credit Linked Notes

The Issuer may issue Notes where the amount of principal and/or interest payable are dependent upon whether certain events ("**Credit Events**") have occurred in respect of one or more Reference Entities and, if so, on the value of certain specified assets of such Reference Entity/Entities or where, if such events have occurred, on redemption the Issuer's obligation is to deliver certain specified assets.

Prospective investors in any such Notes should be aware that depending on the terms of the Credit Linked Notes ("**CLNs**") (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest or delivery of any specified assets may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment.

The market price of such Notes may be volatile and will be affected by, amongst other things, the time remaining to the redemption 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, the Issuer may determine that the specified assets to be delivered 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 specified 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 principal payable on redemption. Prospective investors should review the terms and conditions of the Notes and the applicable Pricing Supplement to ascertain whether and how such provisions should apply to the Notes.

The Issuer's obligations in respect of CLNs 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.

Noteholders are exposed to credit risk on Reference Entities

The holders of CLNs will be exposed to the credit risk of one or more Reference Entities. Upon the occurrence of any of the default events comprising a Credit Event with respect to any Reference Entity, the Noteholders may suffer significant losses at a time when losses may be suffered by a direct investor in obligations of such Reference Entity. However, the holding of a Note is unlikely to lead to outcomes which exactly reflect the impact of investing in an obligation of a Reference Entity, and losses could be considerably greater than would be suffered by a direct investor in the obligations of a Reference Entity and/or could arise for reasons unrelated to such Reference Entity. Noteholders should also note that a Credit Event may occur even if the obligations of a Reference Entity are unenforceable or their performance is prohibited by any applicable law or exchange controls.

Where cash settlement or auction settlement applies, the occurrence of a Credit Event in relation to any Reference Entity from time to time may result in a redemption of the Notes in a reduced principal amount or at zero, and, (if applicable) in a reduction of the amount on which interest is calculated. Where physical settlement applies, the occurrence of a Credit Event may result in the redemption of the Notes based on the valuation (or by delivery) of certain direct or indirect obligations of the affected Reference Entity, which obligations are likely to have a market value which is substantially less than their par amount.

Investors in the Notes are accordingly exposed, as to both principal and (if applicable) interest, to the credit risk of the Reference Entity. The maximum loss to an investor in the Notes is 100 per cent. of their initial principal investment, together with (if applicable) any interest amounts.

A Credit Event may occur prior to the Trade Date

Holders of the Notes may suffer a loss of some or all of the principal amount of the Notes in respect of one or more Credit Events that occur prior to the Trade Date or the Issue Date, if the Credit Event Backstop Date is specified as a date falling prior to such date. Neither the Calculation Agent or the Issuer nor any of their respective Affiliates has any responsibility to inform any Noteholder, or avoid or mitigate the effects of a Credit Event that has taken place prior to the Trade Date or the Issue Date.

Increased credit risk is associated with "Nth-to-default" credit-linked Notes

Where the Notes are Nth-to-Default CLNs, the Notes will be subject to redemption in full as described above upon the occurrence of a Credit Event in relation to the nth Reference Entity. The credit risk to Noteholders may therefore be increased as a result of the concentration of Reference Entities in a particular industry sector or geographic area or the exposure of the Reference Entities to similar financial or other risks.

Credit risk may be increased where the Reference Entities are concentrated in a particular sector or region

Where the Notes are Nth-to-Default CLNs or Basket CLNs, the credit risk to investors in the Notes may be increased, amongst other things, as a result of the concentration of Reference Entities in a particular industry sector or geographic area, or the exposure of the Reference Entities to similar financial or other risks as other Reference Entities.

Issuer and Calculation Agent will act in their own interests

The Issuer will exercise its rights under the terms of the Notes, including in particular the right to designate a Credit Event and the right to select obligations of the affected Reference Entity for valuation or delivery, in its own interests and those of its Affiliates, and not in the interests of investors in the Notes. The exercise of such rights in such manner, for example by the selection of the eligible obligations of the Reference Entity having the lowest possible market value for valuation or delivery, as applicable, may result in an increased credit loss for holders of the 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 shall (in the absence of

manifest error) be final and binding on the Noteholders. In performing its duties pursuant to the Notes and making any determinations expressed to be made by it, for example, as to substitute Reference Obligations or Successors, the Calculation Agent shall act in its sole and absolute discretion and is under no obligation to act in the interests of the Noteholders, nor will it be liable to account for any profit or other benefit which may accrue to it as a result of such determinations. The Calculation Agent is not bound to follow, or act in accordance with, any determination of the relevant Credit Derivatives Determinations Committee.

Actions of Reference Entities may affect the value of the Notes

Actions of Reference Entities (for example, merger or demerger or the repayment or transfer of indebtedness) may adversely affect the value of the Notes. Holders of the Notes should be aware that the Reference Entities to which the value of the Notes is exposed, and the terms of such exposure, may change over the term of the Notes.

Payments under the Notes may be deferred or suspended

In certain circumstances, for example where (i) a Credit Event has occurred and the related credit loss has not been determined as at the relevant date for payment, (ii) where a potential Credit Event exists as at the scheduled maturity of the Notes, or (iii) pending a resolution of a Credit Derivatives Determinations Committee, payment of the redemption amount of the Notes and/or interest on the Notes may be deferred for a material period in whole or part without compensation to the holders of the Notes.

Suspension of Obligations will suspend payment of principal and interest

If the Calculation Agent determines that, under the terms of the Notes, the obligations of the parties would be suspended pending a resolution of a Credit Derivatives Determinations Committee all of the obligations of the Issuer under each Note (including any obligation to deliver any notices, pay any interest, principal or settlement amount or to make any delivery) and if so specified in the Pricing Supplement, all of the obligations of the Calculation Agent to calculate any interest under each Note shall, be and remain suspended until the International Swaps and Derivatives Association, Inc. ("**ISDA**") publicly announces that the relevant Credit Derivatives Determinations Committee has resolved the matter in question or not to determine such matters. The Calculation Agent will provide notice of such suspension as soon as reasonably practicable; however, any failure or delay by the Calculation Agent in providing such notice will not affect the validity or effect of such suspension. No interest shall accrue on any payments which are suspended in accordance with the above.

Use of Auction Settlement may adversely affect returns to Noteholders

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 specified Reference Entity or its obligations. In particular, the Auction process may be affected by technical factors or operational errors which would not otherwise apply or may be the subject of actual or attempted manipulation. Auctions may be conducted by ISDA or by a relevant third party. Neither the Calculation Agent, the Issuer nor any of their respective Affiliates has any responsibility for verifying that any auction price is reflective of current market values, for establishing any auction methodology or for verifying that any auction has been conducted in accordance with its rules. The Issuer will have no responsibility to dispute any determination of an Auction Final Price or to verify that any Auction has been conducted in accordance with its rules.

Following an M(M)R Restructuring Credit Event in relation to which ISDA sponsors multiple concurrent auctions, but where there is no auction relating to credit derivative transactions with a maturity corresponding to the Notes, if the Calculation Agent exercises the right of the buyer of credit risk protection under the Notes to elect that the Auction Final Price is determined by reference to an alternative Auction, the Auction Final Price so determined may be lower than the amount which would have been determined based on quotations sought from third party dealers, resulting in a lower redemption amount payable to Noteholders.

Use of Cash Settlement may adversely affect returns to Noteholders

If the Notes are cash settled, then, following the occurrence of a Credit Event, the Calculation Agent may be required to seek quotations in respect of selected obligations of the affected Reference Entity.

Quotations obtained will be "**bid-side**" - that is, they will be reduced to take account of a bid-offer spread charged by the relevant dealer. Such quotations may not be available, or the level of such quotations may be substantially reduced or may vary substantially as a result of illiquidity in the relevant markets or as a result of factors other than the credit risk of the affected Reference Entity (for example, liquidity constraints affecting market dealers). Accordingly, any quotations so obtained may be significantly lower than the value of the relevant obligation which would be determined by reference to (for example) the present value of related cash flows. Quotations will be deemed to be zero in the event that no such quotations are available.

Risks in respect of specified Final Price

If the Final Price is specified in the Pricing Supplement in relation to a Series of CLNs, such fixed Final Price may be lower (and may be significantly lower) than the Auction Final Price or the recovery which an investor in bonds or instruments issued by the Reference Entity would receive.

Credit Linked Notes may have a binary payout

If the Pricing Supplement specifies a percentage amount in respect of the Final Price, the Calculation Agent will not be required to seek quotations in respect of obligations of the affected Reference Entity and the relevant cash payment to Noteholders following the relevant Credit Event will instead be determined with reference to such percentage amount specified in the Pricing Supplement, such amount will be the "Final Price" for the purposes of the Terms and Conditions and the calculation of the Cash Settlement Amount. This amount may be significantly different than (and may be significantly less than) the trading price of obligations of the Reference Entity following a Credit Event. For example, if the Pricing Supplement specifies the Final Price as being 0 per cent., the Final Price of the relevant obligations for the purposes of determining the Cash Settlement Amount will be zero and as a consequence the amount payable to Noteholders in respect of the affected Reference Entity will be nil.

"Cheapest-to-Deliver" risk

Since the Issuer, as buyer of protection, has discretion to choose the portfolio of obligations to be valued or delivered following a Credit Event in respect of a Reference Entity where Cash or Physical Settlement apply, it is likely that the portfolio of obligations selected will be obligations of the Reference Entity with the lowest market value that are permitted to be selected pursuant to the Notes. This could result in a lower recovery value and hence greater losses for investors in the Notes.

The Issuer, Guarantor and Calculation Agent are not obliged to disclose information on Reference Entities

The Issuer, the Guarantor and the Calculation Agent are not obliged to disclose to holders of the Notes any information which they may have at the Issue Date or receive thereafter in relation to any Reference Entity.

Risks may be compounded

Various risks relating to the Notes may be correlated or compounded and such correlation and/or compounding may result in increased volatility in the value of the Notes and/or in increased losses for holders of the Notes.

The Issuer is not obliged to suffer any loss as a result of a Credit Event

Where the Notes are Single Reference Entity CLNs, Nth-to-Default CLNs or Basket CLNs, credit losses will be calculated for the purposes of the Notes irrespective of whether the Issuer or its Affiliates has suffered an actual loss in relation to the Reference Entity or any obligations thereof.

The Issuer is not obliged to account for any recovery which it may subsequently make in relation to such Reference Entity or its obligations.

The Notes do not represent an interest in obligations of Reference Entities

The Notes do not constitute an acquisition by the holders of the Notes of any interest in any obligation of a Reference Entity, and the Noteholders will not have any voting or other rights in relation to such obligation. The Issuer does not grant any security interest over any such obligation.

The value of the Notes may be adversely affected by illiquidity or cessation of indices

In determining the value of the Notes, dealers may take into account the level of a related credit index in addition to or as an alternative to other sources of pricing data. If any relevant index ceases to be liquid, or ceases to be published in its entirety, then the value of the Notes may be adversely affected.

Historical performance may not predict future performance

Individual Reference Entities may not perform as indicated by the historical performance of similar entities and no assurance can be given with respect to the future performance of any Reference Entities. Historical default statistics may not capture events that would constitute Credit Events for the purposes of the Notes.

Limited provision of information about the Reference Entities

These Listing Particulars do not provide any information with respect to the Reference Entities. Investors should conduct their own investigation and analysis with respect to the creditworthiness of Reference Entities and the likelihood of the occurrence of a Credit Event.

Reference Entities may not be subject to regular reporting requirements under relevant securities laws. The Reference Entities may report information in accordance with different disclosure and accounting standards. Consequently, the information available for such Reference Entities may be different from, and in some cases less than, the information available for entities that are subject to the reporting requirements under the United Kingdom securities laws. None of the Issuer, the Guarantor or the Calculation Agent or any of their respective affiliates make any representation as to the accuracy or completeness of any information available with respect to the Reference Entities.

None of the Issuer, the Guarantor or the Calculation Agent or any of their respective affiliates will have any obligation to keep investors informed as to any matters with respect to the Reference Entities or any of their obligations, including whether or not circumstances exist that give rise to the possibility of the occurrence of a Credit Event with respect to the Reference Entities.

Cash settlement (whether by reference to an auction or a dealer poll) may be less advantageous than physical delivery of assets

Payments on the Notes following the occurrence of an Event Determination Date may be in cash and will reflect the value of relevant obligations of the affected Reference Entity at a given date or be determined based on such other percentage amount specified in the Pricing Supplement, which may be zero. Such payments may be less than the recovery which would ultimately be realised by a holder of debt obligations of the affected Reference Entity, whether by means of enforcement of rights following a default or receipt of distributions following an insolvency or otherwise.

Rights associated with Credit Derivatives Determinations Committees

The institutions which are members of each Credit Derivatives Determinations Committee owe no duty to the Noteholders and have the ability to make determinations that may materially affect the Noteholders, such as the occurrence of a Credit Event. A Credit Derivatives Determinations Committee may be able to make determinations without action or knowledge of the Noteholders.

Noteholders may have no role in the composition of any Credit Derivatives Determinations Committee. Separate criteria apply with respect to the selection of dealer and non-dealer institutions to serve on a Credit Derivatives Determinations Committee and the Noteholders may

have no role in establishing such criteria. In addition, the composition of a Credit Derivatives Determinations Committee will change from time to time in accordance with the DC Rules, as the term of an institution may expire or an institution may be required to be replaced. The Noteholders may have no control over the process for selecting institutions to participate on a Credit Derivatives Determinations Committee and, to the extent provided for in the Notes, will be subject to the determinations made by such selected institutions in accordance with the DC Rules.

Noteholders may have no recourse against either the institutions serving on a Credit Derivatives Determinations Committee or the external reviewers. Institutions serving on a Credit Derivatives Determinations Committee and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under the DC Rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the institutions on the Credit Derivatives Determinations Committee do not owe any duty to the Noteholders and the Noteholders will be prevented from pursuing claims with respect to actions taken by such institutions under the DC Rules.

Noteholders should also be aware that institutions serving on a Credit Derivatives Determinations Committee have no duty to research or verify the veracity of information on which a specific determination is based. In addition, a Credit Derivatives Determinations Committee is not obligated to follow previous determinations and, therefore, could reach a conflicting determination on a similar set of facts. If the Issuer, the Guarantor or the Calculation Agent or any of their respective affiliates serve as a member of a Credit Derivatives Determinations Committee at any time, then they will act without regard to the interests of the Noteholders.

Noteholders are responsible for obtaining information relating to deliberations of a Credit Derivatives Determinations Committee. Notices of questions referred to a Credit Derivatives Determinations Committee, meetings held to deliberate such questions and the results of binding votes will be published on the ISDA website and neither the Issuer, the Guarantor, the Calculation Agent nor any of their respective affiliates shall be obliged to inform the Noteholders of such information (other than as expressly provided in respect of the Notes). Failure by the Noteholders to be aware of information relating to deliberations of a Credit Derivatives Determinations Committee will have no effect under the Notes and Noteholders are solely responsible for obtaining any such information.

Investors should read the Credit Derivatives Determinations Committees Rules as amended from time to time as set out on the ISDA website, <https://www.cdsdeterminationscommittees.org/dc-rules/> and reach their own views prior to making any investment decisions. Investors should however note that the DC Rules may subsequently be amended from time to time without the consent or input of the Noteholders and the powers of the Credit Derivatives Determinations Committee may be expanded or modified as a result.

Multiple Auctions Following Restructuring Credit Event

Where multiple concurrent Auctions are held following a Restructuring Credit Event, the Issuer may be entitled to select a particular Auction for the purposes of settlement of the Notes. The Issuer will make such election acting in its own interests and not in the interests of the Noteholders.

The Auction Final Price or Weighted Average Final Price may be based on one or more obligations of the Reference Entity having a final maturity date different from that of the Restructured Bond or Loan or any specified Reference Obligation- which may affect the Auction Settlement Amount determined in respect of the Notes.

Non-delivery of Deliverable Obligations and Hedge Disruption Event will not constitute an Event of Default

Where Physical Settlement is the applicable Settlement Method, if as a result of a Hedge Disruption Event, the Issuer and/or any of its Affiliates have not received the Deliverable Obligations and/or cash under the terms of a Hedge Transaction, such event will not constitute an Event of Default for the purposes of the Notes. In such circumstances settlement of the Notes, may be substantially delayed and/or may be in cash (in whole or in part).

Calculation Agent may modify the terms of the Notes

The Calculation Agent may, following its determination that there has been a change in the prevailing market standard terms or market trading conventions that affects any hedging transaction, modify the terms of the Notes to the extent necessary to preserve any consistency between the Notes and the hedging transaction. If the Calculation Agent modifies the terms of the Notes, it will do so without regard to the interests of the holders of the Notes and any such modification may be prejudicial to the interests of the holder of the Notes."

- (c) The following shall be inserted on page 21 of the Listing Particulars as a new paragraph in the section titled 'Overview of the Programme':

"Credit Linked Notes

Notes with respect to which payment of principal and/or interest is linked to the credit of a specified entity or entities will be issued on such terms as may be agreed between the Issuer, the Guarantor and the Dealer and specified in the applicable Pricing Supplement. If the Conditions to Settlement are satisfied during the Notice Delivery Period, each Note will be redeemed by the payment of the Credit Event Redemption Amount, if Cash Settlement is specified in the applicable Pricing Supplement, or by Delivery of the Deliverable Obligations comprising the Entitlement, if Physical Delivery is specified in the applicable Pricing Supplement."

- (d) The first paragraph in italics immediately below the section titled "*General Conditions*" on page 32 of the Listing Particulars shall be deleted and replaced with the following:

"The following is the text of the terms and conditions which, as completed by the relevant Pricing Supplement, will be endorsed on each Note in definitive form issued under the Programme and will include the Additional Terms and Conditions for Equity Linked Notes, Additional Terms and Conditions for Index Linked Notes, Additional Terms and Conditions for Commodity Linked Notes, Additional Terms and Conditions for Fund Linked Notes or Additional Terms and Conditions for Credit Linked Notes (as applicable) and the Product Specific Terms (if applicable). These General Conditions, the Additional Terms and Conditions for Equity Linked Notes, the Additional Terms and Conditions for Index Linked Notes, the Additional Terms and Conditions for Commodity Linked Notes, the Additional Terms and Conditions for Fund Linked Notes, the Additional Terms and Conditions for Credit Linked Notes and the Product Terms are collectively referred to herein as the 'Terms and Conditions' of the Notes. Subject to this, to the extent permitted by applicable law and/or regulation, the Pricing Supplement in respect of any Tranche of Notes may supplement, amend or replace any information in these Listing Particulars."

- (e) The following shall be inserted after page 86 of the Listing Particulars as a new section of the Listing Particulars titled "Additional Terms and Conditions for Credit Linked Notes" and the table of contents of the Listing Particulars shall be amended accordingly:

"ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED NOTES

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

1. **General**

1.1 ***Credit Terms:***

The Pricing Supplement shall specify:

- (a) the type of Credit Linked Notes, being Single Reference Entity CLNs, Nth-to-Default CLNs or Basket CLNs;
- (b) the Settlement Method (if not Auction Settlement) and, where Auction Settlement applies, the applicable Fallback Settlement Method;
- (c) the Reference Entity or Reference Entities in respect of which a Credit Event may occur;
- (d) the Reference Obligation(s) (if any) in respect of each Reference Entity;
- (e) the Trade Date and the Scheduled Maturity Date;
- (f) the Transaction Type applicable to each Reference Entity; and
- (g) the Reference Entity Notional Amount in respect of each Reference Entity.

1.2 ***Physical Settlement Matrix:***

Where a Transaction Type is specified in the Pricing Supplement in respect of any Reference Entity, then the provisions of these Credit Linked Conditions shall apply with respect to such Reference Entity in accordance with the Physical Settlement Matrix as it applies to such Transaction Type, as though such Physical Settlement Matrix were set out in full in the Pricing Supplement and as though any elections or terms applying to such Transaction Type were specified as being applicable in the Pricing Supplement. In the event of any inconsistency between the relevant terms of the Physical Settlement Matrix and any election made in the Pricing Supplement, the Pricing Supplement shall prevail.

1.3 ***Additional Provisions:***

If, in accordance with the specified Transaction Type or otherwise, any Additional Provisions are applicable, these Credit Linked Conditions shall take effect subject to the provisions thereof (with any such changes as the Calculation Agent deems necessary to take into account such provisions applying to Credit Linked Notes rather than a credit derivative transaction).

1.4 ***Basket CLNs:***

If the Credit Linked Notes are Basket CLNs, then the provisions of these Credit Linked Conditions relating to redemption of Credit Linked Notes following satisfaction of Conditions to Settlement, extension of maturity of Credit Linked Notes on delivery of an Extension Notice, cessation or suspension of accrual of interest or accrual and payment of interest following the Scheduled Maturity Date shall apply separately with respect to each Reference Entity and a principal amount of each Credit Linked Note corresponding to the Reference Entity Notional Amount divided by the number of Credit Linked Notes then in issue. The remaining provisions of these Credit Linked Conditions shall be construed accordingly.

2. **Redemption**

2.1 ***Redemption absent Satisfaction of Conditions to Settlement:***

The Issuer will redeem each Credit Linked Note on the related CLN Maturity Date (as such date may be extended in accordance with the definition thereof) by payment of an amount equal to the outstanding principal amount of such Note or at such other Final Redemption Amount as is specified in the Pricing Supplement (or, in the case of Basket CLNs, the relevant portion thereof) (together with interest, if any, payable thereon) unless:

- (a) the Credit Linked Notes have been previously redeemed or purchased and cancelled in full (including pursuant to Credit Linked Conditions 2.2, 2.3 or 2.4); or

- (b) the Conditions to Settlement have been satisfied, in which event the Issuer shall redeem the Credit Linked Notes in accordance with Credit Linked Condition 2.2.

2.2 ***Redemption following Satisfaction of Conditions to Settlement:***

Upon satisfaction of the Conditions to Settlement in relation to any Reference Entity, each Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof) will be subject to redemption:

- (a) if the applicable Settlement Method is Auction Settlement, by payment of its *pro rata* share (such amount to be apportioned *pro rata* amongst the outstanding (and in the case of Partly Paid Notes, paid up) nominal amount of each Credit Linked Note corresponding to the Calculation Amount) of the Auction Settlement Amount on the Auction Settlement Date, unless a Fallback Settlement Event occurs, in which event the Issuer shall perform its respective payment and/or delivery obligations in accordance with the applicable Fallback Settlement Method. If the Conditions to Settlement with respect to a new Credit Event are satisfied following the occurrence of a Fallback Settlement Event with respect to a first Credit Event and no Fallback Settlement Event occurs with respect to such new Credit Event, the Issuer shall, if it so elects on or prior to a related Valuation Date or Delivery Date, redeem the Credit Linked Notes in accordance with this Credit Linked Condition 2.2(a) by Auction Settlement;
- (b) if the applicable Settlement Method is Physical Settlement, in accordance with Credit Linked Condition 4 (*Physical Settlement*); and
- (c) if the applicable Settlement Method is Cash Settlement, by payment of its *pro rata* share (such amount to be apportioned *pro rata* amongst the outstanding (and in the case of Partly Paid Notes, paid up) nominal amount of each Credit Linked Note corresponding to the Calculation Amount) of the Cash Settlement Amount on the Cash Settlement Date.

Where the Notes are Nth-to-Default CLNs, the Conditions to Settlement shall not be satisfied with respect to the Notes until the Conditions to Settlement are satisfied with respect to the Nth Reference Entity. Where the Notes are Nth-to-Default CLNs and the Conditions to Settlement are satisfied with respect to more than one Reference Entity on the same day, the Calculation Agent shall determine in its sole discretion the order in which such Conditions to Settlement were satisfied.

2.3 ***Redemption following a Merger Event:***

If this Credit Linked Condition 2.3 is specified as applicable 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 16 and redeem all but not some only of the Credit Linked Notes at the CLN Early Redemption Amount (as determined by the Calculation Agent in its sole and absolute discretion) on the Merger Event Redemption Date.

2.4 ***Additional Credit Linked Note Disruption Events:***

If the Calculation Agent determines that an Additional Credit Linked Note Disruption Event has occurred, the Issuer may redeem the Notes by giving notice to Noteholders in accordance with General Condition 16. If the Notes are so redeemed, the Issuer will pay an amount to each Noteholder in respect of each Note equal to the CLN Early Redemption Amount (as determined by the Calculation Agent in its sole and absolute discretion). Payments will be made in such manner as shall be notified to the Noteholders in accordance with General Condition 16.

2.5 ***Suspension of Obligations:***

If a notice (a "**DC Notice**") is delivered to the DC Secretary relating to a DC Credit Event Question in relation to a Reference Entity (and notwithstanding that the relevant Credit Derivatives Determinations Committee has yet to determine whether Publicly Available Information is available), then unless the Issuer otherwise elects by notice to the Calculation Agent and the Noteholders, from the date delivery of any such DC Notice is effective, any obligation of the Issuer to redeem any Credit Linked Note (including pursuant to Credit Linked Condition 2.2) or pay any

amount of interest which would otherwise be due thereon shall, (or, in the case of Basket CLNs, the relevant portion thereof relating to the relevant Reference Entity), be and remain suspended (without interest accruing on any such suspended sum) until such time as the relevant Credit Derivatives Determinations Committee has Resolved on the DC Credit Event Question and one of a DC Credit Event Question Dismissal, a DC No Credit Event Announcement or a DC Credit Event Announcement has been publicly announced by the DC Secretary.

During such suspension period, the Issuer shall not be obliged to, nor entitled to, take any action in connection with the settlement of the Credit Linked Notes, (or, in the case of Basket CLNs, the relevant portion thereof relating to the relevant Reference Entity). Once the DC Secretary has publicly announced the outcome of the DC Resolution relating to the DC Credit Event Question (one of a DC Credit Event Question Dismissal, a DC No Credit Event Announcement or a DC Credit Event Announcement), such suspension shall terminate and any obligations so suspended shall resume on the basis of such DC Resolution on the CLN Business Day following such public announcement by the DC Secretary, with the Issuer having the benefit of the full day notwithstanding when the suspension began. Any amount of interest so suspended shall, subject to Credit Linked Condition 3.1, become due on a date determined by the Calculation Agent, in its sole discretion but not later than fifteen Business Days following such public announcement by the DC Secretary.

For the avoidance of doubt, no interest shall accrue on any payment of interest or principal which is deferred in accordance with this Credit Linked Condition 2.5.

2.6 ***Accrued Interest on Deliverable Obligations, Valuation Obligations:***

With respect to a Credit Linked Note or a Notional Credit Derivative Transaction for which:

- (a) "**Physical Settlement**" is specified to be the Settlement Method in the relevant Pricing Supplement (or for which Physical Settlement is applicable as the Fallback Settlement Method), the Outstanding Principal Balance of the Deliverable Obligations being Delivered will exclude accrued but unpaid interest, unless "Include Accrued Interest" is specified in the relevant Pricing Supplement, in which case, the Outstanding Principal Balance of the Deliverable Obligations being Delivered will include accrued but unpaid interest (as the Calculation Agent shall determine in its sole discretion);
- (b) "**Cash Settlement**" is specified to be the Settlement Method in the relevant Pricing Supplement (or if Cash Settlement is applicable as the Fallback Settlement Method), and:
 - (i) "**Include Accrued Interest**" is specified in the relevant Pricing Supplement, the Outstanding Principal Balance of the Reference Obligation shall include accrued but unpaid interest;
 - (ii) "**Exclude Accrued Interest**" is specified in the relevant Pricing Supplement, the Outstanding Principal Balance of the Reference Obligation shall not include accrued but unpaid interest; or
 - (iii) neither "**Include Accrued Interest**" nor "**Exclude Accrued Interest**" is specified in the relevant Pricing Supplement, the Calculation Agent shall determine in its sole discretion, based on the then current market practice in the market of the Reference Obligation whether the Outstanding Principal Balance of the Reference Obligation shall include or exclude accrued but unpaid interest and, if applicable, the amount thereof; or
- (c) Credit Linked Condition 4.2 (*Partial Cash Settlement Due to Impossibility or Illegality*) is applicable, the Calculation Agent shall determine in its sole discretion, based on the then current market practice in the market of the relevant Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation or Unassignable Obligation, whether such Quotations shall include or exclude accrued but unpaid interest.

2.7 ***Miscellaneous provisions relating to Redemption:***

If the Credit Linked Notes are partially redeemed, the relevant Credit Linked Notes or, if the Credit Linked Notes are represented by a Global Note, such Global Note, shall be endorsed to reflect such partial redemption. Upon such partial redemption, the outstanding principal amount of each Note shall be reduced for all purposes (including accrual of interest thereon) accordingly.

Redemption of any Credit Linked Note in accordance with Credit Linked Condition 2, together with payment of interest, if any, due thereon shall discharge all or the relevant portion of the obligations of the Issuer in relation thereto.

Any amount payable under Credit Linked Condition 2.2 shall be rounded downwards to the nearest Sub-unit of the relevant currency.

3. **Interest**

3.1 ***Cessation of Interest Accrual:***

Upon the occurrence of an Event Determination Date in respect of any Reference Entity, interest on such Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof) shall cease to accrue with effect from and including either:

- (a) the Interest Payment Date immediately preceding such Event Determination Date (or, in the case of an Event Determination Date occurring during the first Interest Period, the Interest Commencement Date); or
- (b) if so specified in the Pricing Supplement, such Event Determination Date.

3.2 ***Interest following Scheduled Maturity:***

Subject to Credit Linked Condition 3.1, if an Extension Notice has been given (other than pursuant to paragraph (d) of the definition of "Extension Notice"), each Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof) which is outstanding following the Scheduled Maturity Date shall continue to bear interest from (and including) the Scheduled Maturity Date to (but excluding) the related CLN Maturity Date at a rate of interest equal to either:

- (a) the rate that the Issuer would pay to an independent customer in respect of overnight deposits in the currency of the Credit Linked Notes; or
- (b) such other rate as shall be specified for such purpose in the Pricing Supplement.

For the avoidance of doubt, if an Extension Notice has been given pursuant to paragraph (d) of the definition thereof, no interest shall accrue from (and including) the Scheduled Maturity Date to (but excluding) the related CLN Maturity Date.

3.3 ***Interest at Redemption:***

If the Credit Linked Notes are redeemed pursuant to the General Conditions or these Credit Linked Conditions, the Scheduled Maturity Date, the CLN Maturity Date (if not the Scheduled Maturity Date), the Auction Settlement Date, the Cash Settlement Date or the last Delivery Date, as the case may be, shall be an Interest Payment Date in respect of each Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof) and the Issuer shall pay any interest that has accrued but which has not been previously paid in respect of each Credit Linked Note (or, as applicable, the relevant portion thereof) on such Interest Payment Date

4. **Physical Settlement**

4.1 ***Delivery and payment:***

If Physical Settlement applies to any Credit Linked Note, then following an Event Determination Date the Issuer shall, on or prior to the related Physical Settlement Date and subject to Credit Linked Condition 4.2, 4.3 and 4.6, deliver to the Calculation Agent and Noteholders a Notice of Physical Settlement on or prior to the NOPS Cut-off Date, and, on or prior to the related Physical

Settlement Date, redeem such Credit Linked Note (or, in the case of Basket CLNs, the relevant portion thereof), respectively, by:

- (a) Delivering a *pro rata* share (the "**Entitlement**") of the Deliverable Obligations specified in the related Notice of Physical Settlement; and
- (b) paying such Note's *pro rata* portion of the related Physical Settlement Adjustment Rounding Amount.

4.2 ***Partial Cash Settlement:***

- (a) If, due to an event beyond the control of the Issuer, it is impossible or illegal for the Issuer to Deliver or, due to an event beyond the control of the Issuer or any Noteholder, it is impossible or illegal for the Issuer or the relevant Noteholder to accept Delivery of any of the Deliverable Obligations (other than a Deliverable Obligation described in paragraph (d) of the definition of "Deliverable Obligation") specified in a Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, on the related Physical Settlement Date (including, without limitation, failure of the relevant clearance system or due to any law, regulation or court order, but excluding market conditions or the failure to obtain requisite consent with respect to Delivery of Loans), then on such date the Issuer shall Deliver and the relevant Noteholder shall take Delivery of any of the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, for which it is possible and legal to take Delivery. If, following the occurrence of any such impossibility or illegality, the amount of Deliverable Obligations that are to be Delivered as specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, are not Delivered to the relevant Noteholder on or prior to the Latest Permissible Physical Settlement Date, then Partial Cash Settlement shall apply with respect to the Deliverable Obligations that cannot be Delivered (the "Undeliverable Obligations") and, accordingly, the Issuer shall pay the relevant Noteholders an amount equal to the Partial Cash Settlement Amount to be apportioned *pro rata* amongst the relevant Noteholders on the Partial Cash Settlement Date.

(b) ***Partial Cash Settlement of Consent Required Loans:***

If:

- (i) "Partial Cash Settlement of Consent Required Loans" is specified as applicable in the relevant Pricing Supplement;
- (ii) the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable include Consent Required Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Settlement Date, capable of being assigned or novated to the Noteholders or their respective designees and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and
- (iii) (A) "Direct Loan Participation" is not specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement, or (B) "Direct Loan Participation" is specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

Cash Settlement pursuant to this Credit Linked Condition 4.2 (*Partial Cash Settlement*) shall be deemed to apply to the Notional Credit Derivative Transaction with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable that consist of Consent Required Loans for which consents are not obtained or deemed given (the "**Undeliverable Loan Obligations**").

(c) ***Partial Cash Settlement of Assignable Loans:***

If:

- (i) "Partial Cash Settlement of Assignable Loans" is specified as applicable in the relevant Pricing Supplement;
 - (ii) the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable include Assignable Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Settlement Date, capable of being assigned or novated to Seller or its designee and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and
 - (iii) (A) "Direct Loan Participation" is not specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement, or (B) "Direct Loan Participation" is specified as a Deliverable Obligation Characteristic in the relevant Pricing Supplement and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,
- (d) Cash Settlement pursuant to this Credit Linked Condition 4.2 (*Partial Cash Settlement*) shall be deemed to apply to the Credit Linked Notes or the Notional Credit Derivative Transaction with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, that consist of Assignable Loans for which consents are not obtained or deemed given (the "**Unassignable Obligations**").

(e) ***Partial Cash Settlement of Participation:***

If:

- (i) "Partial Cash Settlement of Participations" is specified as applicable in the relevant Pricing Supplement; and
- (ii) the Deliverable Obligations include Direct Loan Participations and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

Cash Settlement pursuant to this Credit Linked Condition 4.2 (*Partial Cash Settlement*) shall be deemed to apply to the Notional Credit Derivative Transaction with respect to the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, that consist of Direct Loan Participations in respect of which the relevant participation is not effected (the "**Undeliverable Participations**").

4.3 ***Non-Delivery of Deliverable Obligations:***

If the Issuer does not Deliver (including following the occurrence of a Hedge Disruption Event) any Deliverable Obligation specified in a Notice of Physical Settlement other than as a result of an event or circumstance contemplated in Credit Linked Condition 4.2 above (including following the occurrence of a Hedge Disruption Event), such failure shall not constitute an Event of Default for the purpose of the Notes and the Issuer may continue to attempt to Deliver the Deliverable Obligations that are Bonds or Loans until the Extended Physical Settlement Date. If, as at the relevant Extended Physical Settlement Date, any such Deliverable Obligations have not been Delivered, then Partial Cash Settlement shall apply with respect to such Deliverable Obligations and the Issuer shall pay to the Noteholders an amount equal to the Partial Cash Settlement Amount to be apportioned *pro rata* amongst the Noteholders on the Partial Cash Settlement Date.

4.4 ***Aggregation and Rounding:***

Where a Noteholder holds Credit Linked Notes in an aggregate nominal amount outstanding (or, in the case of Partly Paid Notes, a paid-up aggregate nominal amount outstanding) greater than the Specified Denomination, the Outstanding Principal Balance of the Deliverable Obligations to be

Delivered in respect of the Credit Linked Notes shall be aggregated for the purposes of this Credit Linked Condition 4. If the nominal amount of the Deliverable Obligations to be Delivered in respect of each Credit Linked Note to be redeemed pursuant to this Credit Linked Condition 4.4 on any occasion is not equal to an authorised denomination (or integral multiple thereof) of such Deliverable Obligations then the nominal amount of Deliverable Obligations to be Delivered will be rounded down to the nearest authorised denomination or multiple thereof, or, if none, to zero. In such circumstances, the Deliverable Obligations that were not capable of being Delivered shall, if and to the extent practicable, be sold by the Issuer or such other agent as may be appointed by the Issuer for such purpose and, if they are so sold, the Issuer shall make payment in respect of each Credit Linked Note in an amount equal to its *pro rata* share of the related net sale proceeds as soon as reasonably practicable following receipt thereof.

4.5 ***Delivery and Fees:***

The Delivery of any of the Deliverable Obligations pursuant to the provisions of this Credit Linked Condition 4 shall be made in such commercially reasonable manner as the Issuer shall, in its sole discretion, determine to be appropriate for such Delivery. Subject as set out in the definition of "Deliver":

- (a) any recordation, processing or similar fee reasonably incurred by the Issuer and/or any of its Affiliates and payable to the agent under a Loan in connection with an assignment (where Deliverable Obligations include Assignable Loans or Consent Required Loans) shall be payable by the relevant Noteholders, and if any Stamp Tax is payable in connection with the Delivery of any Deliverable Obligations, payment thereof shall be made by the relevant Noteholders; and
- (b) any other expenses arising from the Delivery and/or transfer of the Deliverable Obligations shall be for the account of the Noteholders or the Issuer, as appropriate, determined in accordance with then current market conventions. Delivery and/or transfer of the Deliverable Obligations shall be delayed until all expenses relating to such Delivery or transfer payable by the Noteholders have been paid to the satisfaction of the Issuer.

4.6 ***Asset Transfer Notice:***

A Noteholder will not be entitled to any of the amounts or assets specified as being due to it in this Credit Linked Condition 4.6 upon the satisfaction of the Conditions to Settlement unless it has presented or surrendered (as is appropriate) the relevant Credit Linked Note and delivered an Asset Transfer Notice in accordance with Credit Linked Condition 4.8 (*Delivery*) below. For so long as the Credit Linked Notes are held in any clearing system, any communication from such clearing system on behalf of the Noteholder containing the information required in an Asset Transfer Notice will be treated as an Asset Transfer Notice. For as long as the Notes are represented by a Global Note, surrender of Credit Linked Notes for such purpose will be effected by presentation of the Global Note and its endorsement to note the principal amount of Credit Linked Notes to which the relevant Asset Transfer Notice relates.

4.7 ***NOPS Amendment Notice:***

The Issuer may, from time to time, notify the Calculation Agent and Noteholders (each such notification, a "**NOPS 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 NOPS Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective). A NOPS Amendment Notice shall contain a revised detailed description of each replacement Deliverable Obligation that the Issuer will Deliver to Noteholders (each, a "**Replacement Deliverable Obligation**") and shall also specify the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced (with respect to each such Deliverable Obligation, the "**Replaced Deliverable Obligation Outstanding Amount**"). The Outstanding Amount of each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. The Outstanding Amount of the Replacement Deliverable Obligations specified in any NOPS Amendment Notice in aggregate with

the Outstanding Amount of the Deliverable Obligations specified in the Notice of Physical Settlement or any earlier NOPS Amendment Notice which, in each case, are not being replaced must not be greater than the Aggregate Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Physical Settlement Date (determined without reference to any change resulting from such NOPS Amendment Notice).

Notwithstanding the foregoing, the Issuer may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to the Calculation Agent and Noteholders prior to the relevant Delivery Date and (ii) if Asset Package Delivery is applicable, the Issuer shall on the NOPS Effective Date, or as soon as reasonably practicable thereafter (but in any case, prior to the Delivery Date), notify the Calculation Agent and Noteholders of the detailed description of the Asset Package, if any, that it intends to Deliver to Noteholders in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, it being understood in each case that such notice shall not constitute a NOPS Amendment Notice.

4.8 **Delivery:**

(1) *Procedure*

In relation to Notes to which Physical Settlement applies, in order to obtain Delivery of the Entitlement in respect of any Note, the relevant Noteholder must:

- (X) if such Note is represented by a Global Note, the relevant Noteholder must deliver to Euroclear or Clearstream, Luxembourg (as applicable), with a copy to the Fiscal Agent and any entity appointed by the Issuer to Deliver the Entitlement on its behalf (the "**Delivery Agent**") not later than the close of business in each place of receipt on the Cut-Off Date, a duly completed Asset Transfer Notice in compliance with the requirements of this Credit Linked Condition 4.8 (*Delivery*) and in a form acceptable to the Issuer; and
- (Y) if such Note is in definitive form, the relevant Noteholder must deliver to any Paying Agent, with a copy to the Fiscal Agent and the Delivery Agent (as defined above) not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice in compliance with the requirements of this Credit Linked Condition 4.8 (*Delivery*) and in a form acceptable to the Issuer.

For the purposes hereof, "**Cut-off Date**" means the date specified as such in the applicable Pricing Supplement or, if not so specified, the first Business Day immediately preceding the Settlement Date.

Copies of the Asset Transfer Notice may be obtained during normal business hours from the specified office of the Fiscal Agent or any Paying 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 or Delivery Agent may obtain details for the Delivery of the Entitlement;
- (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 nominal amount of Notes which are the subject of such notice and the number of the Noteholder's account at the

relevant clearing system to be debited with such Notes and irrevocably instruct and authorise the relevant clearing system to debit the relevant Noteholder's account with such Notes on or before the Delivery Date;

- (iv) include an undertaking to pay all Expenses (as defined below) and, in the case of Notes represented by a Global Note, an authority to the relevant clearing system to debit a specified account of the Noteholder with the relevant clearing system in respect thereof and to pay such Expenses;
- (v) include such details as are required for delivery or Delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered or 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 Note 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;
- (vii) authorise the production of such certification in any applicable administrative or legal proceedings.

(2) *Verification of the Noteholder*

In the case of Notes represented by a Global Note, upon receipt of an Asset Transfer Notice, the relevant clearing system shall verify that the person delivering the Asset Transfer Notice is the holder of the Notes described therein according to its records. Subject thereto, the relevant clearing system will confirm to the Fiscal 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 Entitlement of each Note. Upon receipt of such confirmation, the Fiscal Agent will inform the Issuer and any Delivery Agent thereof and the Issuer will countersign the Asset Transfer Notice as confirmation that the Fiscal Agent is authorised and instructed to endorse or procure the endorsement of the Global Note to note the cancellation of the principal amount of Credit Linked Notes to which the relevant Asset Transfer Notice relates. The relevant clearing system will on or before the Delivery Date debit the securities account of the relevant Noteholder with the relevant Notes.

(3) *Determinations and Delivery*

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 the relevant clearing system or, in the case of Notes in definitive form, by the relevant Paying Agent, or in each case in consultation with the Fiscal Agent, and shall be conclusive and binding on the Issuer, the Fiscal Agent, any Delivery Agent 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 Fiscal Agent and any Delivery Agent immediately after being delivered or sent as provided in paragraph (1) 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, the relevant clearing system, or, in the case of Notes in definitive form, by the relevant Paying Agent, or in each case in consultation with the Fiscal 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 clearing system 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. The Entitlement will be delivered at the risk of the relevant Noteholder, in the manner provided below on the Settlement Date (such date, subject to adjustment in accordance with this Credit Linked Condition, the "**Delivery Date**"), **provided that** the Asset Transfer Notice is duly delivered as provided above on or prior to the Cut-Off Date.

If a Noteholder fails to give an Asset Transfer Notice as provided herein with a copy to the Fiscal Agent and the Delivery Agent, on or prior to the Cut-Off Date, then the Entitlement will be Delivered as soon as practicable after the date fixed for redemption (in which case, such date of delivery shall be the Delivery Date) or (in the case of Credit Linked Notes) the Settlement Date at the risk of such Noteholder in the manner provided below. 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 Delivery Date falling after the date fixed for redemption or the originally designated Settlement Date, as applicable and no liability in respect thereof shall attach to the Issuer.

The Issuer (or any Delivery Agent on its behalf) shall at the risk of the relevant Noteholder, Deliver the Deliverable Obligations comprising the Entitlement, in such commercially reasonable manner as the Issuer (or such Delivery Agent) shall in its sole discretion determine and notify to the person designated by the Noteholder in the relevant Asset Transfer Notice or in such manner as is specified in the applicable Pricing Supplement. All costs, taxes, duties and/or expenses including stamp duty, stamp duty reserve tax and/or other costs, duties or taxes ("**Expenses**") arising from the Delivery of the Deliverable Obligations comprising the Entitlement in respect of such Notes shall be for the account of the relevant Noteholder and no Delivery of the Deliverable Obligations comprising the Entitlement shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder.

(4) *Asset Package Delivery*

Asset Package Delivery will apply if an Asset Package Credit Event occurs, unless (i) such Asset Package Credit Event occurs prior to the Credit Event Backstop Date determined in respect of the Credit Event specified in the Credit Event Notice or DC Credit Event Announcement applicable to the Event Determination Date, or (ii) if the Reference Entity is a Sovereign, no Package Observable Bond exists immediately prior to such Asset Package Credit Event.

If Asset Package Delivery applies, (i) Delivery of a Prior Deliverable Obligation or a Package Observable Bond specified in the Notice of Physical Settlement or NOPS Amendment Notice, as applicable, may be satisfied by Delivery of the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Deliverable Obligation or Package Observable Bond to which it corresponds had immediately prior to the Asset Package Credit Event, (ii) each Asset in the Asset Package shall be Delivered **provided that** if any such Asset is not a Bond, it shall be treated as if it were a Loan for these purposes, (iii) if the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full three Business Days following the date on which the Issuer has notified Noteholders and the Calculation Agent of the detailed description of the Asset Package that it intends to Deliver in the Notice of Physical Settlement, (iv) the Issuer may satisfy its obligation to make Delivery of the Prior Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion and (v) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value.

5. **Provisions relating to Obligation Category and Obligation Characteristics and Deliverable Obligation Category and Deliverable Obligation Characteristics**

5.1 *Obligation Characteristics:*

If either of the Obligation Characteristics "Listed" or "Not Domestic Issuance" is specified in the applicable Pricing Supplement, the Pricing Supplement shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds.

5.2 *Deliverable Obligation Category and Characteristics:*

- (a) If either of the Deliverable Obligation Characteristics "Listed", "Not Domestic Issuance" or "Not Bearer" is specified in the applicable Pricing Supplement, such Pricing

Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds;

- (b) If the Deliverable Obligation Characteristic "Transferable" is specified in the applicable Pricing Supplement, such 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
- (c) If any of the Deliverable Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the applicable Pricing Supplement, such Pricing Supplement shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans.
- (d) If more than one of "Assignable Loan," "Consent Required Loan" and "Direct Loan Participation" are specified as Deliverable Obligation Characteristics in the applicable Pricing Supplement, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.
- (e) For purposes of the application of the Deliverable Obligation Characteristic "Maximum Maturity", remaining maturity shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the remaining maturity shall be zero.
- (f) If "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the relevant Pricing Supplement, if an obligation would otherwise satisfy a particular Obligation Characteristic or Deliverable Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic or Deliverable Obligation Characteristic.
- (g) For the purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in Credit Linked Condition 8.2 (*Mod R*) and Credit Linked Condition 8.3 (*Mod Mod R*) to a Prior Deliverable Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event; and
- (h) If "Subordinated European Insurance Terms" is specified as applicable in the relevant Pricing Supplement, if an obligation would otherwise satisfy the "Maximum Maturity" Deliverable Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Deliverable Obligation Characteristic.

5.3 **Guarantees:**

If an Obligation or a Deliverable Obligation is a Relevant Guarantee, the following will apply:

- (a) For purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation.
- (b) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics, if any, specified in the relevant Pricing Supplement from the following list: "Not Subordinated", "Specified Currency", "Not Sovereign Lender", "Not Domestic Currency" and "Not Domestic Law".

- (c) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the relevant Pricing Supplement from the following list: "Listed", "Not Domestic Issuance", "Assignable Loan", "Consent Required Loan", "Direct Loan Participation", "Transferable", "Maximum Maturity", "Accelerated" or "Matured" and "Not Bearer".
- (d) 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.
- (e) The terms "Outstanding Principal Balance" and "Due and Payable Amount" (as they are used in the Terms and Conditions, including without limitation, the definitions of "Cash Settlement Amount" and "Quotation Amount"), 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.
- (f) For the avoidance of doubt the provisions of this Credit Linked Condition 5 apply in respect of the definitions of "Obligation", "Valuation Obligation" and "Deliverable Obligation" as the context admits.

6. Succession

6.1 *Single Reference Entity:*

Where the Notes are Single Reference Entity CLNs and more than one Successor has been identified, each Credit Linked Note will be deemed for all purposes to have been divided into the same number of new Credit Linked Notes as there are Successors, with the following terms:

- (a) each Successor will be a Reference Entity for the purposes of one of the deemed new Credit Linked Notes;
- (b) in respect of each deemed new Credit Linked Note, the Reference Entity Notional Amount will be the Reference Entity Notional Amount applicable to the original Reference Entity divided by the number of Successors; and
- (c) all other terms and conditions of the original Credit Linked Notes will be replicated in each deemed new Credit Linked Note except to the extent that modification is required, as determined by the Calculation Agent in its sole discretion, to preserve the economic effects of the original Credit Linked Notes in the deemed new Credit Linked Notes (considered in the aggregate).

6.2 *Nth-to-Default CLNs:*

Where the Notes are Nth-to-Default CLNs:

- (a) where more than one Successor has been identified (other than for a Reference Entity in respect of which a Credit Event has occurred), each Credit Linked Note will be deemed for all purposes to have been divided into a number of new Credit Linked Notes equal to the number of Successors. Each such new Credit Linked Note shall include a Successor and each and every one of the Reference Entities unaffected by such succession and the provisions of Credit Linked Condition 6.1(a) to (c) (inclusive) shall apply thereto;
- (b) if "Substitution" is specified as not being applicable in the Pricing Supplement, where any Reference Entity (the "**Surviving Reference Entity**") (other than a Reference Entity that is subject to the succession) would be a Successor to any other Reference Entity (the "**Legacy Reference Entity**") pursuant to a succession, such Surviving Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity; and

- (c) if "Substitution" is specified as being applicable in the Pricing Supplement, where the Surviving Reference Entity (other than a Reference Entity that is subject to the succession) would be a Successor to a Legacy Reference Entity:
 - (i) such Surviving Reference Entity shall be deemed not to be a Successor to the Legacy Reference Entity; and
 - (ii) the Replacement Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity.

6.3 ***Basket CLNs:***

Where the Credit Linked Notes are Basket CLNs, and one or more Successors have been identified in respect of a Reference Entity (the "**Affected Entity**"):

- (a) the Affected Entity will no longer be a Reference Entity (unless it is a Successor as described in (ii) below);
- (b) each Successor will be deemed a Reference Entity (in addition to each Reference Entity which is not an Affected Entity);
- (c) the Reference Entity Notional Amount for each such Successor will equal the Reference Entity Notional Amount of the Affected Entity divided by the number of Successors;
- (d) the Calculation Agent may, at its discretion, make any modifications to the terms of the Notes which may be required to preserve the economic effects of the Notes prior to the relevant succession (considered in the aggregate); and
- (e) for the avoidance of doubt, a Reference Entity may, as a result of a succession, be represented in the basket with respect to multiple Reference Entity Notional Amounts.

6.4 ***Substitute Reference Obligations for Reference Obligation Only Trades:***

Where the relevant Notional Credit Derivative Transaction in respect of a Reference Entity is a Reference Obligation Only Trade, if the event set out in sub-paragraph (a) of the definition of "Substitution Event" occurs with respect to the Reference Obligation in such Reference Obligation Only Trade, the Substitution Event Date shall be the CLN Maturity Date and the Issuer shall make a payment of the outstanding principal amount of the Credit Linked Notes as described in Credit Linked Condition 2.1.

Notwithstanding the definition of "Substitute Reference Obligation", (i) no Substitute Reference Obligation shall be determined in respect of a Reference Obligation Only Trade and (ii) if the events set out in sub-paragraphs (b) or (c) of the definition of "Substitution Event" occur with respect to the Reference Obligation in a Reference Obligation Only Trade, such Reference Obligation shall continue to be the Reference Obligation.

7. **Provisions relating to LPN Reference Entities**

The following provisions shall apply if the relevant Pricing Supplement provides that "LPN Reference Entity" is applicable:

- (a) Multiple Holder Obligation will not be 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 these Credit Linked Conditions, and in particular, that the obligation is not an obligation of the Reference Entity;
- (c) each Reference Obligation will be a Deliverable Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, and in particular, that the obligation is not an obligation of the Reference Entity;

- (d) for the avoidance of doubt, with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Financial 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; and
- (e) the "Not Subordinated" Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity.

8. **Restructuring Credit Event**

8.1 ***Multiple Credit Event Notices:***

Upon the occurrence of a Restructuring Credit Event with respect to a Reference Entity for which Restructuring is an applicable Credit Event and either "Mod R" or "Mod Mod R" is specified in the Pricing Supplement:

- (a) the Calculation Agent may deliver multiple Credit Event Notices with respect to such Restructuring Credit Event, each such notice setting forth the amount of the relevant Reference Entity Notional Amount to which such Restructuring Credit Event applies (the "**Exercise Amount**") **provided that** if the Credit Event Notice does not specify an Exercise Amount, the then outstanding Reference Entity Notional Amount (and not a portion thereof) will be deemed to have been specified as the Exercise Amount;
- (b) if the Calculation Agent has delivered a Credit Event Notice that specifies, for each Note, an Exercise Amount that is less than the principal amount outstanding of such Note, the rights and obligations of the parties shall, with effect from the date such Credit Event Notice is effective, be construed as if such Note had split into two Notes, one of which has a principal amount outstanding equal to the Exercise Amount and, upon the occurrence of an Event Determination Date, will be settled in accordance with the applicable Settlement Method or Fallback Settlement Method, as applicable, and the other of which will have a principal amount outstanding equal to the principal amount outstanding of such Note prior to the delivery of such Credit Event Notice minus the Exercise Amount and will continue in effect with such modifications as the Calculation Agent (in consultation with the parties) shall determine are required in order to preserve the economic effects of the two Notes so split (considered in aggregate); and
- (c) the Exercise Amount in connection with a Credit Event Notice describing an M(M)R Restructuring must be an amount that is at least 1,000,000 units of the currency (or, if Russian Rouble, 100,000,000 units) in which the relevant Reference Entity Notional Amount is denominated or any integral multiple thereof or the entire relevant Reference Entity Notional Amount.
- (d) the Exercise Amount in connection with a Credit Event Notice describing a Credit Event (i) other than a Restructuring, or (ii) where neither "Mod R" nor "Mod Mod R" is specified in the Pricing Supplement, in each case must be equal to the relevant Reference Entity Notional Amount (and not a portion thereof).

In the case of an Nth-to-Default CLN, once the Conditions to Settlement have been satisfied in respect of the Nth Reference Entity where the Credit Event is a Restructuring Credit Event, no further Credit Event Notices may be delivered in respect of any other Reference Entity (save to the extent that the Credit Linked Notes are deemed to have been divided into new Credit Linked Notes pursuant to Credit Linked Condition 6).

If any Credit Linked Note is subject to partial redemption in accordance with this Credit Linked Condition 8, the relevant Credit Linked Note or, if the Credit Linked Notes are represented by a Global Note, such Global Note shall be endorsed to reflect such partial redemption.

For the avoidance of doubt, the provisions described in this Credit Linked Condition 8 shall not be applicable in respect of a Reference Entity for which Restructuring is an applicable Credit Event and neither "Mod R" nor "Mod Mod R" is specified in the Pricing Supplement.

8.2 **Mod R:**

In respect of any Reference Entity for which Restructuring is an applicable Credit Event, if "Mod R" is specified in the Pricing Supplement, and Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation or, as applicable, Valuation Obligation, may only be specified in a Notice of Physical Settlement, any NOPS Amendment Notice or, as applicable, selected by the Issuer to form part of the related Valuation Obligations Portfolio only if it:

- (a) is a Fully Transferable Obligation; and
- (b) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date.

8.3 **Mod Mod R:**

In respect of any Reference Entity for which Restructuring is an applicable Credit Event, if "Mod Mod R" is specified in the Pricing Supplement, and Restructuring is the only Credit Event specified in a Credit Event Notice, then, unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation or, as applicable, Valuation Obligation, may only be specified in the Notice of Physical Settlement, any NOPS Amendment Notice or, as applicable, selected by the Issuer to form part of the related Valuation Obligations Portfolio, only if it:

- (a) is a Conditionally Transferable Obligation; and
- (b) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date.

Notwithstanding the foregoing, for purposes of the above, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the 10-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring.

If the Deliverable Obligation specified in the Notice of Physical Settlement (or any NOPS Amendment Notice, as applicable) is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer and the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason) or is not received by the Physical Settlement Date, the Issuer shall, as soon as reasonably practicable, notify the relevant Noteholders of such refusal (or deemed refusal) and:

- (x) each such Noteholder may designate a third party (which may or may not be an Affiliate of such Noteholder) to take Delivery of the Deliverable Obligation on its behalf; and
- (y) if a Noteholder does not designate a third party that takes Delivery on or prior to the date which is three CLN Business Days after the Physical Settlement Date, then the Issuer will redeem the Notes which have not been Delivered by payment of the relevant Partial Cash Settlement Amount to such Noteholder. For the avoidance of doubt, Credit Linked Condition 4.2 will not apply to this sub-paragraph.

8.4 **Multiple Holder Obligations:**

Unless "Multiple Holder Obligation" is specified as not applicable in the relevant Pricing Supplement, then, notwithstanding anything to the contrary in the definition of Restructuring, the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a)(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.

9. **Miscellaneous Provisions relating to Credit Linked Notes**

9.1 ***Determinations of the Calculation Agent:***

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 the Credit Linked Conditions shall (in the absence of manifest error) be final and binding on the Issuer and the Noteholders. In performing its duties pursuant to the Credit Linked Notes, the Calculation Agent shall act in its sole and absolute discretion and, unless otherwise expressly stated, is not bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committee. Whenever the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. If the Calculation Agent chooses to rely on the determinations of the relevant Credit Derivatives Determinations Committee it may do so without liability. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Credit Linked 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 or the Issuer 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.

If, where the Calculation Agent has relied upon a DC Resolution for the purposes of making a calculation or determination with respect to the Notes, ISDA or the DC Secretary publicly announces that such DC Resolution has been reversed by a subsequent DC Resolution, such reversal will be taken into account for the purposes of any subsequent calculations excepting instances where any Notes which would otherwise have been affected by such a reversal have already been redeemed (where redeemed in part, to the extent of any such redemption). The Calculation Agent, acting in a commercially reasonable manner, will make any adjustment to any future payments as are required to take account of such reversal, including any payment of additional interest or any reduction in any interest or any other amount payable under the Notes. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

Because the Calculation Agent is an Affiliate of the Issuer, the economic interests of the Calculation Agent and its Affiliates may be adverse to the interests of the Noteholders of the Credit Linked Notes, including with respect to certain determinations and judgments that the Calculation Agent must make, including, designation of a Credit Event and selecting the obligations of the Reference Entity for valuation purposes.

9.2 ***Change in Standard Terms and Market Conventions:***

The Calculation Agent, acting reasonably, may (but shall not be obligated to) modify these Credit Linked Conditions from time to time with effect from a date designated by the Calculation Agent to the extent necessary to ensure consistency with prevailing market standards or market trading conventions, which are, pursuant to the agreement of the leading dealers in the credit derivatives market or any relevant committee established by ISDA, a market-wide protocol, any applicable law or regulation or the rules of any applicable exchange or clearing system, applicable to any Notional Credit Derivative Transaction or Hedge Transaction entered into prior to such date or terms thereof or to conform the Issuer's obligations under the notes with the Issuer's rights under any Hedge Transaction. The Calculation Agent shall notify the Issuer and the Noteholders as soon as reasonably practicable upon making any such determination. For the avoidance of doubt, the Calculation Agent may not, without the consent of the Issuer, amend pursuant to this Credit Linked Condition 9.2 any of the terms and conditions of the Credit Linked Notes other than the applicable Credit Linked Conditions. In particular, the Calculation Agent may make such modifications as may be necessary to ensure consistency with any successor provisions which are published by ISDA and which supersede the 2014 ISDA Credit Derivatives Definitions ("**Successor Provisions**") for the purposes of credit derivatives transactions generally (including with respect to transactions which are entered into prior to the relevant date of publication and which are outstanding as of that date) and/or may apply and rely on determinations of the Credit Derivatives Determinations Committee made in respect of a relevant Reference Entity under any such

Successor Provisions notwithstanding any discrepancy between the terms of such Successor Provisions and these Credit Linked Conditions.

9.3 ***Delivery of Notices:***

As soon as reasonably practicable after receiving a Credit Event Notice or Notice of Publicly Available Information from the Calculation Agent, the Issuer shall promptly inform, or shall procure that the Calculation Agent informs the Noteholders in accordance with General Condition 16 (*Notices*). Resolutions of the Credit Derivatives Determinations Committee are, as of the date hereof, available on the website of the Credit Derivatives Determinations Committees (<http://dc.isda.org/>).

9.4 ***Effectiveness of Notices:***

Any notice referred to in Credit Linked Condition 9.3 above which is delivered on or prior to 4:00 p.m. (London time) on a London Business Day is effective on such date and if delivered after such time or on a day that is not a London Business Day, is deemed effective on the next following London Business Day.

9.5 ***No Event Determination Date:***

Subject to Credit Linked Condition 9.1 (*Determinations of the Calculation Agent*), no Event Determination Date will occur with respect to an event, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date), or the CLN Maturity Date, as applicable, a DC No Credit Event Announcement occurs with respect to such event.

9.6 ***Excess Amounts:***

If, on a CLN Business Day, the Calculation Agent reasonably determines that an Excess Amount has been paid to Noteholders on or prior to such day, then following notification of the determination of an Excess Amount to the Issuer and Noteholders in accordance with 19 (*Notices*), the Issuer may deduct any such Excess Amount from future payments in relation to the Notes (whether interest or principal) or may reduce the amount of any assets deliverable under the terms of the Notes to the extent that it determines, acting reasonably, to be necessary to compensate for such Excess Amount.

Timing:

Subject to the provisions relating to timing in Credit Linked Condition 9.4 and the definition of "Failure to Pay", in order to determine the day on which an event occurs for purposes of the Credit Derivatives Definitions, the demarcation of days shall be made by reference to Greenwich Mean Time (or, if the Transaction Type of a Reference Entity relates to Japan, Tokyo time), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

10. **Amendments to the General Conditions**

In respect of a Series of Credit Linked Notes, the General Conditions of the Notes shall be amended as follows:

- (a) Condition 7(a) (*Scheduled redemption*) shall be amended as follows:

"Unless previously redeemed or purchased and cancelled as provided below, each Credit Linked Note will be redeemed in accordance with the Credit Linked Conditions and the applicable Pricing Supplement".

11. **Definitions**

"**Accelerated or Matured**" means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is due and payable in full in

accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws.

"Additional Credit Event" means an additional credit event as defined in the Pricing Supplement.

"Additional Credit Linked Note Disruption Event" means any of Change in Law, Hedging Disruption, and/or Increased Cost of Hedging, in each case if specified as applying in the applicable Pricing Supplement.

"Additional LPN" means any LPN issued by an LPN Issuer, for the sole purpose of providing funds for the LPN Issuer to provide financing to the Reference Entity via an:

- (a) Underlying Loan; or
- (b) Underlying Finance Instrument:

provided that:

- (I) either:
 - (A) 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
 - (B) 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: Transferable, Not Bearer, Specified Currencies – 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 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 in the relevant "LPN Reference Obligation List" as published by Markit Group Limited, or any successor thereto, which list is currently available at <http://www.markit.com/marketing/services.php>.

"Additional Provisions" means any additional provisions from time to time published by ISDA for use in the over-the-counter credit derivatives market and specified as applicable in the relevant Pricing Supplement in relation to a Reference Entity which may include:

- (a) the Additional Provisions for Physically Settled Default Swaps - Monoline Insurer as Reference Entity, as published by ISDA on 21 January 2005; or
- (b) any other provisions specified in relation to such Reference Entity.

"Affected Entity" has the meaning given to such term in Credit Linked Condition 6.3 above.

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

"Asset" means each obligation, equity, amount of cash, security, fee (including any "early-bird" or other consent fee), right and/or other asset, whether tangible or otherwise and whether issued, incurred, paid or provided by the Reference Entity or a third party (or any value which was realized or capable of being realized in circumstances where the right and/or other asset no longer exists).

"Asset Market Value" means the market value of an Asset, as the Calculation Agent shall determine by reference to an appropriate specialist valuation or in accordance with the methodology determined by the Credit Derivatives Determinations Committee or in any other commercially reasonable manner selected by the Calculation Agent.

"Asset Package" means, in respect of an Asset Package Credit Event, all of the Assets in the proportion received or retained by a Relevant Holder in connection with such relevant Asset Package Credit Event (which may include the Prior Deliverable Obligation or Package Observable Bond, as the case may be). If the Relevant Holder is offered a choice of Assets or a choice of combinations of Assets, the Asset Package will be the Largest Asset Package. If the Relevant Holder is offered, receives and retains nothing, the Asset Package shall be deemed to be zero.

"Asset Package Credit Event" means:

- (a) if "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the relevant Pricing Supplement:
 - (i) a Governmental Intervention; or
 - (ii) a Restructuring in respect of the Reference Obligation, if "Restructuring" is specified as applicable in the Pricing Supplement and such Restructuring does not constitute a Governmental Intervention; and
- (b) if the Reference Entity is a Sovereign and "Restructuring" is specified in the Pricing Supplement as being applicable, a Restructuring.

In each case, whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement.

"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 or organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if the Reference Entity is guaranteeing such Loan) or any agent, and if specified as applicable to a Deliverable Obligation Category, the Assignable Loan Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Loans.

"Auction" has the meaning set forth in the relevant Transaction Auction Settlement Terms.

"Auction Cancellation Date" has the meaning set forth in the Transaction Auction Settlement Terms.

"Auction Covered Transaction" has the meaning set forth in the Transaction Auction Settlement Terms.

"Auction Final Price" has the meaning set forth in the Transaction Auction Settlement Terms or the Parallel Auction Settlement Terms identified by the Issuer in the Auction Settlement Amount Notice.

"Auction Final Price Determination Date" has the meaning set forth in the Transaction Auction Settlement Terms.

"Auction Settlement Amount" means, in relation to any Reference Entity and unless otherwise specified in the Pricing Supplement, an amount in the Settlement Currency as determined by the Calculation Agent in accordance with the formula below:

$$\text{Auction Settlement Amount} = \text{Max } 0, [(A \times B) - C]$$

Where:

"A" means the aggregate principal amount outstanding of the Credit Linked Notes;

"**B**" means the relevant Auction Final Price; and

"**C**" means the Unwind Costs (unless the applicable Pricing Supplement specify that Unwind Costs are not applicable, in which event "**C**" means zero).

"**Auction Settlement Amount Notice**" means a notice given by the Issuer to the Calculation Agent and the Noteholders in accordance with Condition 16 (*Notices*), on or prior to the date which is 65 Business Days following the Final List Publication Date specifying:

- (a) the Transaction Auction Settlement Terms or Parallel Auction Settlement Terms which the Issuer has elected to apply to the Credit Linked Notes (**provided that** the Issuer may only elect to apply any Parallel Auction Settlement Terms (which it may choose in its sole discretion) in the circumstances set out in sub-paragraph (b) of the definition of "No Auction Announcement Date"); and
- (b) the Auction Settlement Amount.

"**Auction Settlement Date**" means:

- (a) the date that is three CLN Business Days following delivery by the Issuer of the Auction Settlement Amount Notice to the Calculation Agent and the Noteholders in accordance with Condition 16 (*Notices*); or
- (b) (if "Settlement Deferral" is specified as applicable) if later, the Scheduled Maturity Date. For the avoidance of doubt, this shall be without prejudice to Credit Linked Condition 3.1 (*Cessation of Interest Accrual*).

"**Bankruptcy**" means the Reference Entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally or such a general assignment, arrangement, scheme or composition becomes effective;
- (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition:
 - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
 - (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof;
- (e) has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or

any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter; or

- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in subparagraphs (a) to (g) above.

"Basket CLN" means Credit-Linked Notes where the Issuer purchases credit protection from the Noteholders in respect of a basket of Reference Entities (other than on an Nth-to-default basis), as specified in the Pricing Supplement.

"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.

"Bond or Loan" means any obligation that is either a Bond or a Loan.

"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).

"Business Day Convention", in relation to any particular date, has the meaning given in the relevant Pricing Supplement and, if so specified in the relevant Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) "Following Business Day Convention" means that the relevant date shall be postponed to the first following day that is a CLN Business Day;
- (b) "Modified Following Business Day Convention" means that the relevant date shall be postponed to the first following day that is a CLN 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 CLN Business Day;
- (c) "Preceding Business Day Convention" means that the relevant date shall be brought forward to the first preceding day that is a CLN Business Day; and
- (d) "No Adjustment" means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

"Capped Reference Entity" means, unless otherwise specified in the Pricing Supplement, a Reference Entity having a specified Transaction Type in respect of which "60 CLN Business Days Cap on Settlement" is expressed as applying in the Physical Settlement Matrix.

"Cash Settlement Amount" means, in relation to any Reference Entity an amount in the Settlement Currency as determined by the Calculation Agent in accordance with the formula below:

$$\text{Cash Settlement Amount} = \text{Max } 0, [(A \times B) - C]$$

Where:

"A" means the aggregate principal amount outstanding of the Credit Linked Notes;

"B" means the Weighted Average Final Price, or if specified as Not Applicable in the applicable Pricing Supplement, the Final Price; and

"C" means the Unwind Costs (unless the applicable Pricing Supplement specify that Unwind Costs are not applicable, in which event "C" means zero).

"Cash Settlement Date" means:

- (a) the date that is the number of CLN Business Days specified in the Pricing Supplement (or, if a number of CLN Business Days is not specified, three CLN Business Days) immediately following the determination of the Weighted Average Final Price; or
- (b) (if "Settlement Deferral" is specified as applicable) if later, the Scheduled Maturity Date. For the avoidance of doubt, this shall be without prejudice to Credit Linked Condition 3.1 (*Cessation of Interest Accrual*).

"Change in Law" means that, on or after the Trade Date (as specified in the applicable Pricing Supplement) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law, solvency or capital requirements), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority or financial authority), or the combined effect thereof if occurring more than once, the Issuer determines in its sole and absolute discretion that:

- (a) it is unable to perform its obligations in respect of the Notes or it has become illegal to hold, acquire or dispose of any relevant hedge positions in respect of the Notes; or
- (b) it or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in maintaining the Notes in issue or in holding, acquiring or disposing of any relevant hedge positions of the Notes.

"CLN Business Day" means (a)(i) 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 Pricing Supplement, and/or (ii) a TARGET Settlement Day (if "TARGET Settlement Day" is specified in the relevant Pricing Supplement), or (b) if a place or places or such terms are not so specified, (i) if the Notes are denominated in the euro, a TARGET Settlement Day, or (ii) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the currency of denomination of the Notes.

"CLN Dealer" means a dealer in obligations of the type of Obligation(s) (as the case may be) for which quotations are to be obtained (as selected by the Calculation Agent) and may include the Calculation Agent or its Affiliate and a Noteholder or its Affiliate.

"CLN Early Redemption Amount" means a fair market value of the Notes, as determined by the Calculation Agent in its sole discretion, acting in a commercially reasonable manner having regard to (i) credit spreads of the relevant Reference Entities published by market makers and (ii) the yield to maturity of the Notes.

"CLN Maturity Date" means either:

- (a) the Scheduled Maturity Date; or
- (b) where the Issuer delivers an Extension Notice in relation to a Reference Entity to the Calculation Agent and the Noteholders at or prior to 11:00 a.m. (London time) on the date falling two London Business Days prior to the Scheduled Maturity Date, either:
 - (i) the date falling two Business Days after the expiry of the Notice Delivery Period (or, if later, after the latest date on which it would be possible for the Calculation Agent to deliver a Credit Event Notice); or
 - (ii) if a Credit Event Resolution Request Date has occurred on or prior to the expiry of the Notice Delivery Period in relation to a Reference Entity and unless otherwise elected by the Issuer by written notice to the Calculation Agent and the Noteholders, the date falling 15 Business Days following any date on which the Credit Derivatives Determinations Committee Resolves that the relevant event does not constitute a Credit Event, or Resolves not to make such determination.

"Conditionally Transferable Obligation" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of both the NOPS Effective Date and the Delivery Date, **provided, however, that** a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor if the Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this definition of "Conditionally Transferable Obligation".

"Conditions to Settlement" means, in relation to any Reference Entity:

- (a) the occurrence of an Event Determination Date; and
- (b) where the applicable Settlement Method is Physical Settlement (or Physical Settlement is applicable as the Fallback Settlement Method), the delivery of the Notice of Physical Settlement on or following the occurrence of an Event Determination Date and that is effective on or prior to the NOPS Cut-off Date, to the extent that, unless otherwise elected by the Issuer by written notice to the Calculation Agent and the Noteholders, such Event Determination Date is not subsequently reversed prior to the Auction Final Price Determination Date, a Valuation Date, a Delivery Date or the CLN Maturity Date, as applicable,

provided however that the Conditions to Settlement shall not be satisfied with respect to any Nth-to-Default Credit-Linked Note until an Event Determination Date has occurred with respect to the Nth Reference Entity.

"Conforming Reference Obligation" means a Reference Obligation which is a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of 'Deliverable Obligation'.

"Consent Required Loan" means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if a Reference Entity is guaranteeing such Loan) or any agent, and, if specified as applicable to a Deliverable Obligation Category, the Consent Required Loan Deliverable Obligation Characteristic shall be applicable only in respect of obligations within the Deliverable Obligation Category that are Loans.

"Credit Derivatives Auction Settlement Terms" means any Credit Derivatives Auction Settlement Terms published by ISDA, a form of which will be published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and may be amended from time to time.

"Credit Derivatives Definitions" means the 2014 ISDA Credit Derivatives Definitions and, in addition, if Additional Provisions are specified to be applicable with respect to the Credit Linked Notes in the Pricing Supplement, as supplemented by the Additional Provisions.

"Credit Derivatives Determinations Committee" means each committee established pursuant to the DC Rules for purposes of reaching certain DC Resolutions in connection with credit default swap transactions incorporating the 2014 Credit Derivatives Definitions, as published by ISDA.

"Credit Event" means the occurrence of one or more of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring, Governmental Intervention or Additional Credit Event as specified with respect to a Reference Entity in the applicable Pricing Supplement. If an occurrence would otherwise constitute a Credit Event, such

occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (a) any lack or alleged lack of authority or capacity of the Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, however described;
- (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

"Credit Event Backstop Date" means the date that is 60 calendar days prior to the Trade Date. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"Credit Event Notice" means an irrevocable notice from the Calculation Agent to the Issuer (which may be in writing (including by facsimile and/or email and/or by telephone)) that describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date. Any Credit Event Notice that describes a Credit Event that occurred after the Scheduled Maturity Date must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date. A Credit Event Notice that describes a Credit Event other than an M(M)R Restructuring must be in respect of the full relevant Reference Entity Notional Amount.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred, **provided that** where an Event Determination Date has occurred pursuant to sub-paragraph (b) of the definition thereof, a reference to the relevant DC Credit Event Announcement shall suffice. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

"Credit Event Resolution Request Date" means, with respect to a DC Credit Event Question, the date as publicly announced by the DC Secretary that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which:

- (a) the DC Credit Event Question was effective; and
- (b) the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

"Currency Amount" means with respect to:

- (a) a Deliverable Obligation specified in a Notice of Physical Settlement or a selected Valuation Obligation that is denominated in a currency other than the Settlement Currency, an amount converted to the Settlement Currency using a conversion rate determined by reference to the Currency Rate; and
- (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice with respect to that

portion of the Reference Entity Notional Amount 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 or any NOPS Amendment Notice or a selected Valuation Obligation, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation or Valuation Obligation, as applicable is denominated that is either:
 - (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time; or
 - (ii) if such rate is not available at such time, as the Calculation Agent shall determine in a commercially reasonable manner; and
- (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

"Currency Rate Source" means the mid-point rate of conversion published by WM/Reuters at 4:00 p.m. (London time), or any successor rate source approved by the relevant Credit Derivatives Determinations Committee.

"DC Announcement Coverage Cut-off Date" means, with respect to a DC Credit Event Announcement, the Auction Final Price Determination Date, the Auction Cancellation Date, or the date that is fourteen calendar days following the No Auction Announcement Date, if any, as applicable.

"DC Credit Event Announcement" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Credit Event for purposes of a Notional Credit Derivative Transaction has occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date, **provided that** if the Credit Event occurred after the Scheduled Maturity Date, the DC Credit Event Announcement must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

"DC Credit Event Meeting Announcement" means, with respect to the Reference Entity, a public announcement by the DC Secretary that a Credit Derivatives Determinations Committee will be convened to Resolve the matters described in a DC Credit Event Question.

"DC Credit Event Question" means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event for purposes of a Notional Credit Derivative Transaction has occurred.

"DC Credit Event Question Dismissal" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in a DC Credit Event Question.

"DC No Credit Event Announcement" means, with respect to the Reference Entity, a public announcement by the DC Secretary that the relevant Credit Derivatives Determinations Committee has Resolved that an event that is the subject of a DC Credit Event Question does not constitute a Credit Event for purposes of a Notional Credit Derivative Transaction.

"DC Resolution" means a resolution made by a relevant Credit Derivatives Determinations Committee or, if the context requires, the meaning given to that term in the DC Rules.

"DC Rules" means 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.

"DC Secretary" has the meaning given to that term in the DC Rules.

"Default Requirement" means the amount specified as such in the Pricing Supplement or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, USD 10,000,000 or its equivalent in the relevant Obligation Currency) in either case, as of the occurrence of the relevant Credit Event.

"Deliver" means to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title (or, with respect to Deliverable Obligations where only equitable title is customarily conveyed, all equitable title) and interest in the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to the Issuer or the Noteholders, as the case may be, free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a relevant clearance system, but including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in subparagraphs (a) to (d) of the definition of "Credit Event" or right of set-off by or of the Reference Entity or any applicable Underlying Obligor)); **provided that** (i) if a Deliverable Obligation is a Direct Loan Participation, "Deliver" means to create (or procure the creation of) a participation in favour of the Issuer or the Noteholders, as the case may be, and (ii) if a Deliverable Obligation is a Guarantee, "Deliver" means to Deliver both the Underlying Obligation and the Guarantee, **provided further that** if the Guarantee has a Fixed Cap, (A) "Deliver" means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap and (B) those claims shall be deemed to be Deliverable Obligations for purposes of any physical settlement. "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. Notwithstanding the previous sentence, in the case of a Loan, the Issuer and each Noteholder agrees to comply, for the purposes of the settlement of the Credit Linked Notes with the provisions of any documentation (which term shall be deemed to include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves is appropriate, which is consistent with the delivery and payment obligations of the parties hereunder. The Issuer agrees, and each Noteholder is deemed to further agree, that compliance by the Issuer with the provisions of any such documentation shall be required for, and, without further action, constitute, Delivery for the purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and neither the Issuer nor any Noteholder shall be permitted to request that any party take nor shall the Issuer or any Noteholder be required to take, any action or make any payment in connection with such Delivery, as applicable, unless otherwise contemplated by such documentation.

"Deliverable Obligation" means, subject to Credit Linked Conditions 8.1, 8.2 and 8.3:

- (a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) described by the applicable Deliverable Obligation Category and having each of the applicable Deliverable Obligation Characteristics, if any, as of the Delivery Date as selected by the Calculation Agent in its sole discretion;
- (b) the Reference Obligation;
- (c) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Delivery is specified as being applicable in the relevant Pricing Supplement, any Sovereign Restructured Deliverable Obligation; and
- (d) if Asset Package Delivery is specified as being applicable in the relevant Pricing Supplement, any Prior Deliverable Obligation (if "Financial Reference Entity Terms" is

specified as applicable in the relevant Pricing Supplement) or any Package Observable Bond (if the Reference Entity is a Sovereign),

in each case, (i) unless it is an Excluded Deliverable Obligation and (ii) **provided that** the obligation has an Outstanding Principal Balance or Due and Payable Amount that is greater than zero (determined for purposes of sub-paragraph (d) above, immediately prior to the relevant Asset Package Credit Event).

"Deliverable Obligation Category" means one of Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan as specified in relation to a Reference Entity. 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. No Deliverable Obligation Characteristics are applicable to Reference Obligations Only.

"Deliverable Obligation Characteristics" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer as specified in relation to a Reference Entity.

"Deliverable Obligation Provisions", in relation to any Reference Entity, has the meaning set forth in the Credit Derivatives Auction Settlement Terms.

"Deliverable Obligation Terms", in relation to any Reference Entity, has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

"Delivery Date" means, with respect to a Deliverable Obligation or an Asset Package, the date on which such Deliverable Obligation is Delivered (or deemed Delivered, as applicable).

"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 (to the extent that the Issuer or is then a lender or 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).

"Domestic Currency" means the currency specified as such in the Pricing Supplement and any successor currency thereto or, if no such currency is specified, the lawful currency and any successor currency of:

- (a) the Reference Entity, if the Reference Entity is a Sovereign; or
- (b) the jurisdiction in which the Reference Entity is organized, if the Reference Entity is not a Sovereign.

"Domestic Law" means each of the laws of (a) the Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organized, if such Reference Entity is not a Sovereign.

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

"Due and Payable Amount" means the amount that is due and payable by the Reference Entity under the obligation whether by reason of maturity, acceleration, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts) less all or any portion of such amount which, pursuant to the terms of the obligation (a) is subject to any Prohibited Action, or (b) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (i) payment or (ii) a Permitted Contingency), in each case, determined in accordance with the terms of the obligation in effect on either (A) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date) or (B) the Valuation Date, as applicable.

"Eligible Information" means information which is publicly available or which can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

"Eligible Transferee" means each of the following:

- (a) each of:
 - (i) any bank or other financial institution;
 - (ii) an insurance or reinsurance company;
 - (iii) a mutual fund, unit trust or similar collective investment vehicle (other than an entity described in sub-paragraph (c)(i) below); and
 - (iv) a registered or licensed broker or dealer (other than a natural person or proprietorship),

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

- (b) an Affiliate of an entity specified in (a) above;
- (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:
 - (A) has total assets of at least U.S.\$100 million; or
 - (B) 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 keepwell, support, or other agreement by an entity described in (a), (b), (c)(ii) or (d) hereof; and
- (d)
 - (i) any Sovereign; or
 - (ii) any entity or organization established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development,

and where references in this definition to U.S.\$ include such equivalent amounts in other currencies as may be determined by the Calculation Agent.

"Event Determination Date" means with a respect to a Credit Event and a Notional Credit Derivative Transaction:

- (a) subject to sub-paragraph (b) below, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, **provided that** neither (A) a DC Credit Event Announcement has occurred nor (B) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
- (b) notwithstanding sub-paragraph (a)(i) above, the Credit Event Resolution Request Date, if a DC Credit Event Announcement has occurred, the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) and either:
 - (i) the Credit Event Resolution Request Date, if:
 - (A) "Auction Settlement" is the applicable Settlement Method; and
 - (B) a Credit Event Notice is delivered by the Calculation Agent to the Issuer and is effective on or prior to the Exercise Cut-off Date; or
 - (ii) the first date on which a Credit Event Notice is delivered by the Calculation Agent to the Issuer and is effective during either the Notice Delivery Period or the period from and including the date of the DC Credit Event Announcement to and including the date that is fourteen calendar days thereafter (provided, in each case, that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)), if:
 - (A) the Trade Date occurs on or prior to a DC Announcement Coverage Cut-off Date; and
 - (B) either:
 - (I) "Auction Settlement" is not the applicable Settlement Method; or
 - (II) "Auction Settlement" is the applicable Settlement Method and a Credit Event Notice is delivered by the Calculation Agent to the Issuer and is effective on a date that is later than the relevant Exercise Cut-off Date.

provided that:

- (iii) no Physical Settlement Date, Cash Settlement Date or CLN Maturity Date has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs;
- (iv) if any Valuation Date or Delivery Date, as applicable, has occurred on or prior to the date on which the DC Credit Event Meeting Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to the portion of the outstanding principal amount of each Note, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and
- (v) no Credit Event Notice specifying an M(M)R Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer, (A) unless the M(M)R Restructuring specified in such Credit Event Notice is also the subject of the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, (B) unless, and to the extent that, the Exercise Amount specified in such Credit Event Notice was less than the outstanding relevant Reference Entity Notional Amount, or (C) unless the Notional Credit Derivative Transaction is an Auction Covered Transaction and the Deliverable

Obligations set out on the Final List are identical to the Permissible Deliverable Obligations for such Notional Credit Derivative Transaction, or

"Excess Amount" means any amount paid to the Noteholders but which was not due on the Notes, as a result of the occurrence of a DC Credit Event Announcement or a Credit Event Resolution Request Date on or around the date on which the amount in question would otherwise have been required to be paid.

"Excluded Deliverable Obligation" means:

- (a) any obligation of the Reference Entity specified as such or of a type specified in the relevant Pricing Supplement;
- (b) any principal only component of a Bond from which some or all of the interest components have been stripped; and
- (c) if Asset Package Delivery is applicable, any obligation issued or incurred on or after the date of the relevant Asset Package Credit Event.

"Excluded Obligation" means:

- (a) any obligation of the Reference Entity specified as such or of a type described in the applicable Pricing Supplement;
- (b) if "Financial Reference Entity Terms" and "Senior Transaction" are specified as applicable in the relevant Pricing Supplement, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and
- (c) if "Financial Reference Entity Terms" and "Subordinated Transaction" are specified as applicable in the relevant Pricing Supplement, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

"Exercise Amount" has the meaning given to it in Credit Linked Condition 8.1.

"Exercise Cut-off Date" means the date that is the later of:

- (a) 65 Business Days following the Final List Publication Date;
- (b) 15 CLN Business Days following the Auction Final Price Determination Date, if any;
- (c) 15 CLN Business Days following the Auction Cancellation Date, if any; or
- (d) the date that is 15 CLN Business Days following the No Auction Announcement Date, if any.

"Extended Physical Settlement Date" means:

- (a) in the case of a Capped Reference Entity, the 60th CLN Business Day following the Physical Settlement Date (the "60th CLN Settlement Date"), **provided that** if, under the terms of a Hedge Transaction, the Original Bonds and Original Loans, may not be received by the Issuer and/or any of its Affiliates on or before the 60th CLN Settlement Date but the Issuer and/or any of its Affiliates may, in accordance with the terms of the Hedge Transaction, receive or otherwise obtain such Original Bonds or such Original Loans or other Bonds or Loans in lieu thereof on or before the date falling three CLN Business Days (in a case where Original Bonds may be received or otherwise obtained after the Extended Physical Settlement Date) or ten CLN Business Days (in a case where Original Loans or other Loans or Bonds in lieu thereof may be received or otherwise obtained after the Extended Physical Settlement Date) after the 60th CLN Settlement Date, such date may be further extended to a date falling up to three CLN Business Days or ten CLN Business

Days, respectively, after the original 60th CLN Settlement Date, or to such earlier date as the Calculation Agent may determine, in its absolute discretion; and

- (b) in the case of a Non-Capped Reference Entity, such date as the Calculation Agent may determine in its absolute discretion, **provided that** such date falls no later than the 120th CLN Business Day following the Physical Settlement Date or, in the absence of such determination, such 120th CLN Business Day.

"Extension Date" means the latest of:

- (a) the Scheduled Maturity Date;
- (b) the Grace Period Extension Date if:
 - (i) Failure to Pay is an applicable Credit Event in relation to any Reference Entity;
 - (ii) Grace Period Extension is specified as applicable in relation to such Reference Entity; and
 - (iii) the Issuer delivers an Extension Notice under sub-paragraph (b) of the definition thereof;
- (c) the Repudiation/Moratorium Evaluation Date if:
 - (i) Repudiation/Moratorium is an applicable Credit Event in relation to any Reference Entity; and
 - (ii) the Issuer delivers an Extension Notice under sub-paragraph (c) of the definition thereof.

"Extension Notice" means a notice from the Issuer to the Calculation Agent and the Noteholders giving notice of the following in relation to a Reference Entity:

- (a) without prejudice to sub-paragraphs (b), (c) or (d) below, that a Credit Event has occurred or may occur on or prior to the Scheduled Maturity Date; or
- (b) that a Potential Failure to Pay has occurred or may occur on or prior to the Scheduled Maturity Date; or
- (c) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to the Scheduled Maturity Date; or
- (d) that a Credit Event Resolution Request Date has occurred or may occur on or prior to the last day of the Notice Delivery Period.

"Failure to Pay" means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure. If a payment is not made by the Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or, if the Transaction Type of the Reference Entity relates to Japan, Tokyo time), irrespective of the time zone of its place of payment.

If an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

"Fallback Settlement Event" means:

- (a) an Auction Cancellation Date occurs;
- (b) a No Auction Announcement Date occurs (and in circumstances where the No Auction Announcement Date occurs pursuant to sub-paragraph (b) or (c)(ii) of the definition thereof, the Issuer has not exercised the Movement Option);
- (c) a DC Credit Event Question Dismissal occurs;
- (d) an Event Determination Date was determined pursuant to sub-paragraph (a) of the definition of Event Determination Date and no Credit Event Resolution Request Date has occurred on or prior to the date falling three CLN Business Days after such Event Determination Date; or
- (e) an Event Determination Date was determined pursuant to sub-paragraph (b)(ii)(B)(II) of the definition of Event Determination Date.

"Fallback Settlement Method" means Cash Settlement or Physical Settlement, as specified in the Pricing Supplement.

"Final List" has the meaning given to that term in the DC Rules.

"Final List Publication Date" means, in respect of a Credit Event, the date on which the last Final List in respect of such Credit Event, if any, is published by the relevant Credit Derivatives Determination Committee.

"Final Price" means either (i) the price of the Reference Obligation or, as applicable, any Valuation Obligation, Deliverable Obligation or Undeliverable Obligation, expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount, as applicable, determined in accordance with the highest Quotation obtained by the Calculation Agent (or otherwise in accordance with the definition of "Quotation") with respect to the Relevant Valuation Date or (ii) such other number specified, expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount specified in the Pricing Supplement, in each case.

"First Ranking Interest" means 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 relevant insolvency jurisdiction of the LPN Issuer).

"Fixed Cap" means, with respect to a Guarantee, a specified numerical limit or cap on the liability of the Reference Entity in respect of some or all payments due under the Underlying Obligation, **provided that** a Fixed Cap shall exclude a limit or cap determined by reference to a formula with one or more variable inputs (and for these purposes, the outstanding principal or other amounts payable pursuant to the Underlying Obligation shall not be considered to be variable inputs).

"Full Quotation" means each firm bid quotation obtained from a CLN Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation, Deliverable Obligation or, as the case may be, Undeliverable Obligations with an Outstanding Principal Balance or Due and Payable Amount equal to the Quotation Amount.

"Fully Transferable Obligation" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, in each case, as of both the NOPS Effective Date and the Delivery Date. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this definition of "Fully Transferable Obligation".

"Further Subordinated Obligation" means, if the Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

"Governmental Authority" means:

- (a) any de facto or de jure government (or any agency, instrumentality, ministry or department thereof);
- (b) any court, tribunal, administrative or other governmental, inter-governmental or supranational body;
- (c) any authority or any other entity (private or public) either designated as a resolution authority or charged with the regulation or supervision of the financial markets (including a central bank) of the Reference Entity or some or of all of its obligations; or
- (d) any other authority which is analogous to any of the entities specified in sub-paragraphs (a) to (c) above.

"Governmental Intervention" means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs as a result of action taken or an announcement made by a Governmental Authority pursuant to, or by means of, a restructuring and resolution law or regulation (or any other similar law or regulation), in each case, applicable to the Reference Entity in a form which is binding, irrespective of whether such event is expressly provided for under the terms of such Obligation:

- (a) any event which would affect creditors' rights so as to cause:
 - (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
 - (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
 - (iii) a postponement or other deferral of a date or dates for either (I) the payment or accrual of interest, or (II) the payment of principal or premium; or
 - (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation;
- (b) an expropriation, transfer or other event which mandatorily changes the beneficial holder of the Obligation;
- (c) a mandatory cancellation, conversion or exchange; or
- (d) any event which has an analogous effect to any of the events specified in sub-paragraphs (a) to (c) above.

For purposes of the above, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee.

"Grace Period" means:

- (a) subject to sub-paragraphs (b) and (c), the applicable grace period with respect to payments under and in accordance with 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 applicable in relation to the Reference Entity, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Date, 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, thirty 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 in relation to the relevant Reference Entity in the 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 or, if a place or places are not so specified, (a) if the Obligation Currency is the euro, a TARGET Settlement Day, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the jurisdiction of the Obligation Currency.

"Grace Period Extension Date" means, if:

- (a) Grace Period Extension is specified as applicable in relation to a Reference Entity in the Pricing Supplement as applicable pursuant to the relevant Transaction Type; and
- (b) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay.

"Guarantee" means a Relevant Guarantee or a guarantee which is the Reference Obligation.

"Hedge Disruption Event" means the Issuer and/or any of its Affiliates has not received the relevant Deliverable Obligations and/or cash under the terms of a Hedge Transaction.

"Hedge Transaction" means any transaction or trading position entered into or held by the Issuer, the Guarantor and/or any of their Affiliates to hedge, directly or indirectly, the Issuer's obligations or positions (whether in whole or in part) in respect of the Credit Linked Notes.

"Hedging Disruption" means that the Issuer and/or any of its respective Affiliates is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract(s) it deems necessary to hedge its exposure with respect to the Notes, or (B) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s) or any futures or options contract(s) or any relevant hedge positions relating to the Notes.

"Increased Cost of Hedging" means that the Issuer and/or any of its respective Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), **provided that** any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its respective Affiliates shall not be deemed an Increased Cost of Hedging.

"Indicative Quotation" shall mean each bid quotation obtained from a CLN Dealer at the Valuation Time for (to the extent reasonably practicable) an amount of the Undeliverable Obligation equal to the Quotation Amount, which reflects such CLN Dealer's reasonable assessment of the price of such Undeliverable Obligation based on such factors as such CLN Dealer may consider relevant, which may include historical prices and recovery rates.

"Interest" means, for the purposes of the definition of "First Ranking Interest", a charge, security interest or other type of interest having similar effect.

"ISDA" means the International Swaps and Derivatives Association, Inc. (or any successor thereto).

"Largest Asset Package" means, in respect of a Prior Deliverable Obligation or a Package Observable Bond, as the case may be, the package of Assets for which the greatest amount of principal has been or will be exchanged or converted (including by way of amendment), as determined by the Calculation Agent by reference to Eligible Information. If, in the sole determination of the Calculation Agent, this cannot be reasonably determined, the Largest Asset Package will be the package of Assets with the highest immediately realizable value, determined by the Calculation Agent in accordance with the methodology, if any, determined by the relevant Credit Derivatives Determinations Committee.

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

"Latest Permissible Physical Settlement Date" means, in respect of partial cash settlement due to a Potential Cash Settlement Event, 30 calendar days following the Physical Settlement Date and, in respect of Partial Cash Settlement (as specified in the Pricing Supplement) in respect of a Deliverable Obligation comprised of Loans, the date that is 15 CLN Business Days after the Physical Settlement Date.

"Legacy Reference Entity" has the meaning given to such term in Credit Linked Condition 6.2(b) above.

"Limitation Date" means, in respect of a Credit Event that is a Restructuring, the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the **"2.5-year Limitation Date"**), 5 years (the **"5-year Limitation Date"**), 7.5 years, 10 years (the **"10-year Limitation Date"**), 12.5 years, 15 years or 20 years (the **"20-year Limitation Date"**), as applicable. Limitation Dates shall not be subject to adjustment unless otherwise provided in the Pricing Supplement.

"Listed" means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange and, if specified as applicable to an Obligation Category, the Listed Obligation Characteristic shall be applicable only in respect of obligations within that Obligation Category that are Bonds or, if specified as applicable to a Deliverable Obligation Category, the Listing Deliverable Obligation Characteristics shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Bonds.

"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.

"London Business Day" means a day on which commercial banks and foreign exchange markets are generally open to settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

"LPN" means any bond issued in the form of a loan participation note.

"LPN Issuer" means, in respect of any LPN, the entity which issued the relevant LPN.

"LPN Reference Obligation" means each Reference Obligation other than any Additional Obligation which is issued for the sole purpose of providing funds to the LPN Issuer to finance an Underlying Loan. 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 from constituting a Reference Obligation.

"Maximum Maturity" means an obligation that has a remaining maturity of not greater than the period specified in the relevant Pricing Supplement (or if no such period is specified, thirty years).

"Merger Event" means that at any time during the period from (and including) the Trade Date to (but excluding) the Scheduled Maturity Date the Issuer or a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, a Reference Entity, the Issuer or a Reference Entity or the Issuer and a Reference Entity become Affiliates.

"Merger Event Redemption Date" means the date specified as such in the applicable Pricing Supplement.

"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 such 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.

"M(M)R Restructuring" means a Restructuring Credit Event in respect of which either "Mod R" or "Mod Mod R" is specified as applicable in the relevant Pricing Supplement.

"Modified Eligible Transferee" means any bank, financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities and other financial assets.

"Modified Restructuring Maturity Limitation Date" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date. Subject to the foregoing, if the Scheduled Maturity Date is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Maturity Date.

"Movement Option" means, with respect to an M(M)R Restructuring to which a No Auction Announcement Date has occurred pursuant to sub-paragraphs (b) or (c)(ii) of the definition of "No Auction Announcement Date", the option of the Issuer to apply to the Credit Linked 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 the Issuer could specify in any Notice of Physical Settlement (**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). The Issuer will determine which Parallel Auction Settlement Terms, if any, apply with respect to the Credit Linked Notes. If the Issuer does not notify the Calculation Agent of its intention to exercise the Movement Option on or prior to the day falling one CLN Business Day following the Exercise Cut-off Date applicable to the Issuer (or such other date as the relevant Credit Derivatives Determinations Committee has Resolved), the Credit Linked Notes will be settled in accordance with the Fallback Settlement Method.

"Multiple Holder Obligation" means an Obligation that:

- (a) 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
- (b) 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 this requirement.

"N" or **"Nth"** means, where the relevant Pricing Supplement specify that "Nth-to-Default CLN" is applicable, such number as may be specified in such Pricing Supplement.

"Next Currency Fixing Time" means 4.00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant NOPs Amendment Notice, as applicable, is effective or, as applicable, the date of selection of Valuation Obligations.

"No Auction Announcement Date" means, with respect to a Credit Event, the date on which the DC Secretary first publicly announces that:

- (a) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published;

- (b) following the occurrence of an M(M)R Restructuring, no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published; or
- (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held following a prior public announcement by the DC Secretary to the contrary,

in circumstances where either (i) no Parallel Auction will be held, or (ii) one or more Parallel Auctions will be held.

"Non-Capped Reference Entity" means a Reference Entity which is not a Capped Reference Entity.

"Non-Conforming Reference Obligation" means a Reference Obligation which is not a Conforming Reference Obligation.

"Non-Conforming Substitute Reference Obligation" means an obligation which would be a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of 'Deliverable Obligation' on the Substitution Date but for one or more of the same reasons which resulted in the Reference Obligation constituting a Non-Conforming Reference Obligation on the date it was issued or incurred and/or immediately prior to the Substitution Event Date (as applicable).

"Non-Financial Instrument" means any Asset which is not of the type typically traded in, or suitable for being traded in, financial markets.

"Non-Standard Reference Obligation" means, in respect of a Reference Entity, the Original Non-Standard Reference Obligation specified for such Reference Entity or, if a Substitute Reference Obligation has been determined for such Original Non-Standard Reference Obligation, such Substitute Reference Obligation.

"Non-Transferable Instrument" means any Asset which is not capable of being transferred to institutional investors, excluding due to market conditions.

"NOPS Amendment Notice" means a notice from the Issuer to the Calculation Agent notifying it, 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 NOPS Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective) or the detailed description(s) thereof.

"NOPS Cut-off Date" means, subject, where applicable, to Credit Linked Condition 2.5 (*Suspension of Obligations*):

- (a) subject to sub-paragraph (b) below, the later of:
 - (i) the thirtieth calendar day after the Event Determination Date; and
 - (ii) the tenth calendar day after either the date of the relevant DC Credit Event Announcement or of the relevant DC Credit Event Question Dismissal, if any (or, if the relevant Credit Event is an M(M)R Restructuring, the tenth calendar day after the Exercise Cut-off Date); or
- (b) if "Physical Settlement" is applicable pursuant to the Fallback Settlement Method in accordance with sub-paragraph (a) or (b) of the definition of 'Fallback Settlement Event' and:
 - (i) the relevant Credit Event is not an M(M)R Restructuring, the later of:
 - (A) the date determined pursuant to sub-paragraph (a)(i) above; and
 - (B) the thirtieth calendar day after the Auction Cancellation Date or the No Auction Announcement Date occurring pursuant to sub-paragraphs (a)

or (c)(i) of the definition of 'No Auction Announcement Date', as applicable; or

- (ii) the relevant Credit Event is an M(M)R Restructuring, either:
 - (A) the later of:
 - (I) the date determined pursuant to sub-paragraph (a)(i) above; and
 - (II) the thirtieth calendar day after:
 - (x) a No Auction Announcement Date occurring pursuant to sub-paragraph (a) of the definition of 'No Auction Announcement Date', if any;
 - (y) a No Auction Announcement Date occurring pursuant to sub-paragraph (c)(i) of the definition of 'No Auction Announcement Date', if any; or
 - (z) the Auction Cancellation Date, if any, as applicable; or
 - (B) the later of the Parallel Notice of Physical Settlement Date (or, if more than one should occur, the last Parallel Notice of Physical Settlement Date), and the Relevant City Business Day immediately following 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 sub-paragraph (b) of the definition of 'No Auction Announcement Date' and such Notional Credit Derivative Transaction has not been subject to exercise of the Movement Option; or
 - (II) a No Auction Announcement Date occurs pursuant to sub-paragraph (c)(ii) of the definition of 'No Auction Announcement Date' and such Notional Credit Derivative Transaction has not been subject to exercise of the Movement Option,

provided that in the case of sub-paragraphs (a)(ii) and (b) above, the relevant Credit Event Resolution Request Date, if any, occurred on or prior to the date described in sub-paragraph (a)(i) above and further **provided that** the NOPS Cut-off Date may be adjusted by the Calculation Agent using its discretion in order to match any Hedge Transaction.

"**NOPS Effective Date**" means the date on which an effective Notice of Physical Settlement or NOPS Amendment Notice, as the case may be, is delivered by the Issuer.

"**Not Bearer**" means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear, Clearstream, Luxembourg or any other internationally recognised clearing system and, if specified as applicable to a Deliverable Obligation Category, the Not Bearer Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Bonds.

"**Not Domestic Currency**" means any obligation that is payable in any currency other than the Domestic Currency, **provided that** a Standard Specified Currency shall not constitute a Domestic Currency.

"**Not Domestic Issuance**" means any obligation other than an obligation that was issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity. Any obligation that is registered or, as a result of some other action having been taken for such purpose, is qualified for sale outside the domestic market of the Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the

domestic market of the Reference Entity) shall be deemed not to be issued (or reissued, as the case may be), or intended to be offered for sale primarily in the domestic market of the Reference Entity.

"Not Domestic Law" means any obligation that is not governed by the applicable Domestic Law, **provided that** the laws of England and the laws of the State of New York shall not constitute a Domestic Law.

"Not Sovereign Lender" means any obligation that is not primarily owed to (A) a Sovereign or (B) any entity or organization established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development, which shall include, without limitation, obligations generally referred to as "Paris Club debt".

"Not Subordinated" means an obligation that is not Subordinated to (I) the Reference Obligation or (II) the Prior Reference Obligation, if applicable.

"Notice Delivery Date" means the first date on which both an effective Credit Event Notice and, unless "Notice of Publicly Available Information" is specified as not applicable in the relevant Pricing Supplement, an effective Notice of Publicly Available Information, have been delivered by the Calculation Agent to the Issuer.

"Notice Delivery Period" means the period from and including the Trade Date to and including the date 15 CLN Business Days (or such other number of days as may be specified in the Pricing Supplement) after the Extension Date (or, if the relevant Credit Event is a Restructuring and either "Mod R" or "Mod Mod R" is specified in the Pricing Supplement, the later of:

- (a) such date; and
- (b) the date that is 65 Business Days following the Final List Publication Date).

"Notice of Physical Settlement" means a notice from the Issuer to the Calculation Agent and Noteholders that (a) confirms that the Issuer intends to settle the Notes and requires performance in accordance with Credit Linked Condition 4 (*Physical Settlement*), (b) contains a detailed description of each Deliverable Obligation that Issuer intends to Deliver to Noteholders, including, if available and applicable, the CUSIP or ISIN number (or, if such identifying number is not available or applicable, the rate and tenor) of each such Deliverable Obligation and (c) specifies the Outstanding Principal Balance or Due and Payable Amount, as applicable, or the equivalent amount in the Settlement Currency (in each case, the **"Outstanding Amount"**) and, if different, the face amount, of each such Deliverable Obligation and the aggregate Outstanding Amount of all Deliverable Obligations specified in the Notice of Physical Settlement that Issuer intends to Deliver to Noteholders (the **"Aggregate Outstanding Amount"**).

"Notice of Publicly Available Information" means an irrevocable notice from the Calculation Agent (which may be by telephone) to the Issuer that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. The notice must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is specified as applicable in the 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.

"Notional Credit Derivative Transaction" means, with respect to any Credit Linked Note and a Reference Entity, a hypothetical market standard credit default swap transaction entered into by the Issuer, as Buyer (as defined in the Credit Derivatives Definitions), incorporating the terms of the Credit Derivatives Definitions and under the terms of which:

- (a) the "Trade Date" is the Trade Date, if specified in the Pricing Supplement and if not, the Issue Date;

- (b) the "Scheduled Termination Date" is the Scheduled Maturity Date;
- (c) the "Reference Entit(y)(ies)" thereunder is(are) such Reference Entit(y)(ies);
- (d) the applicable "Transaction Type", if any, is the Transaction Type for the purposes of such Credit Linked Note; and
- (e) the remaining terms as to credit linkage are consistent with the terms of such Credit Linked Note as it relates to such Reference Entity.

"Nth-to-Default CLN" means any First-to-Default CLN or any other nth-to-default Credit Linked Notes where the Issuer purchases credit protection from the Noteholders in respect of two or more Reference Entities, as specified in the Pricing Supplement.

"Obligation" means:

- (a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) described by the applicable Obligation Category and having each of the applicable Obligation Characteristics, if any, in each case, immediately prior to the relevant Credit Event as selected by the Calculation Agent in its sole discretion; and
- (b) the Reference Obligation,

in each case, unless it is an Excluded Obligation.

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

"Obligation Category" means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in relation to a Reference Entity.

"Obligation Characteristics" means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance as specified in relation to a Reference Entity.

"Obligation Currency" means the currency or currencies in which an Obligation is denominated.

"Obligation Default" means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default, event of default, or other similar condition or event (howsoever described), other than a failure to make any required payment, in respect of the Reference Entity under one or more Obligations.

"Original Bonds" means any Bonds comprising part of the relevant Deliverable Obligations.

"Original Loans" means any Loans comprising part of the relevant Deliverable Obligations.

"Original Non-Standard Reference Obligation" means, in relation to a Reference Entity, the obligation of such Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation for such Reference Entity in the applicable Pricing Supplement (if any is so specified) **provided that**, if an obligation is not an obligation of such Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation for purposes of the relevant Notional Credit Derivative Transaction (other than for the purposes of determining the Seniority Level and for the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) unless (a) expressed otherwise in the applicable Pricing Supplement, or (b) the relevant Notional Credit Derivative Transaction is a Reference Obligation Only Trade.

"Outstanding Amount" means the Outstanding Principal Balance or Due and Payable Amount, as applicable.

"Outstanding Principal Balance" means in relation to an obligation an amount calculated as follows:

- (a) *first*, by determining, in respect of the obligation, the amount of the Reference Entity's principal payment obligations and, where applicable, the Reference Entity's accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (A) the Outstanding Principal Balance (including accrued but unpaid interest, where applicable) of the Underlying Obligation (determined as if references to the Reference Entity were references to the Underlying Obligor) and (B) the amount of the Fixed Cap, if any);
- (b) *second*, by subtracting all or any portion of such amount which, pursuant to the terms of the obligation, (A) is subject to any Prohibited Action, or (B) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (I) payment or (II) a Permitted Contingency) (the amount determined in sub-paragraph (i) above less any amounts subtracted in accordance with sub-paragraph (ii) above, the **"Non-Contingent Amount"**); and
- (c) *third*, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance,

in each case, determined:

- (A) unless otherwise specified, in accordance with the terms of the obligation in effect on either (I) the NOPS Effective Date (or if the terms of the obligation are amended after such date but on or prior to the Delivery Date, the Delivery Date), or (II) the Valuation Date, as applicable; and
- (B) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

"Package Observable Bond" means, in respect of a Reference Entity which is a Sovereign, any obligation (a) which is identified as such and published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time and (b) which fell within the definition of Deliverable Obligation set out in sub-paragraph (a) or (b) of the definition of Deliverable Obligation, in each case, immediately preceding the date on which the relevant Asset Package Credit Event was legally effective,

"Parallel Auction" means "Auction" as defined in any relevant Parallel Auction Settlement Terms.

"Parallel Auction Cancellation Date" means "Auction Cancellation Date" as defined in any relevant Parallel Auction Settlement Terms.

"Parallel Auction Settlement Terms" means, following the occurrence of an M(M)R Restructuring, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such M(M)R Restructuring, and for which the Deliverable Obligation Terms are the same as the Deliverable Obligation Provisions applicable to a Notional Credit Derivative Transaction and for which such Notional Credit Derivative Transaction would not be an Auction Covered Transaction.

"Partial Cash Settlement Amount" means, where the applicable Settlement Method is Physical Settlement, an amount determined by the Calculation Agent equal to the aggregate, for each Undeliverable Obligation, of:

- (a) the Final Price of such Undeliverable Obligations multiplied by;
- (b) the relevant Outstanding Principal Balance, Due and Payable Amount or Currency Amount, as applicable, of such Undeliverable Obligation specified in the relevant Notice of Physical Settlement.

"Partial Cash Settlement Date" means the date falling three CLN Business Days (unless otherwise specified in relation to a Reference Entity) after the calculation of the Final Price.

"Payment" means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money.

"Payment Requirement" means the amount specified as such in the applicable Pricing Supplement or its equivalent in the relevant Obligation Currency (or, if no such amount is specified, USD 1,000,000 or its equivalent in the relevant Obligation Currency as determined by the Calculation Agent in a commercially reasonable manner) 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 on the Final List pursuant to the Deliverable Obligation Terms that are applicable to that Auction.

"Permitted Contingency" means, with respect to an obligation, any reduction to the Reference Entity's payment obligations:

- (a) as a result of the application of:
 - (i) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of the Reference Entity;
 - (ii) provisions implementing the Subordination of the obligation;
 - (iii) provisions allowing for a Permitted Transfer in the case of a Qualifying Guarantee (or provisions allowing for the release of the Reference Entity from its payment obligations in the case of any other Guarantee);
 - (iv) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in the relevant Pricing Supplement; or
 - (v) provisions which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in the relevant Pricing Supplement; or
- (b) which is within the control of the holders of the obligation or a third party acting on their behalf (such as an agent or trustee) in exercising their rights under or in respect of such obligation.

"Permitted Transfer" means, with respect to a Qualifying Guarantee, a transfer to and the assumption by any single transferee of such Qualifying Guarantee (including by way of cancellation and execution of a new guarantee) on the same or substantially the same terms, in circumstances where there is also a transfer of all (or substantially all) of the assets of the Reference Entity to the same single transferee.

"Physical Settlement Adjustment" means a reduction to the Outstanding Amount of Deliverable Obligations specified in a Notice of Physical Settlement, by an amount of Deliverable Obligations having a liquidation value equal to the Unwind Costs (only if positive) rounded upwards to the nearest whole denomination of a Deliverable Obligation, such amount to be determined by the Calculation Agent. For the avoidance of doubt, if the applicable Pricing Supplement specifies that Unwind Costs are not applicable, the Physical Settlement Adjustment shall be zero.

"Physical Settlement Adjustment Rounding Amount" means an amount (if any) equal to the difference between the absolute value of the Physical Settlement Adjustment and the liquidation value of such whole number of Deliverable Obligations as are not required to be Delivered by the Issuer by way of compensation for any Unwind Costs.

"Physical Settlement Date" means the last day of the longest Physical Settlement Period following the NOPS Cut-off Date as the Calculation Agent may designate in its sole discretion **provided that** if the Final Price has not been determined by the CLN Business Day immediately preceding the Physical Settlement Date, the Physical Settlement Date shall be the first CLN Business Day after the Final Price is determined. If all Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable are Delivered on or before the day so designated, the date that Delivery of such Deliverable Obligations is completed shall be deemed to be the Physical Settlement Date.

"Physical Settlement Matrix" means the "Credit Derivatives Physical Settlement Matrix", as most recently amended and supplemented as at the Trade Date (unless otherwise agreed by the parties) and as published by ISDA on its website at www.isda.org (or any successor website thereto), **provided that** any reference therein to:

- (a) "Confirmation" shall be deemed to be a reference to the applicable Pricing Supplement;
- (b) "Floating Rate Payer Calculation Amount" shall be deemed to be a reference to the Specified Currency;
- (c) "Section 3.3 of the Definitions" shall be deemed to be a reference to "Credit Event Notice" as defined in these Credit Linked Conditions;
- (d) "Section 3.9" shall be deemed to be a reference to Credit Linked Condition 8.1; and
- (e) "Section 8.6" shall be deemed to be a reference to "Physical Settlement Period" as defined in these Credit Linked Conditions.

"Physical Settlement Period" means, subject to Credit Linked Condition 2.4, the number of CLN Business Days specified as such in relation to a Reference Entity or, if a number of CLN Business Days is not so specified, then, with respect to a Deliverable Obligation specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, the longest number of CLN Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the Calculation Agent **provided that** if Issuer has notified the Calculation Agent and Noteholders that it intends to Deliver an Asset Package in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be thirty CLN Business Days.

"Post Dismissal Additional Period" means the period from and including the date of the DC Credit Event Question Dismissal to and including the date that is sixteen calendar days thereafter (**provided that** the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)).

"Potential Cash Settlement Event" means an event beyond the control of the Issuer (including, without limitation, failure of the relevant clearance system; or the failure to obtain any requisite consent with respect to the Delivery of Loans or the non-receipt of any such requisite consents or any relevant participation (in the case of Direct Loan Participation) is not effected; or due to any law, regulation or court order, but excluding markets conditions or any contractual, statutory and/or regulatory restriction relating to the relevant Deliverable Obligation, or due to the failure of the Noteholder to give the Issuer details of accounts for settlement; or a failure of the Noteholder to open or procure the opening of such accounts or if the Noteholders are unable to accept Delivery of the portfolio of Deliverable Obligations for any other reason).

"Potential Failure to Pay" means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations.

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

"Prior Deliverable Obligation" means:

- (a) if a Governmental Intervention has occurred (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), any obligation of the Reference Entity which (i) existed immediately prior to such Governmental Intervention, (ii) was the subject of such Governmental Intervention and (iii) fell within the definition of Deliverable Obligation set out in sub paragraph (a) or (b) of the definition of 'Deliverable Obligation', in each case, immediately preceding the date on which such Governmental Intervention was legally effective; or
- (b) if a Restructuring which does not constitute a Governmental Intervention has occurred in respect of the Reference Obligation (whether or not such event is specified as the applicable Credit Event in the Credit Event Notice or the DC Credit Event Announcement), such Reference Obligation, if any.

"Prior Reference Obligation" means, in circumstances where there is no Reference Obligation applicable to a Notional Credit Derivative Transaction, (I) the Reference Obligation most recently applicable thereto, if any, and otherwise, (II) the obligation specified in the relevant Pricing Supplement as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity.

"Private-side Loan" means a Loan in respect of which the documentation governing its terms is not publicly available or capable of being made public without violating a law, agreement, understanding or other restriction regarding the confidentiality of such information.

"Prohibited Action" means any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in sub-paragraphs (a) to (d) of the definition of 'Credit Event') or right of setoff by or of the Reference Entity or any applicable Underlying Obligor.

"Public Source" means each source of Publicly Available Information specified as such in the applicable Pricing Supplement (or, if no such source is specified in the Pricing Supplement, each of Bloomberg, Reuters, Dow Jones, Newswires, The Wall Street Journal, The New York Times, Nihon Keizai Shimbun, Asahi Shimbun, Yomiuri Shimbun, Financial Times, La Tribune, Les Echos and The Australian Financial Review and Debtwire (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

"Publicly Available Information" means:

- (a) information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice have occurred and which:
 - (i) has been published in or on not less than two 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 or any of its 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 or any of its Affiliates is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent, facility agent or agent bank for an Obligation;
 - (ii) is information received from or published by (A) a Reference Entity (or for a Reference Entity which is a Sovereign any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign) or (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 order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body,

provided that where any information of the type described in sub-paragraph(ii) or (iii) above is not publicly available, it can only constitute Publicly Available Information if it can be made public without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information.

- (b) In relation to any information of any type described in sub-paragraphs (a)(ii) or (iii) 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 party 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 third parties.
- (c) In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in both sub-paragraphs (a)(i) and (ii) of the definition of Repudiation/Moratorium.
- (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.

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

"Qualifying Guarantee" means a guarantee evidenced by a written instrument (which may include a statute or regulation), pursuant to which the Reference Entity irrevocably agrees, undertakes, or is otherwise obliged to pay all amounts of principal and interest (except for amounts which are not covered due to the existence of a Fixed Cap) due under an Underlying Obligation for which the Underlying Obligor is the obligor, by guarantee of payment and not by guarantee of collection (or, in either case, any legal arrangement which is equivalent thereto in form under the relevant governing law).

A Qualifying Guarantee shall not include any guarantee:

- (a) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (b) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than:
 - (i) by payment;
 - (ii) by way of Permitted Transfer;
 - (iii) by operation of law;
 - (iv) due to the existence of a Fixed Cap; or

- (v) due to:
 - (A) provisions permitting or anticipating a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in the relevant Pricing Supplement; or
 - (B) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in the relevant Pricing Supplement.

If the guarantee or Underlying Obligation contains provisions relating to the discharge, release, reduction, assignment or other alteration of the principal payment obligations of the Reference Entity and such provisions have ceased to apply or are suspended at the time of the relevant determination, in accordance with the terms of such guarantee or Underlying Obligation, due to or following the occurrence of (I) a non payment in respect of the guarantee or the Underlying Obligation, or (II) an event of the type described in the definition of 'Bankruptcy' in respect of the Reference Entity or the Underlying Obligor, then it shall be deemed for these purposes that such cessation or suspension is permanent, notwithstanding the terms of the guarantee or Underlying Obligation.

In order for a guarantee to constitute a Qualifying Guarantee:

- (x) the benefit of such guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation; and
- (y) if a guarantee contains a Fixed Cap, all claims to any amounts which are subject to such Fixed Cap must be capable of being Delivered together with the Delivery of such guarantee.

"Qualifying Participation Seller" means any participation seller that meets the requirements specified in relation to a Reference Entity. If no such requirements are specified, there shall be no Qualifying Participation Seller.

"Quantum of the Claim" means the lowest amount of the claim which could be validly asserted against the Reference Entity in respect of the Non-Contingent Amount if the obligation had become redeemable, been accelerated, terminated or had otherwise become due and payable at the time of the relevant determination, **provided that** the Quantum of the Claim cannot exceed the Non-Contingent Amount.

"Quotation" means, in respect of Reference Obligations, Deliverable Obligations and Undeliverable Obligations, as the case may be, each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of the Reference Obligation's Outstanding Principal Balance or Due and Payable Amount, as applicable, of the Reference Obligation, Deliverable Obligation or Undeliverable Obligation, as applicable, with respect to a Relevant Valuation Date in the manner that follows:

- (a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Relevant Valuation Date from five or more CLN Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same CLN Business Day within three CLN Business Days of a Relevant Valuation Date, then on the next following Business Day (and, if necessary, on each CLN Business Day thereafter until the tenth CLN Business Day following the Relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more CLN Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation.
- (b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same CLN Business Day on or prior to the tenth CLN Business Day following the applicable Relevant Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a CLN Dealer at the Valuation Time on such tenth CLN Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation, Deliverable Obligation or Undeliverable Obligation, as applicable, obtained from CLN Dealers at the Valuation Time on such tenth CLN Business Day with respect to the aggregate portion of the Quotation Amount for

which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

"Quotation Amount" means:

- (a) with respect to a Reference Obligation, the amount specified in relation to a Reference Entity (which may be specified by reference to an amount in a currency or by reference to the Representative Amount) or, if no amount is so specified, the Reference Entity Notional Amount (or, in either case, its equivalent in the relevant Obligation Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained);
- (b) with respect to each type or issue of Deliverable Obligation to be Delivered on or prior to the Physical Settlement Date, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency as calculated in the same manner as (a) above) of such Deliverable Obligation; and
- (c) with respect to each type or issue of Undeliverable Obligation, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency as calculated in the same manner as (a) above) of such Undeliverable Obligation.

"Reference Entity" or **"Reference Entities"** means the reference entity or reference entities specified in the Pricing Supplement. Any Successor to a Reference Entity either:

- (a) identified by the Calculation Agent in accordance with the definition of "Successor" on or following the Trade Date; or
- (b) identified pursuant to a DC Resolution in respect of a Successor Resolution Request Date and publicly announced by the DC Secretary on or following the Trade Date,

shall, in each case, with effect from the Succession Date, be a Reference Entity for the Credit Linked Notes, as the terms of which may be modified pursuant to the provisions described in Credit Linked Condition 6.

"Reference Entity Notional Amount" means the amount in which the Issuer has purchased credit protection in respect of one or more Reference Entities, as set out in the Pricing Supplement (or, if no such amount is specified, the Aggregate Nominal Amount of the Notes divided by the number of Reference Entities), subject to Credit Linked Condition 6.

"Reference Obligation" means:

- (a) the Reference Obligation specified in relation to a Reference Entity;
- (b) any Substitute Reference Obligation;
- (c) if **"Standard Reference Obligation"** is specified in the related Pricing Supplement, the Reference Obligation will be the obligation of the Reference Entity with the relevant Seniority Level which is specified on the list of Standard Reference Obligations as published by ISDA (or by a third party designated by ISDA) from time to time as determined by the Calculation Agent in its sole discretion (the **"Standard Reference Obligation"**). If, in the determination of the Calculation Agent, the Standard Reference Obligation is removed from the list published by ISDA, such obligation shall cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) and there shall be no Reference Obligation unless and until, in the determination of the Calculation Agent, such obligation is subsequently replaced on the list published by ISDA, in which case, the new Standard Reference Obligation in respect of the Reference Entity shall constitute the Reference Obligation; or

- (d) if "**Standard Reference Obligation**" is specified as applicable in the relevant Pricing Supplement (or no election is specified in the relevant Pricing Supplement), (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified in the relevant Pricing Supplement, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard Reference Obligation from such date onwards, **provided that** the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

"**Reference Obligation Only Trade**" means the relevant Notional Credit Derivative Transaction for a Reference Entity in respect of which (a) "Reference Obligation Only" is specified as the Obligation Category and the Deliverable Obligation Category for such Reference Entity in the applicable Pricing Supplement and (b) "Standard Reference Obligation" is specified as not applicable for such Reference Entity in the applicable Pricing Supplement.

"**Reference Obligation Only**" means any obligation that is a Reference Obligation and no Obligation Characteristics or, as the case may be, Deliverable Obligation Characteristics shall be applicable where Reference Obligation Only applies.

"**Reference Price**" means the percentage specified as such in relation to a Reference Entity or, if a percentage is not so specified, 100 per cent.

"**Relevant Guarantee**" means a Qualifying Affiliate Guarantee or, if "All Guarantees" is specified as applicable in the related Pricing Supplement, a Qualifying Guarantee.

"**Relevant Holder**" means a holder of the Prior Deliverable Obligation or Package Observable Bond, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, immediately prior to the relevant Asset Package Credit Event, equal to the Outstanding Amount specified in respect of such Prior Deliverable Obligation or Package Observable Bond in the Notice of Physical Settlement, or NOPS Amendment Notice, as applicable.

"**Relevant Obligations**" means:

- (a) subject to sub-paragraph (b) below, the Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), **provided that**:
- (i) any Bonds or Loans outstanding between the Reference Entity and any of its Affiliates, or held by the Reference Entity, shall be excluded;
 - (ii) if there is a Steps Plan, the Calculation Agent shall, for purposes of the determination required to be made under sub-paragraph (a) of the definition of 'Successor', make the appropriate adjustments required to take account of any Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" that are issued, incurred, redeemed, repurchased or cancelled from and including the legally effective date of the first succession to and including the Succession Date;
 - (iii) if "Financial Reference Entity Terms" and "Senior Transaction" are specified as applicable in the related Pricing Supplement, the Relevant Obligations shall only include the Senior Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan"; and
 - (iv) if "Financial Reference Entity Terms" and "Subordinated Transaction" are specified as applicable in the related Pricing Supplement, Relevant Obligations shall exclude Senior Obligations and any Further Subordinated Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan", **provided that** if no such Relevant Obligations exist, "Relevant Obligations" shall have the same meaning as it would if "Senior Transaction" were specified as applicable in the related Pricing Supplement.

- (b) where "LPN Reference Entity" is applicable to a Reference Entity, each of the obligations listed as a Reference Obligation of such Reference Entity in the relevant "LPN Reference Obligation List" as published by Markit Group Limited, or any successor thereto, which list is currently available at <http://www.markit.com/marketing/services.php>, any Additional LPN, and each Additional Obligation.

"Relevant Valuation Date" means the Settlement Valuation Date, Valuation Date or Undeliverable Valuation Date, as the case may be.

"Replaced Deliverable Obligation Outstanding Amount" means the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced.

"Replacement Deliverable Obligation" means each replacement Deliverable Obligation that the Issuer will, subject to Credit Linked Condition 4, Deliver to the Noteholders in lieu of each original Deliverable Obligation which has not been Delivered as at the date of such NOPS Amendment Notice.

"Replacement Reference Entity" means an entity selected by the Calculation Agent in its discretion which is incorporated in the same geographical area, has the same Transaction Type as the Legacy Reference Entity and which is of a similar or better credit quality than the Legacy Reference Entity, as measured by Standard & Poor's Ratings Services and/or by Moody's Investors Service Ltd., at the date of the relevant succession **provided that** in selecting any Replacement Reference Entity, the Calculation Agent is under no obligation to the Noteholders, the Issuer or any other person and, **provided that** the Successor selected meets the criteria specified above, is entitled, and indeed will endeavour, to select the least credit-worthy of the Successors. In making any selection, the Calculation Agent will not be liable to account to the Noteholders, the Issuer 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.

"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 the Reference Entity or a Governmental Authority:
- (i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement; or
 - (ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation 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:

- (a) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of:
- (i) the date that is 60 days after the date of such Potential Repudiation/Moratorium; and
 - (ii) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date); and

- (b) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium,

provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Scheduled Maturity Date unless the Repudiation/Moratorium Extension Condition is satisfied.

"Repudiation/Moratorium Extension Condition" means a condition which is satisfied (i) if the DC Secretary publicly announces, pursuant to a valid request that was delivered and effectively received on or prior to the date that is fourteen calendar days after the Scheduled Maturity Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Notional Credit Derivative Transaction 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 (ii) otherwise, by the delivery by the Issuer to the Calculation Agent and Noteholders of a Repudiation/Moratorium Extension Notice and, unless "Notice of Publicly Available Information" is specified as not applicable in the related Pricing Supplement, a Notice of Publicly Available Information that are each effective on or prior to the date that is fourteen calendar days after the Scheduled Maturity Date. In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (A) an event does not constitute a Potential Repudiation/Moratorium for purposes of the relevant Notional Credit Derivative Transaction with respect to an Obligation of the relevant Reference Entity, or (B) an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Notional Credit Derivative Transaction has occurred with respect to an Obligation of the relevant Reference Entity but that such event occurred after the Scheduled Maturity Date.

"Repudiation/Moratorium Extension Notice" means an irrevocable notice from the Issuer to the Calculation Agent and Noteholders that describes a Potential Repudiation/Moratorium that occurred on or prior to the Scheduled Maturity Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

"Resolve" has the meaning given to that term in the DC 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:

- (a) that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date and 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 (including by way of redenomination);
 - (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);

- (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium;
 - (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 of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).
- (b) Notwithstanding the provisions of sub-paragraph (a) above, none of the following shall constitute a Restructuring:
- (i) the payment in euros of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
 - (ii) the redenomination from euros into another currency, if (A) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (B) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;
 - (iii) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a)(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
 - (iv) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a)(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, **provided that** in respect of sub-paragraph (a)(v) above only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

For purposes of sub-paragraphs (a) and (b) above and the definition of 'Multiple Holder Obligation', the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the Reference Entity in sub-paragraph (a) above shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in sub-paragraph (b) above shall continue to refer to the Reference Entity.

If an exchange has occurred, the determination as to whether one of the events described under sub-paragraphs (a)(i) to (v) above has occurred will be based on a comparison of the terms of the Bond immediately prior to such exchange and the terms of the resulting obligations immediately following such exchange.

"Restructuring Date" means the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"Restructuring Maturity Limitation Date" means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date **provided that**, 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.

"**Revised Currency Rate**" means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either:

- (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time; or
- (b) if such rate is not available at such time, as the Calculation Agent shall determine in a commercially reasonable manner.

"**Scheduled Maturity Date**" means the date specified as such in the applicable Pricing Supplement which shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Pricing Supplement.

"**Seniority Level**" means, with respect to an obligation of the Reference Entity, (a) "Senior Level" or "Subordinated Level" as specified in the relevant Pricing Supplement, or (b) if no such seniority level is specified in the relevant Pricing Supplement, "Senior Level" if the Original Non-Standard Reference Obligation is a Senior Obligation or "Subordinated Level" if the Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which (c) "Senior Level".

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

"**Settlement Method**" means the settlement method specified as such in the Pricing Supplement and if no Settlement Method is specified in the Pricing Supplement, Auction Settlement.

"**Settlement Valuation Date**" means the date being three CLN Business Days prior to the Delivery Date **provided that** if a Notice of Physical Settlement is given or, as the case may be, changed at any time after the third CLN Business Day prior to the Physical Settlement Date, the Settlement Valuation Date shall be the date which is three CLN Business Days after such Notice of Physical Settlement is given.

"**Single Reference Entity CLN**" means Credit Linked Notes where the Issuer purchases credit protection from the Noteholders in respect of only one Reference Entity.

"**Solvency Capital Provisions**" means any terms in an obligation which permit the Reference Entity's payment obligations thereunder to be deferred, suspended, cancelled, converted, reduced or otherwise varied and which are necessary in order for the obligation to constitute capital resources of a particular tier.

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

"**Sovereign Restructured Deliverable Obligation**" means an Obligation of a Reference Entity which is a Sovereign (either directly or as provider of a Relevant Guarantee) (a) in respect of which a Restructuring that is the subject of the Credit Event Notice or DC Credit Event Announcement has occurred and (b) which fell within the paragraph (a) of the definition Deliverable Obligation immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

"**Sovereign Succession Event**" means, with respect to a Reference Entity that is a Sovereign, an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other similar event.

"Specified Currency" means an obligation that is payable in the currency or currencies specified as such in the relevant Pricing Supplement (or, if "Specified Currency" is specified in the relevant Pricing Supplement and no currency is so specified, any Standard Specified Currency), **provided that** if the euro is a Specified Currency, "Specified Currency" shall also include an obligation that was previously payable in the euro, regardless of any redenomination thereafter if such redenomination occurred as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

"SRO List" means the list of Standard Reference Obligations as published by ISDA on its website at www.isda.org from time to time (or any successor website thereto) or by a third party designated by ISDA on its website from time to time.

"Standard Reference Obligation" means, in respect of a Reference Entity, the obligation of such Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List, as determined by the Calculation Agent in its sole discretion. If, in the determination of the Calculation Agent, the Standard Reference Obligation for a Reference Entity is removed from the SRO List, such obligation shall cease to be the Reference Obligation for such Reference Entity (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) and there shall be no Reference Obligation for such Reference Entity unless and until, in the determination of the Calculation Agent, such obligation is subsequently replaced on the SRO List, in which case, the new Standard Reference Obligation in respect of such Reference Entity shall constitute the Reference Obligation for such Reference Entity.

"Standard Specified Currencies" means the lawful currencies of Canada, Japan, Switzerland, France, Germany, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole) (and each a **"Standard Specified Currency"**).

"Steps Plan" means a plan evidenced by Eligible Information contemplating that there will be a series of successions to some or all of the Relevant Obligations of the Reference Entity, by one or more entities.

"Subordinated Obligation" means any obligation which is Subordinated to any unsubordinated Borrowed Money obligation of the Reference Entity or which would be so Subordinated if any unsubordinated Borrowed Money obligation of the Reference Entity existed.

"Subordination" means, with respect to an obligation (the **"Second Obligation"**) and another obligation of the Reference Entity to which such obligation is being compared (the **"First Obligation"**), a contractual, trust or similar arrangement providing that (I) upon the liquidation, dissolution, reorganization or winding-up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation, or (II) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the First Obligation. "Subordinated" will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (x) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (y) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and "Standard Reference Obligation" is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date.

"Substitute Reference Obligation" means, with respect to a Non-Standard Reference Obligation to which a Substitution Event has occurred, the obligation that will replace the original Reference Obligation, determined by the Calculation Agent as follows:

- (a) The Calculation Agent shall identify the Substitute Reference Obligation in accordance with sub-paragraphs (c), (d) and (e) below to replace the original Reference Obligation; **provided that** the Calculation Agent will not identify an obligation as the Substitute Reference Obligation if, at the time of the determination, such obligation has already been rejected as the Substitute Reference Obligation by the relevant Credit Derivatives Determinations Committee and such obligation has not changed materially since the date of such DC Resolution.
- (b) If any of the events set forth under sub-paragraphs (a)(i) or (iii) of the definition of 'Substitution Event' have occurred with respect to the Non-Standard Reference Obligation, the Non-Standard Reference Obligation will cease to be the Reference Obligation (other than for purposes of the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic and sub-paragraph (c)(ii) below). If the event set forth in sub-paragraph (a)(ii) of the definition of 'Substitution Event' has occurred with respect to the Non-Standard Reference Obligation and no Substitute Reference Obligation is available, the Non-Standard Reference Obligation will continue to be the Reference Obligation until the Substitute Reference Obligation is identified or, if earlier, until any of the events set forth under sub-paragraphs (a)(i) or (a)(iii) of the definition of 'Substitution Event' occur with respect to such Non-Standard Reference Obligation.
- (c) The Substitute Reference Obligation shall be an obligation that on the Substitution Date:
 - (i) is a Borrowed Money obligation of the Reference Entity (either directly or as provider of a guarantee);
 - (ii) satisfies the Not Subordinated Deliverable Obligation Characteristic as of the date it was issued or incurred (without reflecting any change to the priority of payment after such date) and on the Substitution Date; and
 - (iii)
 - (A) if the Non-Standard Reference Obligation was a Conforming Reference Obligation when issued or incurred and immediately prior to the Substitution Event Date:
 - (I) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of 'Deliverable Obligation'; or if no such obligation is available;
 - (II) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of 'Deliverable Obligation';
 - (B) if the original Reference Obligation was a Bond (or any other Borrowed Money obligation other than a Loan) which was a Non-Conforming Reference Obligation when issued or incurred and/or immediately prior to the Substitution Event Date:
 - (I) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available;
 - (II) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of 'Deliverable Obligation'; or if no such obligation is available;

- (III) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available;
 - (IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of 'Deliverable Obligation'; or
- (C) if the original Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:
- (I) is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,
 - (II) is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,
 - (III) is a Deliverable Obligation (other than a Loan) determined in accordance with sub-paragraph (a) of the definition of 'Deliverable Obligation'; or if no such obligation is available,
 - (IV) is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with sub-paragraph (a) of the definition of 'Deliverable Obligation'.
- (d) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in sub-paragraph (c), the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Credit Linked Notes, as determined by the Calculation Agent. The Calculation Agent will notify the Issuer of the Substitute Reference Obligation as soon as reasonably practicable after it has been identified in accordance with sub-paragraph (c) and the Substitute Reference Obligation shall replace the original Reference Obligation immediately upon such notification.
- (e) If a Substitution Event has occurred with respect to the original Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the original Reference Obligation, then, subject to sub-paragraph (a) and notwithstanding the fact that the original Reference Obligation may have ceased to be the Reference Obligation in accordance with sub-paragraph (b), the Calculation Agent shall use reasonable commercial efforts to continue to attempt to identify the Substitute Reference Obligation.

"Substitution Date" means, with respect to a Substitute Reference Obligation, the date on which the Calculation Agent notifies the Issuer that such Substitute Reference Obligation has been identified in accordance with the definition of 'Substitute Reference Obligation'.

"Substitution Event" means, with respect to the original Reference Obligation (other than a Standard Reference Obligation):

- (a) the Non-Standard Reference Obligation is redeemed in whole;
- (b) the aggregate amounts due under the Non-Standard Reference Obligation have been reduced by redemption or otherwise below USD 10,000,000,000 (or its equivalent in the relevant Obligation Currency, as determined by the Calculation Agent); or
- (c) for any reason, other than due to the existence or occurrence of a Credit Event, the Non-Standard Reference Obligation is no longer an obligation of the Reference Entity (either directly or as provider of a guarantee),

and for the purposes of identification of the Non-Standard Reference Obligation, any change in the Non-Standard Reference Obligation's CUSIP number or ISIN or other similar identifier will not, in and of itself, constitute a Substitution Event.

If an event described in sub-paragraphs (i) or (ii) above has occurred on or prior to the Trade Date, then a Substitution Event shall be deemed to have occurred pursuant to sub-paragraphs (i) or (ii) above, as the case may be, on the Trade Date.

"Substitution Event Date" means, with respect to the Reference Obligation, the date of the occurrence of the relevant Substitution Event.

"Succession Date" means the legally effective date of an event in which one or more entities succeed to some or all of the Relevant Obligations of the Reference Entity; **provided that** if at such time, there is a Steps Plan, the Succession Date will be the legally effective date of the final succession in respect of such Steps Plan, or if earlier (i) the date on which a determination of the Calculation Agent in accordance with the definition of "Successor" would not be affected by any further related successions in respect of such Steps Plan, or (ii) the occurrence of an Event Determination Date in respect of the Reference Entity or any entity which would constitute a Successor.

"Successor" means, subject to sub-paragraph (c) below, in relation to any Reference Entity, each Successor that ISDA has publicly announced, including prior to the Trade Date, that the relevant Credit Derivatives Determinations Committee has Resolved is a Successor to the original Reference Entity on or following the Successor Backstop Date in accordance with the DC Rules; or if no Successor has been identified by a Credit Derivatives Determinations Committee:

(a)

- (i) subject to sub-paragraph (vii) below, if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to seventy-five per cent or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor in respect of the relevant Reference Entity;
- (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor in respect of the relevant Reference Entity;
- (iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty-five per cent of the Relevant Obligations will each be a Successor;
- (iv) if one or more entities each succeeds, either directly or as a provider of a Relevant Guarantee, to more than twenty-five per cent of the Relevant Obligations of the Reference Entity, and more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor;
- (v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such succession;

- (vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (**provided that** if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor); and
 - (vii) in respect of a Reference Entity which is not a Sovereign, if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the "**Universal Successor**") will be the sole Successor in respect of the relevant Reference Entity.
- (b) The Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the existence of the relevant Successor, any Successor or Successors; **provided that** the Calculation Agent will not make such determination if, at the time of determination, ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

The Calculation Agent will make all calculations and determinations required to be made in relation to the determination of any Successor or Successors on the basis of Eligible Information and will notify the Issuer of any such calculation or determination as soon as practicable.

In calculating the percentages used to determine whether an entity qualifies as a Successor, if there is a Steps Plan, the Calculation Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

- (c) An entity may only be a Successor if:
- (i) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after January 1, 2014;
 - (ii) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and
 - (iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.
- (d) For purposes of sub-paragraphs (a) to (c) above, "succeed" means, with respect to the Reference Entity and its Relevant Obligations, that an entity other than the Reference Entity (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (ii) issues Bonds or incurs Loans (the "**Exchange Bonds or Loans**") that are exchanged for Relevant Obligations, and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to such Relevant Obligations or such Exchange Bonds or Loans, as applicable. For purposes of sub-paragraphs (a) to (c) above, "succeeded" and "succession" shall be construed accordingly.
- (e) In the case of an exchange offer, the determination required pursuant to sub-paragraph (a) shall be made on the basis of the outstanding principal balance of Relevant Obligations

exchanged and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.

- (f) If two or more entities (each, a "**Joint Potential Successor**") jointly succeed to a Relevant Obligation (the "**Joint Relevant Obligation**") either directly or as a provider of a Relevant Guarantee, then (i) if the Joint Relevant Obligation was a direct obligation of the Reference Entity, it shall be treated as having been succeeded by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as direct obligor or obligors, or (ii) if the Joint Relevant Obligation was a Relevant Guarantee, it shall be treated as having been succeeded to by the Joint Potential Successor (or Joint Potential Successors, in equal parts) which succeeded to such Joint Relevant Obligation as guarantor or guarantors, if any, or otherwise by each Joint Potential Successor in equal parts.

"**Successor Backstop Date**" means for purposes of any Successor the date that is ninety calendar days prior to the Trade Date **provided however that** the Successor Backstop Date may be adjusted by the Calculation Agent using its discretion in order to match any Hedge Transaction. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

"**Successor Resolution Request Date**" means, with respect to a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve one or more Successors to the Reference Entity, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective.

"**Surviving Reference Entity**" has the meaning given to such term in Credit Linked Condition 6.2(b) above.

"**TARGET Settlement Day**" means any day on which TARGET2 (the Trans-European Automated Real-time Gross settlement Express Transfer system) is open.

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

"**Transaction Auction Settlement Terms**" means, in respect of any Reference Entity and a related Credit Event, the Credit Derivatives Auction Settlement Terms published by ISDA in respect of such Credit Event and in respect of which the relevant Notional Credit Derivative Transaction would be an Auction Covered Transaction.

"**Transaction Type**" means, unless otherwise specified in the Pricing Supplement, each "Transaction Type" specified as such in the Physical Settlement Matrix from time to time.

"**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);
- (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or
- (c) restrictions in respect of blocked periods on or around payment dates or voting periods.

"**Undeliverable Obligation**" means a Deliverable Obligation included in the Notice of Physical Settlement which, on the Settlement Date for such Deliverable Obligation, the Calculation Agent determines for any reason (including without limitation, failure by the Noteholder to deliver an Asset Transfer Notice, 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) it is impracticable, impossible or illegal to Deliver on the Settlement Date.

"Undeliverable Valuation Date" means the date that is five CLN Business Days after the Latest Permissible Physical Settlement Date or, as applicable, the Extended Physical Settlement Date.

"Underlying Finance Instrument" means where the LPN Issuer provides finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument.

"Underlying Loan" means a loan advanced to the Reference Entity by an LPN Issuer.

"Underlying Obligation" means, with respect to a guarantee, the obligation which is the subject of the guarantee.

"Underlying Obligor" means with respect to an Underlying Obligation, the issuer in the case of a Bond, the borrower in the case of a Loan, or the principal obligor in the case of any other Underlying Obligation.

"Unwind Costs" means the amount specified in the applicable Pricing Supplement or if **"Standard Unwind Costs"** are specified in the applicable Pricing Supplement (or in the absence of any such specification), an amount, subject to a minimum of zero, 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 or the Guarantor in connection with the redemption of the Credit Linked Notes and the related termination, settlement or re-establishment of any Hedge Transaction, such amount to be apportioned *pro rata* amongst the principal amount of each Credit Linked Note outstanding.

"Valuation Date" means:

- (a) any CLN Business Day falling in the period between the 5th and the 122nd CLN Business Day following the Event Determination Date, or, following any Auction Cancellation Date or No Auction Announcement Date, such later CLN Business Day (in each case, as selected by the Calculation Agent in its sole and absolute discretion); or
- (b) if "Cash Settlement" is applicable as a Fallback Settlement Method, any CLN Business Day falling between the 5th and the 122nd CLN Business Day following the Event Determination Date, or, following any Auction Cancellation Date or No Auction Announcement Date, such later CLN Business Day (in each case, as selected by the Calculation Agent in its sole and absolute discretion); or
- (c) if Partial Cash Settlement applies, the date which is up to fifteen CLN Business Days after the Latest Permissible Physical Settlement Date or, as applicable, the Extended Physical Settlement Date (as selected by the Calculation Agent in its sole and absolute discretion).

"Valuation Obligation" means, in respect of a Reference Entity, notwithstanding anything to the contrary in the Credit Linked Conditions, one or more obligations of such Reference Entity (either directly or as provider of a Qualifying Guarantee or, as the case may be, Qualifying Affiliate Guarantee), which would constitute a "Deliverable Obligation" if Physical Settlement were the applicable Settlement Method as selected by the Issuer in its sole and absolute discretion on the applicable Valuation Date, **provided that**, for such purpose:

- (a) any reference to the words "Delivery Date" in the definitions of "Conditionally Transferable Obligation", "Deliverable Obligation", within any of the terms comprising "Deliverable Obligation Category" or "Deliverable Obligation Characteristic" and "Due and Payable Amount" shall be deemed to be a reference to the words "Relevant Valuation Date"; and
- (b) the deletion of the words "being Delivered" in the definition of "Deliverable Obligation".

"Valuation Obligations Portfolio" means one or more Valuation Obligations of a Reference Entity selected by the Calculation Agent in its discretion, each in an Outstanding Principal Balance selected by the Calculation Agent in its sole and absolute discretion **provided that** the aggregate

of such Outstanding Principal Balances (or in each case the equivalent in the Specified Currency thereof (converted at the foreign exchange rate prevailing on any date from (and including) the Event Determination Date to (and including) the Valuation Date, as selected by the Calculation Agent in its sole and absolute discretion)), shall not exceed the relevant Reference Entity Notional Amount.

"**Valuation Time**" means the time specified in relation to a Reference Entity or, if no time is so specified, 11.00 a.m. in the principal trading market for the relevant Valuation Obligation or Undeliverable Obligation, as the case may be.

"**Voting Shares**" means those shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

"**Weighted Average Final Price**" means the weighted average of the Final Prices determined for each selected Valuation Obligation in the Valuation Obligations Portfolio, weighted by the Currency Amount of each such Valuation Obligation (or its equivalent in the Settlement Currency, converted by the Calculation Agent, in a commercially reasonable manner, by reference to exchange rates in effect at the time of such determination).

"**Weighted Average Quotation**" means the weighted average of firm bid quotations obtained from CLN Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation, Deliverable Obligation or Undeliverable Obligation, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, of as large a size as available but less than the Quotation Amount (but of a size at least equal to the Minimum Quotation Amount) that in aggregate are approximately equal to the Quotation Amount.

- (f) The first introductory paragraph of the Form of Pricing Supplement contained on page 152 of the Listing Particulars shall be deleted and replaced by the following:

"This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in [the *[date]* Conditions incorporated by reference in] the Listing Particulars dated 16 March 2018 as supplemented by the Supplementary Listing Particulars dated 3 May 2018 and 24 December 2018 which together constitute "**Listing Particulars**". This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Listing Particulars [save in respect of the Terms and Conditions which are set forth in the listing particulars dated *[original date as supplemented if applicable]* and are incorporated by reference in these Listing Particulars]."

- (g) The following shall be inserted as a new Paragraph 17 to the Form of Pricing Supplement and the remaining Paragraphs thereof shall be renumbered accordingly:

- | | | |
|-------|--------------------------------|---|
| 17. | Credit Linked Note Provisions: | [Applicable]/[Not Applicable] |
| | | (If not applicable, delete the remaining subparagraphs of this paragraph) |
| (i) | Type of Credit Linked Notes | [Single Reference Entity CLN]
[Nth-to-Default CLN]
N: [•]
[Basket CLN] |
| (ii) | Substitution: | [Applicable] [Not applicable] ["Reference Obligation Only Trade" is Applicable] |
| (iii) | Transaction Type: | [Include for the/each Reference Entity]/[Not Applicable] |

[If a Transaction Type applies, insert:

The "**Standard Terms**" in respect of [the/a] Reference Entity will be the standard terms set out in the Credit Derivatives Physical Settlement Matrix dated [insert date] as published by ISDA on its website at www.isda.org, in relation to the Transaction Type for [the/such] Reference Entity]

- (iv) Trade Date: [•]
- (v) Scheduled Maturity Date [•]
- (vi) Calculation Agent responsible for making calculations and determinations pursuant to the Credit Linked Conditions: [•]
- (vii) Reference Entity(ies): [•]
- (viii) Reference Entity Notional Amount: [•]/[In respect of each Reference Entity, an amount in the Specified Currency equal to the Aggregate Nominal Amount of the Notes]/[In respect of each Reference Entity, an amount in the Specified Currency equal to [insert fraction] of the Aggregate Nominal Amount of the Notes]
- (ix) Reference Obligation(s): [The below Reference Obligation[s] in respect of the Reference Entit[y][ies]]/[Standard Reference Obligation is applicable. The Seniority Level is [Senior Level / Subordinated Level]]

[List first Reference Entity if more than one]

[Primary Obligor:

Guarantor: [•]/[Not applicable]

Maturity: [•]

Coupon: [•]

CUSIP/ISIN: [•]

Original Issue Amount: [•]

[If more than one Reference Entity, repeat the above for each Reference Entity]

- (x) All Guarantees: [Applicable][Not applicable][As per the Standard Terms]
- (xi) Credit Events: [As per the Standard Terms]

[Bankruptcy]

[Failure to Pay]

[Grace Period Extension] [Applicable]/[Not applicable]

[If applicable: Grace Period: *specify*][As set out in the Credit Linked Conditions]

[Obligation Default]

[Obligation Acceleration]

[Repudiation/Moratorium]

[Restructuring]

[Provisions relating to Restructuring Credit Event: [Mod R/Mod Mod R] applicable]

[Credit Linked Condition 8.4 (*Multiple Holder Obligations*) shall not apply]

[Governmental Intervention]

- Default Requirement: *specify* [As per Credit Linked Condition 11]
- Payment Requirement: *specify* [As per Credit Linked Condition 11]
- (xii) Obligation(s):
- Obligation Category: [As per the Standard Terms]
- [Payment] [Borrowed Money] [Reference Obligation Only] [Bond] [Loan] [Bond or Loan]
- (select one only)*
- Obligation Characteristics: [As per the Standard Terms]
- [Not Subordinated] [Specified Currency: *specify currency*/Standard Specified Currency] [Not Sovereign Lender] [Not Domestic Currency: Domestic Currency means *specify currency*] [Not Domestic Law] [Listed] [Not Domestic Issuance]
- (select all of which apply)*
- (xiii) Excluded Obligation(s): *specify*[Not applicable]
- (xiv) Settlement Method: [Auction Settlement]/[Physical Settlement]/[Cash Settlement]
- (xv) Fallback Settlement Method: [Cash Settlement]/[Physical Settlement]/[Not applicable]

(xvi)	Quotation:	[Include Accrued Interest / Exclude Accrued Interest][As per Credit Linked Condition 11]
(xvii)	Settlement Deferral:	[•]/[Not applicable]
(xviii)	Cut-off Date:	[•]/[Not applicable]
(xix)	Settlement Currency	[Specify]
(xx)	Merger Event:	[Credit Linked Condition 2.3 [Applicable]/[Not applicable]
		(If applicable):
		[Merger Event Redemption Date: [•]]
(xxi)	LPN Reference Entities:	[Applicable] [Not applicable]
(xxii)	Financial Reference Entity Terms: ¹	[Applicable] [Not applicable] ["Governmental Intervention" is applicable] ["Senior Transaction" is applicable] ["Subordinated Transaction" is applicable] [As per the Standard Terms]
(xxiii)	Subordinated European Insurance Terms:	[Applicable][Not applicable][As per the Standard Terms]
(xxiv)	Terms relating to Cash Settlement:	[As per the Credit Linked Conditions]/[Not applicable]
	Weighted Average Final Price:	[Applicable]/[Not applicable]
	Final Price:	[As per Credit Linked Condition 11][[•] %]
	Valuation Time:	[specify][As per Credit Linked Condition 11]
	Quotation Amount:	[specify][Representative Amount][Credit Linked Condition 11 applies]
(xxv)	Terms relating to Physical Settlement:	[As per Credit Linked Condition 4]/[Not applicable]/[Asset Package Delivery is applicable]
	Deliverable Obligation Category:	[As per the Standard Terms]
		[Payment] [Borrowed Money] [Reference Obligation Only] [Bond] [Loan] [Bond or Loan][Not applicable]
		(select one only)
	Deliverable Characteristics:	Obligation [As per the Standard Terms]
		[Not Subordinated][Specified Currency: [specify currency/Standard Specified]

¹ Do not include if Standard Terms is specified as applicable.

Currency] [Not Sovereign Lender] [Not Domestic Currency: Domestic Currency means [specify currency]] [Not Domestic Law] [Not Domestic Issuance] [Assignable Loan] [Consent Required Loan] [Direct Loan Participation] [Transferable] [Listed] [specify] [Maximum Maturity: [] years] [Accelerated or Matured] [Not Bearer][Not applicable]

(select all of which apply)

- Excluded Deliverable Obligation: [specify] [Not applicable]
- Physical Settlement Period: [specify] Business Days/[As per the Standard Terms]/[As per Credit Linked Condition 11]
- Qualifying Participation Seller: [specify] [Not applicable]
- (xxvi) Cessation of Interest Accrual: [As per Credit Linked Condition 3.1(a)]/[As per Credit Linked Condition 3.1(b)]
- (xxvii) Interest: As per Paragraph [18]/[19] above, subject to the Credit Linked Conditions
- (xxviii) Notice of Publicly Available Information: [Applicable]/[Not applicable]
- Public Source(s): [specify] [As per Credit Linked Condition 11]
- (xxix) Additional Credit Linked Note Disruption Events: [The following Additional Credit Linked Note Disruption Events apply:] [Not applicable]
- (Specify each of the Following which applies.)
- [Change in Law]
- [Hedging Disruption]
- [Increased Cost of Hedging]
- (xxx) CLN Business Days: [Specify]/[As per the Credit Linked Conditions]

ANNEX A TO THE ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED NOTES AUCTION SETTLEMENT TERMS ANNEX

Capitalised terms used but not defined in this summary have the meaning specified in the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) as of 28 September 2018 (the "**DC Rules**") and the Form of Auction Settlement Terms (as defined below) or in the Additional Terms and Conditions for Credit Linked Notes. All times of day in this summary refer to such times in London.

Publication of Credit Derivatives Auction Settlement Terms

A Credit Derivatives Determinations Committee may determine that a Credit Event has occurred in respect of a Reference Entity (such entity, an "**Affected Reference Entity**") and that one or more auctions will be held in order to settle affected transactions referencing such Affected Reference Entity based upon an Auction Final Price determined in accordance with an auction procedure as set forth in the Form of Auction Settlement Terms (each, an "**Auction**"). If an Auction is to be held, the Credit Derivatives Determinations Committee will publish Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity, based upon the Form of Auction Settlement Terms first published as Annex B to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions, published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") on 12 March 2009 (the "**Form of Auction Settlement Terms**").

Noteholders should note that the Credit Derivatives Determinations Committees have the power to amend the form of Credit Derivatives Auction Settlement Terms for a particular auction and that this summary may therefore not be accurate in all cases. The following does not purport to be a complete summary and prospective investors must refer to the Form of Auction Settlement Terms for detailed information regarding the auction methodology set forth therein (the "**Auction Methodology**"). The Auction and the Auction Methodology apply to credit default swaps on a Reference Entity and do not apply specifically to the Credit Linked Notes. A copy of the Form of Auction Settlement Terms is currently available at www.isda.org. The Credit Derivatives Determinations Committee will additionally make several related determinations, including the date on which the Auction will be held (the "**Auction Date**"), the institutions that will act as participating bidders in the Auction (the "**Participating Bidders**") and the supplemental terms that are detailed in Schedule 1 to the Form of Auction Settlement Terms. The Credit Derivatives Determinations Committee may also amend the Form of Auction Settlement Terms for a particular auction and may determine that a public comment period is necessary in order to effect such an amendment if such amendment is not contemplated by the DC Rules.

Auction Methodology

Determining the Auction Currency Rate

On the Auction Currency Fixing Date, the Administrators will determine the rate of conversion (each, an "**Auction Currency Rate**") as between the Relevant Currency and the currency of denomination of each Deliverable Obligation (each, a "**Relevant Pairing**") by reference to a Currency Rate Source or, if such Currency Rate Source is unavailable, by seeking mid-market rates of conversion from Participating Bidders (determined by each such Participating Bidder in a commercially reasonable manner) for each such Relevant Pairing. If rates of conversion are sought from Participating Bidders and more than three such rates are obtained by the Administrators, the Auction Currency Rate will be the arithmetic mean of such rates, without regard to the rates having the highest and lowest values. If exactly three rates are obtained, the Auction Currency Rate will be the rate remaining after disregarding the rates having the highest and lowest values. For this purpose, if more than one rate has the same highest or lowest value, then one of such rates shall be disregarded. If fewer than three rates are obtained, it will be deemed that the Auction Currency Rate cannot be determined for such Relevant Pairing.

Initial Bidding Period

During the Initial Bidding Period, Participating Bidders will submit to the Administrators: (a) Initial Market Bids; (b) Initial Market Offers; (c) Dealer Physical Settlement Requests; and (d) Customer Physical Settlement Requests (to the extent received from customers).

Initial Market Bids and Initial Market Offers are firm quotations, expressed as percentages, to enter into credit derivative transactions in respect of the Affected Reference Entity on terms equivalent to the Representative Auction-Settled Transaction.

The Initial Market Bid and Initial Market Offer submitted by each Participating Bidder must differ by no more than the designated Maximum Initial Market Bid-Offer Spread and must be an integral multiple of the Relevant Pricing Increment (each as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity). The Initial Market Bid must be less than the Initial Market Offer.

Dealer Physical Settlement Requests and Customer Physical Settlement Requests are firm commitments, submitted by a Participating Bidder, on its own behalf or on behalf of a customer, as applicable, to enter into a Representative Auction-Settled Transaction, in each case, as seller (in which case, such commitment will be a "**Physical Settlement Buy Request**") or as buyer (in which case, such commitment will be a "**Physical Settlement Sell Request**"). Each Dealer Physical Settlement Request must be, to the best of such Participating Bidder's knowledge and belief, in the same direction as, and not in excess of, its Market Position. Each Customer Physical Settlement Request must be, to the best of the relevant customer's knowledge and belief (aggregated with all Customer Physical Settlement Requests submitted by such customer), in the same direction as, and not in excess of, its Market Position.

If the Administrators do not receive valid Initial Market Bids and Initial Market Offers from at least a minimum number of Participating Bidders (as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity), the timeline will be adjusted and the Initial Bidding Period extended, with the Auction recommencing at such time(s) specified by the Administrators, otherwise it will proceed as follows.

Determination of Open Interest, Initial Market Midpoint and Adjustment Amounts

The Administrators will calculate the Open Interest, the Initial Market Midpoint and any Adjustment Amounts in respect of the Auction.

The Open Interest is the difference between all Physical Settlement Sell Requests and all Physical Settlement Buy Requests.

To determine the Initial Market Midpoint, the Administrators will: (a) sort the Initial Market Bids in descending order and the Initial Market Offers in ascending order, identifying non-tradeable markets for which bids are lower than offers; (b) sort non-tradeable markets in terms of tightness of spread between Initial Market Bid and Initial Market Offer; and (c) identify that half of the non-tradeable markets with the tightest spreads. The Initial Market Midpoint is determined as the arithmetic mean of the Initial Market Bids and Initial Market Offers contained in the half of non-tradeable markets with the tightest spreads.

Any Participating Bidder whose Initial Market Bid or Initial Market Offer forms part of a tradeable market will be required to make a payment to ISDA on the third Business Day after the Auction Final Price Determination Date (an "**Adjustment Amount**"), calculated in accordance with the Auction Methodology. Any payments of Adjustment Amounts shall be used by ISDA to defray any costs related to any auction that ISDA has coordinated, or that ISDA will in the future coordinate, for purposes of settlement of credit derivative transactions.

If for any reason no single Initial Market Midpoint can be determined, the procedure set out above may be repeated.

At or prior to the Initial Bidding Information Publication Time on any day on which the Initial Bidding Period has successfully concluded, the Administrators publish the Open Interest, the Initial Market Midpoint and the details of any Adjustment Amounts in respect of the Auction.

If the Open Interest is zero, the Auction Final Price will be the Initial Market Midpoint.

Submission of Limit Order Submissions

In the event that the Open Interest does not equal zero, a subsequent bidding period will be commenced during the Initial Bidding Period which: (a) if the Open Interest is an offer to sell Deliverable Obligations,

Participating Bidders submit Limit Bids; or (b) if the Open Interest is a bid to purchase Deliverable Obligations, Limit Offers, in each case, on behalf of customers and for their own account.

Matching bids and offers

If the Open Interest is a bid to purchase Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Offers and Limit Offers, as further described in the Auction Methodology. If the Open Interest is an offer to sell Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Bids and Limit Bids, as further described in the Auction Methodology.

(i) *Auction Final Price when the Open Interest is Filled*

The Auction Final Price will be the price associated with the matched Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, that is the highest offer or the lowest bid, as applicable, **provided that:** (a) if the Open Interest is an offer to sell and the price associated with the lowest matched bid exceeds the Initial Market Midpoint by more than the "Cap Amount" (being the percentage that is equal to one half of the Maximum Initial Market Bid-Offer Spread (rounded to the nearest Relevant Pricing Increment)), then the Auction Final Price will be the Initial Market Midpoint plus the Cap Amount; and (b) if the Open Interest is a bid to purchase and the Initial Market Midpoint exceeds the price associated with the highest offer by more than the Cap Amount, then the Auction Final Price will be the Initial Market Midpoint minus the Cap Amount.

(j) *Auction Final Price when the Open Interest is Not Filled*

If, once all the Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, have been matched to the Open Interest, part of the Open Interest remains, the Auction Final Price will be: (a) if the Open Interest is a bid to purchase Deliverable Obligations, the greater of (i) zero, and (ii) the highest Limit Offer or Initial Market Offer received; or (b) if the Open Interest is an offer to sell Deliverable Obligations, zero.

100 per cent. Cap to Auction Final Price

In all cases, if the Auction Final Price determined pursuant to the Auction Methodology is greater than 100 per cent., then the Auction Final Price will be deemed to be 100 per cent.

Publication of Auction Final Price

At or prior to the Subsequent Bidding Information Publication Time on any day on which the subsequent bidding period has successfully concluded, the Administrators will publish on their websites: (a) the Auction Final Price; (b) the names of the Participating Bidders who submitted bids, offers, valid Dealer Physical Settlement Requests and valid Customer Physical Settlement Requests, together with the details of all such bids and offers submitted by each; and (c) the details and size of all matched trades.

Restructuring

Following certain Restructuring credit events, more than one auction may be held and there may be more than one Auction Final Price and credit default swaps are grouped into buckets by maturity and depending on which party triggers the credit default swap. Deliverable obligations will be identified for each bucket (any deliverable obligations included in a shorter bucket will also be deliverable for all longer buckets). If the Credit Derivatives Determinations Committee determines to hold an auction for a particular bucket, then that auction will be held according to the existing auction methodology that has previously been used for Bankruptcy and Failure to Pay credit events as described in the summary below, except that the deliverable obligations will be limited to those falling within the relevant maturity bucket.

Execution of Trades Formed in the Auction

Each Participating Bidder whose Limit Bid or Initial Market Bid (or Limit Offer or Initial Market Offer if applicable) is matched against the Open Interest, and each Participating Bidder that submitted a Customer Physical Settlement Request or Dealer Physical Settlement Request, is deemed to have entered into a Representative Auction-Settled Transaction, and each customer that submitted such a Limit Bid, Limit Offer, or Physical Settlement Request is deemed to have entered into a Representative Auction-Settled Transaction with the dealer through whom the customer submitted such bid or offer. Accordingly, each

such Participating Bidder or customer that is a seller of Deliverable Obligations pursuant to a trade formed in the auction must deliver to the buyer to whom such Participating Bidder or customer has been matched a Notice of Physical Settlement indicating the Deliverable Obligations that it will deliver, and such Deliverable Obligations will be sold to the buyer in exchange for payment of the Auction Final Price.

Timing of Auction Settlement Provisions

If an Auction is held in respect of an Affected Reference Entity, it is expected that the relevant Auction Date will occur on the third Business Day immediately prior to the 30th calendar day after which the relevant Credit Derivatives Determinations Committee received the request from an eligible market participant (endorsed by a member of the relevant Credit Derivatives Determinations Committee) to resolve whether a Credit Event has occurred with respect to such Reference Entity.

In respect of an Affected Reference Entity for which an Auction is held, the Auction Settlement Date will occur on a Business Day following the Auction Final Price Determination Date, as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

ANNEX B TO THE ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED NOTES AUCTION SETTLEMENT TERMS ANNEX

In making certain determinations with respect to the Credit Linked Notes, the Calculation Agent may but is not bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committees. This Annex sets forth a summary of the DC Rules and is subject to the rules as published by ISDA from time to time and as amended from time to time. This summary is not intended to be exhaustive and prospective investors should also read the DC Rules and reach their own views prior to making any investment decisions. A copy of the DC Rules published by ISDA is available at: www.isda.org (or any successor website thereto).

Capitalised terms used but not defined in this summary have the meaning specified in the DC Rules.

Establishment of the Credit Derivatives Determinations Committees

In accordance with the DC Rules, a Credit Derivatives Determinations Committee has been formed for each of the regions of (a) the Americas, (b) Asia Ex-Japan, (c) Australia-New Zealand, (d) Europe, Middle East and Africa and (e) Japan. The Credit Derivatives Determinations Committees will act in accordance with the DC Rules and will make determinations that are relevant for Credit Derivative Transactions that incorporate, or are deemed to incorporate, the 2014 ISDA Credit Derivatives Definitions (the "**2014 Definitions**"). ISDA (or an appointee thereof) will serve as the DC Secretary of each Credit Derivatives Determinations Committee and will perform administrative duties and make certain determinations as provided for under the DC Rules.

Decision-making Process of the Credit Derivatives Determinations Committees

Each DC Resolution by a Credit Derivatives Determinations Committee will apply to Credit Derivative Transactions that incorporate, or are deemed to incorporate, the 2014 Definitions and for which the relevant provisions are not materially inconsistent with the provisions with respect to which the Credit Derivatives Determinations Committee bases its determination. As a result, determinations by the Credit Derivatives Determinations Committees are not applicable to the Noteholders, unless specified otherwise in the terms of the Credit Linked Notes. The Credit Derivatives Determinations Committees shall have no ability to amend the terms of the Credit Linked Notes. Furthermore, the institutions on the Credit Derivatives Determinations Committees owe no duty to the Noteholders. See "Risk Factors - Rights Associated with Credit Derivatives Determinations Committees" for further information. The terms of the Credit Linked Notes provide that the Noteholders will be subject to certain determinations by the Credit Derivatives Determinations Committees. The Credit Derivatives Determinations Committees will be able to make determinations without action or knowledge by the Noteholders.

A Credit Derivatives Determinations Committee will be convened upon referral of (i) a question to the DC Secretary by an identified eligible market participant and the agreement of at least one of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question, or (ii) a question to the DC Secretary by an unidentified eligible market participant and the agreement of at least two of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question, or (iii) a question to the DC Secretary by an eligible market participant which is an Eligible CCP (being an eligible clearing entity) and such question is not designated as a "General Interest Question" and relates to an eligible cleared Reference Entity with respect to such Eligible CCP and to certain specified matters such as a Credit Event, Potential Repudiation/Moratorium and/or Successor. The DC Secretary will convene the Credit Derivatives Determinations Committee for the region to which the referred question relates, as determined in accordance with the DC Rules. Any party to a transaction that incorporates, or is deemed to incorporate, the 2014 Definitions may refer a question to the DC Secretary for a Credit Derivatives Determinations Committee to consider. Therefore, a binding determination may be made with respect to the Credit Linked Notes without any action by the Noteholders. Noteholders (in their capacity as holders of the Credit Linked Notes) will not be able to refer questions to the Credit Derivatives Determinations Committees.

Once a question is referred to a Credit Derivatives Determinations Committee, a DC Resolution may result quickly, as a binding vote usually must occur within two business days of the first meeting held with respect to such question unless the timeframe is extended by agreement of at least 80% of the voting members participating in a vote held in accordance with the DC Rules. In addition, voting members of the Credit Derivatives Determinations Committees are required to participate in each binding vote, subject only to

limited abstention rights. Notices of questions referred to the Credit Derivatives Determinations Committees, meetings held to deliberate such questions, meeting statements and the results of binding votes will be published on the ISDA website and neither the Issuer, the Calculation Agent nor any of their respective Affiliates shall be obliged to inform the Noteholders of such information (other than as expressly provided in the Credit Linked Conditions). Noteholders shall therefore be responsible for obtaining such information. See "Risk Factors – Rights Associated with Credit Derivatives Determinations Committees".

The Credit Derivatives Determinations Committees have the ability to make determinations that may materially affect the Noteholders. The Credit Derivatives Determinations Committees will be able to make a broad range of determinations in accordance with the DC Rules that may be relevant to the Credit Linked Notes and materially affect the Noteholders. For each of the general types of questions discussed below, the Credit Derivatives Determinations Committees may determine component questions that arise under the 2014 Definitions, or the DC Rules and that are related to the initial question referred. Since the terms governing the credit-linked elements of the Credit Linked Notes are substantially similar to the 2014 Definitions, such determinations may affect the Noteholders, as further described below.

Credit Events

The Credit Derivatives Determinations Committees will be able to determine whether a Credit Event has occurred and, if applicable, the date of occurrence of such Credit Event. Related questions that are also within the scope of the Credit Derivatives Determinations Committees are whether a Potential Failure to Pay or a Potential Repudiation/Moratorium has occurred. In addition, the Credit Derivatives Determinations Committees will also determine, where necessary, whether the required Publicly Available Information has been provided. Each of these determinations, other than whether the required Publicly Available Information has been provided, requires the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the DC Rules in order to avoid the referral of the question to the external review process, as described further below. The determination of whether the required Publicly Available Information has been provided requires the agreement of at least a majority of the voting members participating in a binding vote held in accordance with the DC Rules and is not eligible for external review. Each of these determinations may affect whether an Event Determination Date will occur under the Credit Linked Notes. If the Credit Derivatives Determinations Committee Resolves that a Credit Event has occurred with respect to one of the Reference Entity(ies) on or after the Credit Event Backstop Date, then an Event Determination Date is deemed to have occurred in respect of the Credit Linked Notes.

Successors

The Credit Derivatives Determinations Committees will be able to determine whether there are any Successor or Successors to a Reference Entity and the relevant Succession Date. In addition, the Credit Derivatives Determinations Committees will also determine the identity of the Successor(s) in accordance with the DC Rules. For a Reference Entity that is not a Sovereign, the Credit Derivatives Determinations Committees will determine the Relevant Obligation(s) of the Reference Entity (including any adjustments required to be made if there is a Steps Plan), the proportion of the Relevant Obligation(s) to which each purported Successor succeeds and the Succession Date. For a Reference Entity that is a Sovereign, the Credit Derivatives Determinations Committees will determine the Relevant Obligation(s) of the Reference Entity (including any adjustments to be made if there is a Steps Plan), whether a Sovereign Succession Event has occurred, if so the proportion of the Relevant Obligation(s) to which each purported Successor succeeds, and the Succession Date. Each of these determinations requires the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the DC Rules in order to avoid the referral of the question to the external review process, as described further below, except for the actual identification of the Successor(s) for a Reference Entity (which only requires a majority and is not eligible for external review). The Calculation Agent may use the relevant DC Resolutions of the Credit Derivatives Determinations Committees in order to determine Successor(s) to the Reference Entity(ies).

Other Questions

The Credit Derivatives Determinations Committees will be able to determine whether circumstances have occurred that require a Substitute Reference Obligation to be identified and, if so, the appropriate Substitute Reference Obligation. The Credit Derivatives Determinations Committees may also make determinations in relation to (i) Standard Reference Obligations and if applicable replacement Standard Reference Obligations in accordance with the Standard Reference Obligation Rules and (ii) whether or not Asset Package Delivery is applicable pursuant to the 2014 Definitions and if so, any Asset Package relating to a

Prior Deliverable Obligation or Package Observable Bond, as applicable. In addition, the Credit Derivatives Determinations Committees will be able to determine whether an entity that acts as seller of protection under one or more transactions (such entity, the "**Relevant Seller**") or a Reference Entity has consolidated or amalgamated with, or merged into, or transferred all or substantially all its assets to, the Reference Entity or the Relevant Seller, as applicable, or that the Relevant Seller and the Affected Reference Entity have become Affiliates. Each of these determinations requires the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the DC Rules in order to avoid the referral of the question to the external review process, as described further below. The Calculation Agent may follow such DC Resolutions in making the equivalent determinations with respect to the Credit Linked Notes.

The Credit Derivatives Determinations Committees will be able to determine other referred questions that are relevant to the credit derivatives market as a whole and are not merely a matter of bilateral dispute. Such questions require the agreement of at least 80% of the voting members participating in a binding vote held in accordance with the DC Rules for each Credit Derivatives Determinations Committee implicated by the relevant question, as determined in accordance with the DC Rules, in order to avoid the possible referral of the question to the external review process, as described further below. Furthermore, the question relating to such DC Resolution may also be referred to the external review process if at least a majority of the voting members participating in a binding vote held in accordance with the DC Rules agree. Any guidance given by the Credit Derivatives Determinations Committees with respect to questions of interpretation of the 2014 Definitions are likely to influence the Calculation Agent in interpreting equivalent provisions under the Credit Linked Notes.

Any such question can be submitted to the Credit Derivatives Determinations Committees by an unidentified eligible market participant for deliberation. The relevant Credit Derivatives Determinations Committee(s) will deliberate such question upon the agreement of at least two of the voting members of the relevant Credit Derivatives Determinations Committee to deliberate the question. Once the deliberations on such question have commenced, the relevant Credit Derivatives Determinations Committee will proceed in accordance with the procedures described above with respect to the relevant question category, except that the identity of the eligible market participant who submitted the question will not be revealed to the members of the Credit Derivatives Determinations Committees or the general public.

External Review

As described immediately above, certain questions deliberated by the Credit Derivatives Determinations Committees are subject to an external review process if the required threshold is not met during the binding vote held with respect to such question. For such questions, if at least 80% of the voting members participating in a binding vote held in accordance with the DC Rules fail to agree, the question will be automatically referred to the external review process. Questions that are not eligible for external review often require only a simple majority of participating voting members to agree in order to reach a DC Resolution.

Questions referred to external review will be considered by a panel of three independent individuals who will be selected by either the relevant Credit Derivatives Determinations Committee or by the DC Secretary at random. The default duration of the external review process (which can be modified by the relevant Credit Derivatives Determinations Committee in accordance with the DC Rules) is twelve business days from the referral of the question and contemplates the receipt of both written submissions and oral argument. Any member of ISDA may provide written submissions to the external reviewers, which will be made available to the public on the ISDA website, and the conclusion reached in accordance with the external review process will be binding on the Noteholders. In instances where the vote of the relevant Credit Derivatives Determinations Committee was less than or equal to 60%, the decision of a majority of the external reviewers will be determinative. However, in instances where the vote of the relevant Credit Derivatives Determinations Committee was between 60% and 80%, all three external reviewers must agree in order to overturn the vote of the Credit Derivatives Determinations Committee.

Noteholders should be aware that the external reviewers may not consider new information that was not available to the relevant Credit Derivatives Determinations Committee at or prior to the time of the binding vote and questions may be returned to the Credit Derivatives Determinations Committee for another vote if new information becomes available. In addition, if the external reviewers fail to arrive at a decision for any reason, the entire process will be repeated. As a result, the external review process may be elongated

in certain situations, leaving questions that may materially affect the Noteholders unresolved for a period of time.

The Composition of the Credit Derivatives Determinations Committees

Each Credit Derivatives Determinations Committee is composed of fifteen voting members and three non-voting consultative members. Ten of the voting members are dealer institutions, with eight serving across all regions and two potentially varying by region. The other five voting members are non-dealer institutions that serve across all regions. The three non-voting consultative members consist of one dealer institution and one non-dealer institution that serve across all regions and one dealer institution that could potentially vary by region.

Noteholders will have no role in the composition of the Credit Derivatives Determinations Committees. Separate criteria applies with respect to the selection of dealer and non-dealer institutions to serve on the Credit Derivatives Determinations Committees and the Noteholders will have no role in establishing such criteria. In addition, the composition of the Credit Derivatives Determinations Committees will change from time to time in accordance with the DC Rules, as the term of an institution may expire or an institution may be required to be replaced. The Noteholders will have no control over the process for selecting institutions to participate on the Credit Derivatives Determinations Committees and, to the extent provided for in the Credit Linked Notes, will be subject to the determinations made by such selected institutions in accordance with the DC Rules.

No recourse against Credit Derivatives Determinations Committee

Noteholders will have no recourse against either the institutions serving on the Credit Derivatives Determinations Committees or the external reviewers. Institutions serving on the Credit Derivatives Determinations Committees and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under the DC Rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the institutions on the Credit Derivatives Determinations Committees do not owe any duty to the Noteholders and the Noteholders will be prevented from pursuing claims with respect to actions taken by such institutions under the DC Rules.

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

Noteholders shall be responsible for obtaining information relating to deliberations of the Credit Derivatives Determinations Committees. Notices of questions referred to the Credit Derivatives Determinations Committees, meetings held to deliberate such questions and the results of binding votes will be published on the ISDA website and neither the Issuer, the Calculation Agent nor any of their respective Affiliates shall be obliged to inform the Noteholders of such information (other than as expressly provided in the Credit Linked Conditions). Failure by the Noteholders to be aware of information relating to deliberations of a Credit Derivatives Determinations Committee will have no effect under the Notes and Noteholders are solely responsible for obtaining any such information.

Amendments to the DC Rules

The DC Rules may be amended from time to time without the consent or input of the Noteholders and the powers of the Credit Derivatives Determinations Committees may be expanded or modified as a result.

**ANNEX C TO THE ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED
NOTES AUCTION SETTLEMENT TERMS ANNEX**

**FORM OF ASSET TRANSFER NOTICE
AB FINANCIAL PRODUCTS DESIGNATED ACTIVITY COMPANY**

**EUR 500,000,000
STRUCTURED NOTE PROGRAMME**
[title of relevant Series of Notes]

When completed, this Notice should be delivered (if the Note to which this Notice relates is represented by a Global Note) in such manner as is acceptable to Euroclear or Clearstream, Luxembourg, as the case may be, to Euroclear or Clearstream, Luxembourg (as applicable) with a copy to the Issuer and the Fiscal Agent or (if the Note to which this Notice relates is in definitive form) should be delivered in writing or by tested telex with the Note to any Paying Agent with a copy to the Issuer and the Fiscal Agent not later than the close of business in each place of reception on the Cut-Off Date.

[To: Euroclear Bank S.A./N.V. 1 Boulevard du Roi Albert II B-1210 Brussels Belgium Attention: Custody Processing Department Telex: 61025 MGTEC B]	or:	[Clearstream Banking, société anonyme 42 Avenue JF Kennedy L-2967 Luxembourg Attention: OCE Department Telex: 2791] ^{2**}
--	-----	---

[To:]	[or:]
-------	-------

[Copy: <i>In the case of Bearer Notes</i> [Paying Agent]]	Copy: [Issuer] [Insert Issuer contact details]
--	---

* **The Paying Agent with whom any definitive Notes are deposited will not in any circumstances be liable to the depositing Noteholder or any other person for any loss or damage arising from any act, default or omission of such Paying Agent in relation to the said definitive Notes or any of them unless such loss or damage was caused by the fraud or negligence of such Paying Agent or its directors, officers or employees.**

** **Delete as applicable.**

² Include if the Note to which this Notice relates is represented by a Global Note.

Failure properly to complete and deliver this Notice (in the determination of [[Euroclear/Clearstream, Luxembourg*]²/the Issuer¹]) may result in this Notice being treated as null and void.

Expressions defined in the terms and conditions of the Notes as amended and/or supplemented by the applicable Pricing Supplement shall bear the same meanings herein.

I/We*, the [Accountholder²/Noteholder¹] specified in 1 below, being the holder of the Notes, request that the Issuer deliver the relevant Entitlement(s) to which I am/we are* entitled in relation to such Notes, all in accordance with the Conditions.

1. Name(s), Address(es) and Telephone number(s) of [Accountholder¹/Noteholder²]

2. Details required for delivery of the relevant Entitlement(s) as set out in applicable Pricing Supplement

[Insert details for delivery which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered.]

3. Name, address and telephone number of person from whom details may be obtained for the delivery of the relevant Entitlement if delivery is to be made otherwise than in the manner specified in the applicable Pricing Supplement

[4.] [Nominal amount of Notes subject of this Notice]²

[5.] [Instructions to Euroclear/Clearstream, Luxembourg]

I/We* hereby irrevocably authorise and instruct Euroclear/Clearstream, Luxembourg* to debit the Note(s) referred to above from the Account referred to below on or before the Delivery Date.

Account No:

Name:]²

[6.] [Delivery Expenses]

I/We* hereby irrevocably undertake to pay all expenses in respect of the delivery of the relevant Entitlement(s) [and irrevocably authorise Euroclear/Clearstream, Luxembourg* to debit my/our* specified account at Euroclear/Clearstream, Luxembourg* in respect thereof] and to pay such Expenses. The account specified for such purpose is:

Account No:

Name:]²

[7.] Noteholder's [Euroclear/Clearstream, Luxembourg*]² Account for payment of any cash amount specified in the applicable Pricing Supplement as being payable

¹ Delete if the Note to which this Notice relates is in definitive form.

² Include if the Note to which this Notice is represented by a Global Note.

I/We* hereby instruct that any [dividends/amounts payable or any other cash amount, specified in the applicable Pricing Supplement payable to me/us]* shall be credited to the [Euroclear/Clearstream, Luxembourg*]² Account referred to below.

Account No:

Name:

[Name and address of bank or institution at which such Account is held:]²

[8.] I/We* hereby certify that (a) the beneficial owner of each Note is not a 'US Person' as defined in Regulation S under the United States Securities Act of 1933, as amended (**US Person**), (b) the Note is not being redeemed within the United States or by or on behalf of a US Person and (c) 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 US Person in connection with any redemption thereof.

[9.] Authorisation of production in proceedings

I/We* hereby authorise the production of this Notice in any administrative or legal proceedings instituted in connection with the Note or Notes to which this Notice relates.

DESPATCH BY POST OR COURIER WILL BE MADE AT THE RISK AND EXPENSE OF THE NOTEHOLDER.

Signed

Date

Acknowledgement and acceptance from the Issuer to the [Paying Agent] to arrange the mark-down and cancellation of the [Notes] for a nominal amount of that specified in item [4] of this Asset Transfer Notice as of the effective date of []

AB FINANCIAL PRODUCTS DESIGNATED ACTIVITY COMPANY

.....

² Include if the Note to which this Notice relates is represented by a Global Note.

REGISTERED OFFICE OF THE ISSUER

AB Financial Products Designated Activity Company

2nd Floor
1-2 Victoria, Buildings
Haddington Road
Dublin 4
Ireland

REGISTERED OF THE GUARANTOR, ARRANGER AND DEALER

Andorra Banc Agrícola Reig, B.V.
Calle Manuel
Cerqueda i Escaler 6
AD700 Escaldes – Engordany
The Principality of Andorra

FISCAL AGENT

The Bank of New York Mellon,
One Canada Square,
London
E14 5AL

LEGAL ADVISERS

*To the Arranger
as to English law:*

Clifford Chance LLP
10 Upper Bank Street
London
E14 5JJ

*To the Arranger
as to Irish law:*

A&L Goodbody
IFSC
North Wall Quay
Dublin 1
Ireland

**AUDITORS TO
THE GUARANTOR**

KPMG, SLU
Edifici Centre de Negoci Manuel
Cerqueda i Escaler 6, Despatx 14 AD700
Escaldes-Engordany
Andorra

LISTING AGENT

The Bank of New York Mellon SA/NV
Dublin Branch
Riverside II, Sir John Rogerson's Quay
Grand Canal Dock, Dublin 2,
Ireland