BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

$10,000,000,000
GLOBAL COLLATERALISED MEDIUM TERM NOTES

supported by a limited recourse undertaking by Barclays CCP Funding LLP

Barclays Bank PLC (the "**Bank**" or the "**Issuer**") may from time to time issue notes under this $10,000,000,000 Global Collateralised Medium Term Note Series (the "**Global Collateralised Medium Term Note Series**") in separate Classes (such notes, the "**Global Collateralised Medium Term Notes**") and will utilise the proceeds to make advances to Barclays CCP Funding LLP (the "**LLP**") under the Intercompany Loan Agreement. The LLP will utilise the proceeds of each such advance to enter into transactions under one or more repurchase agreements (each, a "**Repurchase Agreement**") with the Issuer, Barclays Capital Securities Limited ("**BCSL**") , Barclays Capital Inc. ("**BCI**") and such other sellers as may be appointed from time to time, as sellers thereunder (each, a "**Seller**") , pursuant to which the LLP will purchase various Eligible Securities (as defined herein) from the applicable Seller, subject to such Seller's obligation to repurchase such Eligible Securities on the Repurchase Date (as defined herein) for the related Class (as defined herein). **The Global Collateralised Medium Term Notes represent direct, unsubordinated and unsecured obligations of the Issuer and will rank equally among themselves and, with the exception of certain obligations given priority by applicable law, will rank *pari passu* with all other present and future outstanding unsecured and unsubordinated obligations of the Issuer.**

The Global Collateralised Medium Term Notes are supported by the LLP Undertakings, and neither the Global Collateralised Medium Term Notes nor the LLP Undertakings represent interests in or obligations of the Issue and Paying Agent, the Collateral Administrator, the Applicable Enforcing Party, any Custodian, any Securities Intermediary, any Account Bank or any of the other parties to the transactions described herein or any of their respective affiliates. **The obligations of the LLP under the LLP Undertakings constitute direct, unsubordinated and secured limited recourse obligations of the LLP.**

This Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**") as competent authority under Directive 2003/71/EC, as amended (the "**Prospectus Directive**") . The Central Bank only approves this Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application will be made to the Irish Stock Exchange for Classes of Global Collateralised Medium Term Notes within 12 months of this Base Prospectus to be admitted to the official list (the "**Official List**") and trading on its regulated market (the "**Main Securities Market**") . The Main Securities Market is a regulated market for the purposes of Directive 2004/39/EC (the "**Markets in Financial Instruments Directive**") . Such approval relates only to the Global Collateralised Medium Term Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or which are to be offered to the public in any Member State of the European Economic Area ("**Member State**") .

Neither the Issuer nor any Dealer intends to make a market in any Class of Global Collateralised Medium Term Notes.

The Global Collateralised Medium Term Note Series has been issued long term ratings of A- and short term ratings of A-2 by Standard & Poor's Credit Market Services Europe Limited, long term ratings of A2 and short term ratings of P-1 by Moody's Investors Service Ltd. and long term ratings of A and short term ratings of F1 by Fitch Ratings Limited, each of which is established in the European Union, registered under Regulation (EC) No1060/2009, as amended (the "**CRA Regulation**") , and included in the list of credit rating agencies published by ESMA on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation.

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

Prospective investors should carefully read the risk factors described under the section headed "Risk Factors" herein.

Barclays

11 June 2015

Base Prospectus: This document, as supplemented from time to time, comprises the base prospectus for the Programme and gives information with regard to Barclays Bank PLC and its subsidiaries and affiliates taken as a whole, the LLP and the Global Collateralised Medium Term Notes issued under the Global Collateralised Medium Term Note Series which, according to the particular nature of the Issuer, the LLP and the Global Collateralised Medium Term Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of such Issuer and the LLP. When used for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") , this base prospectus is referred to herein as the "**Base Prospectus**" and is valid for one year from the date hereof. The Base Prospectus, any applicable supplement thereto and the applicable Final Terms for a Class are referred to herein as the "**Offering Documents**" .

Responsibility: The Issuer accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The LLP accepts responsibility for the information contained in this Base Prospectus and the Final Terms relating to it and the LLP Undertakings. To the best of the knowledge of the LLP (having taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Ratings: Classes of Notes issued under the Programme will be rated or unrated. Where a Class of Notes is rated, such rating will not necessarily be the same as the rating(s) described above or the rating(s) assigned to Notes already issued. Where a Class of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Class of Notes will be (1) issued by a credit rating agency ("**CRA**") established in the European Union ("**EU**") and registered (or which has applied for registration and not been refused) under the CRA Regulation; or (2) issued by a credit rating agency which is not established in the EU but will be endorsed by a CRA which is established in the EU and registered under the CRA Regulation; or (3) issued by a credit rating agency which is not established in the EU but which is certified under the CRA Regulation will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EU and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EU before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused; or (2) the rating is provided by a credit rating agency not established in the EU but is endorsed by a credit rating agency established in the EU and registered under the CRA Regulation; or (3) the rating is provided by a credit rating agency not established in the EU which is certified under the CRA Regulation.

Offers in Relevant Member States: This Base Prospectus has been prepared on the basis that any offer of Global Collateralised Medium Term Notes (or beneficial interests therein) with a denomination of less than €100,000 (or its equivalent in any other currency) in any Member State which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Global Collateralised Medium Term Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Global Collateralised Medium Term Notes which are the subject of an offering contemplated in this Base Prospectus as completed by the applicable Final Terms in relation to the offer of such Global Collateralised Medium Term Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor does any of them authorise, the making of any offer of Global Collateralised Medium Term Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

Independent Investigation: None of this Base Prospectus or any financial statements or any other financial information supplied in connection with the Global Collateralised Medium Term Note Series or any Global Collateralised Medium Term Note is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by the Issuer or the Applicable Enforcing Party (as defined below) that any recipient of this Base Prospectus or any financial statements or any other financial information supplied in connection with the Series or any Global Collateralised Medium Term Notes should purchase any Global

Collateralised Medium Term Notes. Investors should conduct their own independent investigations into the financial condition and affairs of, and their own appraisal of the creditworthiness of, the Issuer and the LLP and of the suitability of the relevant Global Collateralised Medium Term Notes as an investment in light of their own circumstances and financial condition and, in deciding whether to purchase Global Collateralised Medium Term Notes, investors should form their own views of the merits of such an investment based upon such investigations and not in reliance solely upon any information given in the applicable Offering Documents. Prospective investors should carefully read the risk factors described in the section headed "*Risk Factors*".

Change of Circumstances: The delivery of the Offering Documents and any sale of Global Collateralised Medium Term Notes pursuant thereto shall not, in any circumstances, create any impression that the information contained therein concerning the Issuer or the LLP is correct at any time subsequent to the date thereof or that any other information supplied in connection with the Global Collateralised Medium Term Notes is correct as of any time subsequent to the date indicated in the document containing the same. Investors should review, inter alia, the most recent consolidated financial statements, if any, and any public announcements, if any, of the Issuer and the LLP when deciding whether to purchase any Global Collateralised Medium Term Notes.

Distribution: The distribution of the Offering Documents and the offer or sale of the Global Collateralised Medium Term Notes in certain jurisdictions may be restricted by law. This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offering or solicitation, and no action is being taken to permit an offering of the Global Collateralised Medium Term Notes or the distribution of this Base Prospectus in any jurisdiction where action is required. Persons into whose possession the Offering Documents come are required by the Issuer and the LLP to inform themselves about and to observe any such restrictions. The Global Collateralised Medium Term Notes and the LLP Undertakings have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and the Global Collateralised Medium Term Notes may be in the form of Bearer Notes (as defined below) and therefore subject to additional US tax law requirements. Subject to certain exceptions, Global Collateralised Medium Term Notes may not be offered, sold or, in the case of Bearer Notes, delivered within the United States or to US persons (as defined in Regulation S ("**Regulation S**") under the Securities Act) or to, or for the account or benefit of, US persons (as defined in the US Internal Revenue Code of 1980 and the regulations thereunder). The Global Collateralised Medium Term Notes are being offered and sold outside the United States to non-US persons in reliance on Regulation S and, in the case of Registered Notes (as defined below), within the United States only to persons who are both (i) Qualified Institutional Buyers ("**QIBs**") in reliance on Rule 144A ("**Rule 144A**") under the Securities Act and (ii) Qualified Purchasers ("**QPs**") within the meaning of Section 2(a)(51)(A) of the United States Investment Company Act of 1940, as amended (the "**Investment Company Act**") and the rules and regulations thereunder, in each case, acting for their own account or for the account of one or more QIBs who are also QPs in reliance on Rule 144A. Prospective investors are hereby notified that sellers of the Global Collateralised Medium Term Notes may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of Global Collateralised Medium Term Notes and distribution of the Offering Documents see the sections entitled "*Clearance, Settlement and Transfer Restrictions*" of the Base Prospectus, "*Purchase and Sale*" of the Base Prospectus and in the applicable Final Terms.

Representations: In connection with the issue and sale of Global Collateralised Medium Term Notes, no person has been authorised to give any information or to make any representation not contained in or consistent with the Offering Documents and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the LLP, the Collateral Administrator, the Issue and Paying Agent, the Applicable Enforcing Party, the New York Agent and New York Registrar, the Luxembourg Registrar, any Paying Agent, any Transfer Agent, any Custodian or any Dealer. None of the Issuer or the LLP accepts responsibility for any information not contained in the Offering Documents. None of the Issuer, the LLP, the Collateral Administrator, the Issue and Paying Agent, the Applicable Enforcing Party, the New York Agent and New York Registrar, the Luxembourg Registrar, any Paying Agent, any Transfer Agent, any Custodian or any Dealer makes any representation or warranty whatsoever or accepts any responsibility with respect to any Collateral for any Class.

No Investment Advice: None of the Offering Documents is, nor does it purport to be, investment advice. Unless expressly agreed otherwise with a particular investor, none of the Issuer, the LLP or any Dealer is acting as an

investment adviser or providing advice of any other nature, or assumes any fiduciary obligation, to any investor in Global Collateralised Medium Term Notes.

References: In any Offering Document, references to "**USD**" , "**$**" , "**US$**" and "**US dollars**" are to United States dollars, references to "**GBP**" , "**£**" and "**sterling**" are to pounds sterling and references to "**JPY**" , "**¥**" and "**yen**" are to Japanese yen. References to "**EUR**", "**euro**" and "**€**" are to the lawful currency of the Member States that have adopted or adopt the single currency in accordance with the Treaty establishing the European Community, as amended. In any Offering Document references to the "**Conditions**" are to the terms and conditions of the relevant Global Collateralised Medium Term Notes, being the Conditions of the Global Collateralised Medium Term Notes, and the applicable Final Terms, and references to "**Offeror**" are to any person from whom any investor acquires or intends to acquire Global Collateralised Medium Term Notes. The Irish Stock Exchange's regulated market and each market that is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments shall be referred to herein as a "**Regulated Market**" .

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955 ("**RSA 421-B**"), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT, ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

The Global Collateralised Medium Term Notes and the LLP Undertakings have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Global Collateralised Medium Term Notes or the accuracy or the adequacy of the Offering Documents. Any representation to the contrary is a criminal offence in the United States.

Verification: None of the Collateral Administrator, the Issue and Paying Agent, the Applicable Enforcing Party, the New York Agent and New York Registrar, the Luxembourg Registrar, any Paying Agent, any Transfer Agent, any Custodian or any Dealer have separately verified the information contained in this Base Prospectus. To the fullest extent permitted by law, none of the Collateral Administrator, the Issue and Paying Agent, the Applicable Enforcing Party, the New York Agent and New York Registrar, the Luxembourg Registrar, Paying Agent and Transfer Agent, any Custodian or any Dealer makes any representation, express or implied, or accepts any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by any Dealer or on its behalf in connection with the Issuer, the LLP or the issue and offering of the Global Collateralised Medium Term Notes. The Collateral Administrator, the Issue and Paying Agent, the Applicable Enforcing Party, the New York Agent and New York Registrar, the Luxembourg Registrar, Paying Agent and Transfer Agent, any Custodian and any Dealer accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which it might otherwise have in respect of this Base Prospectus or any such statement. Each potential purchaser of Global Collateralised Medium Term Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Global Collateralised Medium Term Notes should be based upon such investigation as it deems necessary. None of the Collateral Administrator, the Issue and Paying Agent, the Applicable Enforcing Party, the New York Agent and New York Registrar, the Luxembourg Registrar, Paying Agent and Transfer Agent, any Custodian or any Dealer undertake to review the financial condition or affairs of the Issuer or the LLP during the life of the arrangements contemplated by this Base Prospectus or to advise any investor or prospective investor in the Global Collateralised Medium Term Notes of any information coming to the attention of any Dealer.

Regulatory Review: The contents of this Base Prospectus have not been reviewed or approved by any regulatory authority (other than the Central Bank, which is the Irish competent authority (the "**Regulatory Authority**") for the purposes of the Prospectus Directive).

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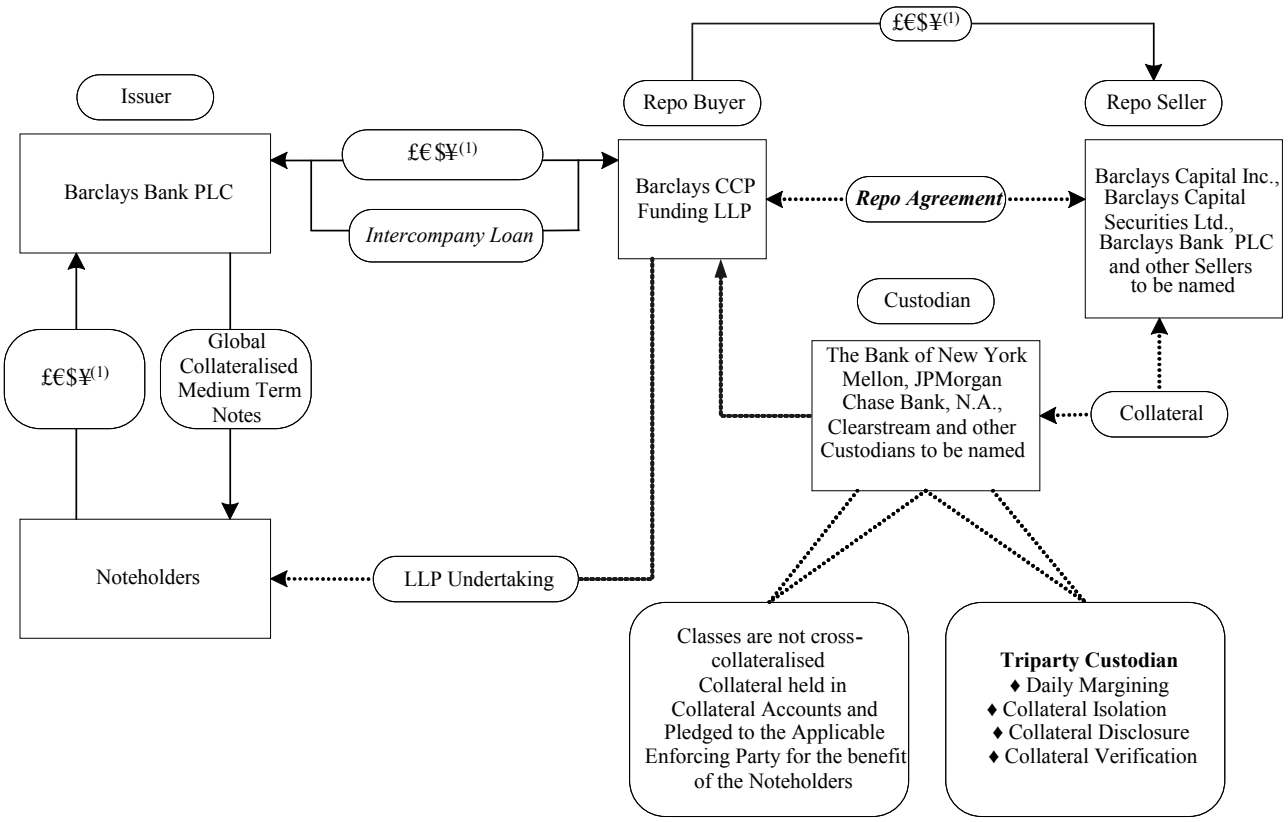
OVERVIEW

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and in the Transaction Documents in respect of Global Collateralised Medium Term Notes. Unless otherwise defined, capitalised terms used in this Overview shall have the meaning given to them in the Conditions of the Global Collateralised Medium Term Notes. An "Index of Defined Terms" is included at the end of this Base Prospectus.

STRUCTURE OVERVIEW



(1) or other Eligible Currency

GLOBAL COLLATERALISED MEDIUM TERM NOTE SERIES OVERVIEW

GENERAL DESCRIPTION

Description:	Barclays Bank PLC has established a programme (the "**Programme**") to issue a variety of securities, including Global Collateralised Medium Term Notes, supported by a limited recourse undertaking by the LLP. This Base Prospectus relates to a global collateralised, multi-currency medium term note series for the issue of Global Collateralised Medium Term Notes (the "**Global Collateralised Medium Term Note Series**") under the Programme. Global Collateralised Medium Term Notes are issued pursuant to the Agency Agreement and the applicable Final Terms. The Global Collateralised Medium Term Note Series will provide financing initially to the Issuer and to BCSL, a UK broker-dealer and subsidiary of the Issuer, and BCI, a US broker-dealer and subsidiary of the Issuer. The Issuer will utilise the proceeds of the issuance of Notes to make advances to the LLP under the Intercompany Loan Agreement. The LLP will utilise the proceeds of each such advance to enter into transactions under one or more Repurchase Agreements with the Issuer, BCSL, BCI and such other Sellers as may be appointed from time to time. The Global Collateralised Medium Term Note Series will have common rights, powers, duties and obligations including (i) the person or persons eligible to enter into a Repurchase Agreement with the LLP and act as a seller thereunder with respect to such Global Collateralised Medium Term Note Series, (ii) the person or persons appointed to act as a secured party (each, an "**Applicable Enforcing Party**") with respect to any Class of such Series, (iii) the document or documents identified as the security documents with respect to such Global Collateralised Medium Term Note Series, which will govern the remedies available to enforce the rights of the Noteholders with respect to such Global Collateralised Medium Term Note Series and (iv) the currencies in which notes of such Global Collateralised Medium Term Note Series may be issued. See also "*Information Relating to the Issuer*" below.
Issuer:	The Bank.
Administrator:	The Bank.
Sellers:	Barclays Bank PLC, Barclays Capital Inc. and Barclays Capital Securities Limited. Other Sellers may be added pursuant to the GCMTN Series Documents.
Issue and Paying Agent:	The Bank of New York Mellon, acting through its London branch.
New York Agent and New York Registrar:	The Bank of New York Mellon, acting through its New York branch.
Luxembourg Registrar, Paying Agent and Transfer Agent:	The Bank of New York Mellon (Luxembourg) S.A.

Calculation Agent:	The Bank of New York Mellon or any other Calculation Agent appointed pursuant to Section 2.3 of the Agency Agreement.
Dealers:	Barclays Bank PLC and Barclays Capital Inc. Other Dealers may be added pursuant to the Dealer Agreement.
Distribution:	Syndicated or non-syndicated.
Maximum Amount of the Series:	$10,000,000,000 (or its equivalent in other currencies), subject to increase from time to time.
Status of Global Collateralised Medium Term Notes:	Direct, unsubordinated and unsecured obligations of the Issuer ranking equally among themselves and with all its other present and future unsecured and unsubordinated obligations (except for obligations preferred by law). See also "*Status of the LLP Undertaking*" below.
Listing:	On the Irish Stock Exchange and/or other recognised stock exchanges. Unlisted Global Collateralised Medium Term Notes may be issued.
Rating:	Classes of Global Collateralised Medium Term Notes may be rated or unrated. Where a Class of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Expenses and Taxation:	Noteholders must pay all Taxes and/or Settlement Expenses arising from the ownership, transfer, sale, redemption, exercise or cancellation of Global Collateralised Medium Term Notes and/or receipt or transfer of any Redemption Amount. Unless otherwise required by law, all payments on Global Collateralised Medium Term Notes will be made free and clear of, and without withholding or deduction for, any present or future Taxes. Where such withholding or deduction is required by law, the Issuer will, unless otherwise specified in the Conditions of the Global Collateralised Medium Term Notes, pay additional amounts to Noteholders. See also "*Taxation*" below.
Governing Law:	The GCMTN Series Documents are governed by the laws of England and Wales, except that there may be Repurchase Agreements, LLP Undertakings, Security Agreements, a Securities Account Control Agreement and a Deposit Account Control Agreement governed by the laws of the State of New York, and certain Custodial Agreements governed by the laws of the State of New York or by the laws of Luxembourg. The LLP Deed and the Intercompany Loan Agreement are governed by the laws of England and Wales. The Administration Agreement is governed by the laws of the State of New York.
Issue Price:	If the Global Collateralised Medium Term Notes are not interest bearing, par less a discount representing an interest factor, if the Global

	Collateralised Medium Term Notes bear a floating rate of interest, par, and if the Global Collateralised Medium Term Notes bear a fixed rate of interest, par or a discount representing an additional yield component. The price and aggregate amount of Global Collateralised Medium Term Notes to be issued of any Class will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
Maturities:	The Global Collateralised Medium Term Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer.
Currencies:	Global Collateralised Medium Term Notes may be issued in any currency permitted under the Agency Agreement.
Minimum denomination of the Global Collateralised Medium Term Notes:	The Global Collateralised Medium Term Notes shall be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements and save that the minimum denomination of each Global Collateralised Medium Term Note admitted for trading on a Regulated Market within the European Economic Area or offered to the public in a Member State in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or, if denominated in a currency other than euro, the equivalent amount in such currency).
Form:	Bearer or registered or dematerialised form and Global Collateralised Medium Term Notes of one form will not be exchangeable for another.
Terms:	Global Collateralised Medium Term Notes of any kind may be issued, including interest bearing and non-interest bearing.
Redemption:	Global Collateralised Medium Term Notes will be redeemed by payment of the principal amount and, in the case of interest bearing Global Collateralised Medium Term Notes, interest.
Settlement:	The Global Collateralised Medium Term Notes will be available for delivery to a common depositary or common safekeeper (as applicable) for Euroclear S.A./N.V. and Clearstream Banking, société anonyme, The Depositary Trust Company ("**DTC**"), or to any other recognised clearing system.
Classes:	Classes of the Global Collateralised Medium Term Note Series will be governed by the Final Terms and each Class will have the same terms, including ISIN or CUSIP, as applicable, issuance date, maturity date and Collateral, as set forth in the Final Terms for such Class.
Programme Documents:	The LLP Deed, the Intercompany Loan Agreement and the Administration Agreement, together with any other documents, agreements or instruments executed in connection therewith.

GCMTN Series Documents: The Agency Agreement, the Security Agreements, the Collateral Administration Agreement, the LLP Undertakings, each relevant Repurchase Agreement, the Custodial Agreements, the Dealer Agreement, the Transaction Bank Agreement, the Custody Agreement, the ICPE Collateral Account Agreement, if any, the GCMTN Deed of Covenant, the Credit Support Deed, if any, the Securities Account Control Agreements and the Deposit Account Control Agreement, together with any other documents, agreements or instruments executed in connection therewith.

Selling Restrictions: Offers and sales of the Global Collateralised Medium Term Notes and the distribution of the Offering Documents and other information relating to the Issuer and the Global Collateralised Medium Term Notes, and to the LLP and the LLP Undertakings, are subject to certain restrictions, details of which are set out under "*Selling Restrictions*" below.

LLP UNDERTAKING AND CLASS COLLATERAL

LLP: Barclays CCP Funding LLP is a special purpose entity established as a limited liability partnership in England and Wales. The members of the LLP on the Series Closing Date are the Issuer and the Liquidation Member (as defined below). One hundred percent of the economic interest in the LLP is owned by Barclays Bank PLC, and the LLP is consolidated with Barclays Bank PLC under applicable international accounting standards.

Liquidation Member: Barclays Shea Limited (the "**Liquidation Member**"). All the Liquidation Member's issued share capital is held by (or by nominees for) Barclays Bank PLC.

Intercompany Loan Agreement: The Issuer has entered into the Intercompany Loan Agreement (as defined herein) with the LLP. Pursuant to the Intercompany Loan Agreement, the Issuer from time to time may make Advances (as defined herein) to provide funding to the LLP for purchase of Eligible Securities under various Repurchase Agreements. A description of the conditions to funding, notices and timing, appears in "*Summary of the Transaction Documents —The Intercompany Loan Agreement*" and "*Summary of the Transaction Documents —The Collateral Administration Agreement – Pre-Acceleration Priority of Payments*" below.

Series amendments: The Administrator may at any time amend or otherwise modify any of the terms of any GCMTN Series Document by complying with certain conditions, but generally without the need for consent of the Noteholders of any Class. See "*Summary of the Transaction Documents—The Collateral Administration Agreement—Amendment of GCMTN Series Documents*" below.

Applicable Enforcing Party: With respect to Collateral for any Class held through the triparty custodial system in the United States, The Bank of New York Mellon, and with respect to Collateral for any Class held through the triparty custodial system in Europe, The Bank of New York Mellon, acting through its London branch, in each case as set forth in the Final Terms for each Class.

Collateral Administrator:	The Bank of New York Mellon acting through its London branch, in its capacity as collateral administrator under the Collateral Administration Agreement, together with any replacement or successor collateral administrator appointed from time to time (each, a "**Collateral Administrator**").
Custodians:	As the context may require, (i) The Bank of New York Mellon, in its capacity as custodian under the Custodial Undertakings, the CMMA and the ICPE Collateral Account Agreement, if any, together with any replacement or successor custodian appointed from time to time, (ii) Clearstream Banking, société anonyme, in its capacity as custodian under the CMSA, together with any replacement or successor custodian appointed from time to time, (iii) JPMorgan Bank, N.A., in its capacity as custodian under each Custodial Arrangement and/or (iv) any other party appointed by the LLP and a Seller in connection with the Global Collateralised Medium Term Notes and any Repurchase Agreement, together with any replacement or successor custodian appointed from time to time, as the context may require (each, a "**Custodian**").
LLP Undertaking:	The Series is supported by limited recourse payment undertakings by the LLP (i) limited only to the Collateral held on the triparty custodial system in Europe and expressed in the Security Agreement (English Law) as applicable to such Class ("**LLP Undertaking (English Law)**") and (ii) limited only to the Collateral held on the triparty custodial system in the United States and expressed in the Security Agreement (New York Law) as applicable to such Class ("**LLP Undertaking (New York Law)**") and, together with the LLP Undertaking (English Law), the **"LLP Undertakings"** and each an "**LLP Undertaking**" as the context requires). The LLP Undertaking (English Law) was entered into as of the Series Closing Date. The LLP Undertaking (New York Law) was entered into as of the Amendment Closing Date. Pursuant to the LLP Undertakings, the LLP has undertaken to make full and prompt payment, when a Class is Due for Payment, of all Payment Amounts with respect to each applicable Class of the Global Collateralised Medium Term Notes, which may be less than the amount that would have been due had such Class been paid on its scheduled maturity date in full. A Noteholder's recourse under an LLP Undertaking is limited only to the Collateral expressed in the Security Agreement as applicable to the Class held by such Noteholder and all payments to such Noteholder are limited by and subject to the Pre-Acceleration Priority of Payments summarised under "*Summary of the Transaction Documents—The Collateral Administration Agreement*" and the Post-Acceleration Priority of Payments summarised under "*Summary of the Transaction Documents—The Security Agreement (English law)*" and "*Summary of the Transaction Documents—The Security Agreement (New York law)*." An Acceleration Event may occur with respect to a Class of Notes secured by the European System Securities Collateral under the Security Agreement (English Law) and with respect to a Class of Notes secured by the US System Securities Collateral under the Security Agreement (New York Law). Therefore, in the event the amount realised upon any liquidation or distribution of Collateral applicable to any Class following an Acceleration Event (as defined below) is less than the Payment Amount with respect thereto, no holder of the Global Collateralised Medium Term Notes in such Class will have recourse to

any other Collateral, including without limitation, any Class Collateral of any other Class, or any excess proceeds derived from the liquidation or distribution of the Class Collateral applicable to any other Class, nor will any such holder have recourse to any of the LLP's assets securing any other Series or its contributed capital. If, following an Acceleration Event, a Global Collateralised Medium Term Note is accelerated on a date prior to its maturity date, the Payment Amount will not include interest accruing (or discount accreting) for any period after the applicable Acceleration Date. See "*Summary of the Transaction Documents—The LLP Undertakings*" below.

The Security Agreement:

To secure the LLP's obligations to the Secured Creditors, whose Collateral for any Class is held through the triparty custodial system in Europe, the LLP and the Security Trustee have entered into an English law governed security agreement, dated as of the Series Closing Date. To secure the LLP's obligations (if any) to the Secured Creditors, whose Collateral for any Class is held through the triparty custodial system in the United States, the LLP and the Collateral Agent entered into a New York law governed security agreement, dated as of the Amendment Closing Date. For the avoidance of doubt, the LLP Undertaking in relation to a Class of Notes will be secured by either European System Securities Collateral or US System Securities Collateral.

Security Agreement (English Law):

Pursuant to the Security Agreement (English Law), the LLP shall transfer to the Security Trustee collateral that constitutes Financial Collateral and shall assign all other collateral (other than collateral transferred pursuant to any other title transfer agreement, such as the Title Transfer Side Letter entered into by the same parties to the Security Agreement (English Law) (the "**Title Transfer Side Letter**")) held in a European triparty system to the Security Trustee as an Applicable Enforcing Party, in each case for the benefit of the European System Secured Creditors of such Class. References herein to the Security Agreement (English Law) shall also be interpreted to include references to the Title Transfer Side Letter and other similar security interest arrangements. The Security Trustee is authorised to pursue remedies under the Security Agreement (English Law) on behalf of the applicable European System Secured Creditors, and Noteholders are not permitted to pursue remedies directly against the LLP or the Seller, or to liquidate the collateral. The Security Agreement (English Law) also sets forth the priority of payments with respect to European System Class Collateral after the occurrence of an Acceleration Event for a Class. For a more detailed description of the Security Agreement (English Law), the remedies available to the Security Trustee, and the European System Post-Acceleration Priority of Payments, see "*Summary of the Transaction Documents—The Security Agreement (English Law)*" below.

Any European System Qualified Directing Investor will be entitled to certain additional remedies beyond those set forth above. See "*Summary of the Transaction Documents—The Security Agreement (English Law)—Qualified Directing Investors*" below.

Pursuant to the Title Transfer Side Letter, the LLP transfers and agrees to transfer by way of absolute assignment to the Security Trustee to hold on trust for the Relevant Secured Creditors that are European

System Secured Creditors all of the LLP's legal and beneficial rights in, to and under (a) the Collateral Account held by Clearstream as Custodian, the TB Source Account, and the credit balances on, and indebtedness represented by, them and including all securities, cash or other property from time to time credited thereto or therein; and (b) obligations of Clearstream under the Undertaking and Side Agreement with respect to the Collateral Management Service Agreement for Collateral Receiver and the Transaction Bank Relationship Management Agreement and related side letter (the "**Clearstream Rights and Collateral**").

Security Agreement (New York Law): Pursuant to the Security Agreement (New York Law), the LLP grants a security interest to the Collateral Agent as an Applicable Enforcing Party in the applicable collateral held in a US triparty system for the benefit of the US System Secured Creditors of such Class of the Global Collateralised Medium Term Notes. The Collateral Agent is authorised to pursue remedies under the Security Agreement (New York Law) on behalf of the applicable US System Secured Creditors, and Noteholders are not permitted to pursue remedies directly against the LLP or the Seller, or to liquidate the collateral secured by the Security Agreement (New York Law). The Security Agreement (New York Law) also sets forth the priority of payments with respect to the US System Class Collateral after the occurrence of an Acceleration Event. For a more detailed description of the Security Agreement (New York Law), the remedies available to the Collateral Agent, and the US System Post-Acceleration Priority of Payments, see "*Summary of the Transaction Documents—The Security Agreement (New York Law)*" below.

Any US System Qualified Directing Investor will be entitled to certain additional remedies beyond those set forth above. See "*Summary of the Transaction Documents—The Security Agreement (New York Law)—Qualified Directing Investors*" below.

Status of the LLP Undertakings: The obligations of the LLP under the LLP Undertakings constitute direct, unsubordinated and secured limited recourse obligations of the LLP.

A Noteholder's recourse under an LLP Undertaking is limited only to the Collateral expressed in the Security Agreement as applicable to the Class held by such Noteholder and all payments to such Noteholder are limited by and subject to the Pre-Acceleration Priority of Payments summarised under "*Summary of the Transaction Documents—The Collateral Administration Agreement*" below.

Therefore, in the event the amount realised upon any liquidation or distribution of Collateral applicable to any Class following an Acceleration Event for such class is less than the Payment Amount with respect thereto, no holder of the Global Collateralised Medium Term Notes in such Class will have recourse to any other Collateral, including without limitation, any Class Collateral of any other Class, or any excess proceeds derived from the liquidation or distribution of the Class Collateral applicable to any other Class, nor will any such holder have recourse to any of the LLP's assets securing any other Series or its contributed capital. If, following an Acceleration Event, a Global Collateralised Medium Term Note is accelerated on a date prior to its

maturity date, the Payment Amount will not include interest accruing (or discount accreting) for any period after the applicable Acceleration Date.

Issuer Event of Default:

Each of the following events constitutes an "**Issuer Event of Default**" with respect to the Global Collateralised Medium Term Notes:

(a) the Issuer fails to pay any portion of the face amount or principal or interest, if any, with respect to any of the Global Collateralised Medium Term Notes on the due date with respect thereto;

(b) the occurrence of a Repurchase Event of Default under any Repurchase Agreement between the LLP and the Issuer; or

(c) the occurrence of an Insolvency Event with respect to the Issuer.

The Issuer will be prohibited from issuing any new Class of Global Collateralised Medium Term Notes if an Issuer Event of Default or potential Issuer Event of Default has occurred and is continuing. The occurrence of an Issuer Event of Default by itself does not necessarily give rise to an Acceleration Event or result in the acceleration of the Global Collateralised Medium Term Notes. For a description of the remedies that are available following the occurrence of an Acceleration Event, see "*Summary of the Transaction Documents—The Security Agreement (English law)*" and "*Summary of the Transaction Documents—The Security Agreement (New York law)*" below.

LLP Event of Default:

Each of the following events constitutes an "**LLP Event of Default**" with respect to the Global Collateralised Medium Term Notes:

(a) the occurrence of an Insolvency Event with respect to the LLP; or

(b) commencement of winding-up proceedings against the LLP in accordance with the applicable provisions of the LLP Deed.

The Issuer will be prohibited from issuing any new Class of Global Collateralised Medium Term Notes if an LLP Event of Default or potential LLP Event of Default has occurred and is continuing. The occurrence of an LLP Event of Default automatically gives rise to an Acceleration Event and results in acceleration of the Global Collateralised Medium Term Notes. For a description of the remedies that are available following the occurrence of an Acceleration Event, see "*Summary of the Transaction Documents—The Security Agreement (English law)*" and "*Summary of the Transaction Documents—The Security Agreement (New York law)*" below.

Enforcement:

Upon the occurrence of an LLP Event of Default or any other Acceleration Event with respect to any Class of which it has actual knowledge or written notice, the Applicable Enforcing Party will be required to give a written Acceleration Notice to the Issuer and the LLP to the effect that, as against the Issuer and the LLP under the applicable

LLP Undertaking, each applicable Class is, and each Class will thereupon immediately become, due and payable at its respective principal amount outstanding (including accreted discount) together with accrued interest, if any, through the date of repayment.

Global Collateralised Medium Term Note Priority:

All amounts received by the Applicable Enforcing Party upon realisation of, or enforcement with respect to, the security constituted by or pursuant to the security documents in respect of the Series shall be applied in accordance with the order set out in the section entitled "*Summary of the Transaction Documents—The Security Agreement (English law)*" and "*Summary of the Transaction Documents—The Security Agreement (New York law)*" below, unless otherwise specified in the applicable Final Terms.

Taxation in respect of the LLP Undertaking:

Should any payment in respect of the Global Collateralised Medium Term Notes, whether by the LLP under the LLP Undertakings or by the Issuer, be made subject to any deduction or withholding on account of any Taxes, the LLP will not be obliged to pay any additional amounts in respect of any such deducted or withheld payment.

REPURCHASE TRANSACTIONS

Overview:

Pursuant to the Repurchase Agreements, the LLP and the Sellers will enter into separate transactions (each, a "**Repurchase Transaction**"), each consisting of an agreement of the LLP to purchase Eligible Securities from the applicable Seller for cash, with a simultaneous agreement by such Seller to purchase equivalent Eligible Securities from the LLP on a specified Repurchase Date for cash. In addition, the applicable Seller is obligated to post mark-to-market/variation margin to maintain the required level of margin to secure its obligations under each Repurchase Transaction.

In connection with the issuance of a Class, the Issuer will issue Global Collateralised Medium Term Notes, and advance the proceeds of such issuance under the Intercompany Loan Agreement to the LLP, and the LLP will enter into one or more new Repurchase Transactions.

The Eligible Securities purchased under each Repurchase Transaction will be maintained in separate Collateral Accounts for each Class or maintained separately on the books and records of the related Custodian. The applicable Final Terms for each Class will specify the Eligible Securities and each applicable Custodian related to such Class.

The LLP will use the proceeds of each such Advance to pay the Purchase Price for the related Eligible Securities under each Repurchase Transaction related to such Advance and entered into on such day. The Repurchase Transactions are intended to generally match the economic terms, including the tenor, rate of interest and collateral eligibility, of the Class issued by the Issuer which provided the source of funds for the LLP to enter into and perform its obligations thereunder. Notwithstanding the foregoing, for any Class for which the LLP has entered into a Repurchase Transaction under New York law, the maturity of the related Repurchase Transaction(s) may be shorter than the term of such Class. For each of these Classes, the LLP will

continue to enter into one or more new Repurchase Transactions in order to cause the related Repurchase Transaction (in the aggregate) to generally match the economic terms of each such Class of Global Collateralised Medium Term Notes. See further the section entitled "*Summary of Repurchase Agreements*".

Eligible Securities:

The Final Terms for any Class will define what types of securities are permitted to be Purchased Securities (such permitted securities for any Class, the "**Eligible Securities**"), under any applicable Repurchase Transaction related to such Class. For each Repurchase Transaction, the Eligible Securities set forth in the related Final Terms will be included in the related confirmation. See further the section entitled "*Summary of the Transaction Documents—Repurchase Agreements*" below.

Margin Maintenance:

On each day on which banks are generally open for business in both London and New York (a "**Business Day**"), the applicable Custodian will determine whether a Transaction Exposure (as defined herein) in the form of a Margin Deficit or a Margin Excess exists under any applicable Repurchase Transaction. In calculating Transaction Exposures, each Custodian will perform its calculations with respect to each applicable outstanding Repurchase Transaction separately, such that a Transaction Exposure in favour of the LLP (i.e. a Margin Excess) with respect to any one Repurchase Transaction will not be deemed to cure a Transaction Exposure in favour of the Seller (i.e. a Margin Deficit) on any other Repurchase Transaction. Each of the LLP and the applicable Seller is obligated to cure any Transaction Exposure that exists under any Repurchase Transaction by delivering cash or Eligible Securities to the applicable Custodian on behalf of the LLP or the Seller (as applicable). The LLP will only be required to deliver cash to the extent that it has previously received cash from the Seller to cure a Transaction Exposure. The LLP and each Seller may agree that no transfers to eliminate Transaction Exposures are required if the amount to be transferred is less than $100,000 or the Base Currency equivalent thereof converted at the Spot Rate. See further the section entitled "*Summary of the Transaction Documents—Repurchase Agreements*" and "*Summary of the Transaction Documents—Custodial Agreements*" below.

If the Issuer and the LLP have entered into a Credit Support Deed with respect to one or more applicable Sellers to the Global Collateralised Medium Term Note Series, following the occurrence of any Repurchase Event of Default where the applicable Seller (other than the Issuer or BCSL) is the defaulting party under the applicable Repurchase Agreement, the Issuer may (if no Acceleration Event has occurred as of such time) at any time during the Election Period provide written notice to the Applicable Enforcing Party, the Collateral Administrator and the applicable Custodian that it elects to transfer cash or Eligible Securities under the Credit Support Deed, having a market value (calculated in accordance with the Repurchase Agreement to which such Class Collateral relates or if an Issuer Collateral Posting Election has been made in connection with to which such Class Collateral, in accordance with the related Credit Support Deed) (the "**Market Value**") equal to any Margin Deficit that arises from time to time under all Repurchase Transactions related to the applicable Repurchase Agreement (the "**Issuer Collateral Posting Election**").

See further the section entitled "*Summary of the Transaction Documents—Credit Support Deed*" below.

Repurchase Events of Default:

Each of the following events constitutes an event of default under each Repurchase Agreement with a Seller (each, a "**Repurchase Event of Default**"):

(a) (A) the LLP fails to pay the Purchase Price upon the applicable Purchase Date or (B) the Seller fails to pay the Repurchase Price upon the applicable Repurchase Date;

(b) (A) the Seller fails to deliver Purchased Securities on the Purchase Date or (B) the LLP fails to deliver Equivalent Securities on the Repurchase Date;

(c) the Seller or the LLP fails to pay when due the amounts due to be paid by it under the Repurchase Agreement following a failure by such Seller to deliver Purchased Securities on the Purchase Date, or a failure by the LLP to deliver Equivalent Securities to such Seller on the Repurchase Date;

(d) the Seller or the LLP fails to comply with (A) paragraph 4 of the Repurchase Agreement (relating to margin maintenance) or (B) paragraph 6(m) with respect to a GMRA or paragraph 7(c) with respect to an MRA (relating to interim payments of interest):

(e) an Act of Insolvency (defined using the standard GMRA or MRA definition therefor, as applicable) occurs with respect to the Seller or the LLP;

(f) any representations made by the Seller in such Repurchase Agreement are incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated;

(g) the Seller admits to the LLP or the Custodian that it is unable to, or intends not to, perform any of its obligations under such Repurchase Agreement or in respect of any Repurchase Transaction thereunder;

(h) the Seller or the LLP is suspended or expelled from membership of or participation in any securities exchange or association or other self regulating organisation of which it is a member or participant, or suspended from dealing in securities by any government agency; or

(i) any other repurchase agreement between the LLP and the Seller has been accelerated following an event of default caused by such Seller's failure to pay any repurchase price or cure any margin deficit in accordance with the terms of such repurchase agreement.

Upon the occurrence of a Repurchase Event of Default, all of the Repurchase Transactions under the applicable Repurchase Agreement with such Seller will, at the nondefaulting party's option (which option will be deemed to have been exercised immediately upon the occurrence of an Act of Insolvency), be accelerated. Accordingly,

a failure to perform with respect to one Repurchase Transaction may result in a Repurchase Event of Default, which would accelerate all Repurchase Transactions under the applicable Repurchase Agreement with such Seller. As described in "*Summary of the Transaction Documents—Repurchase Agreements*" below, the failure of the applicable Seller to make any payment or delivery referred to in the applicable Repurchase Agreement in respect of any Repurchase Transaction will not be a Repurchase Event of Default if such failure arises solely by reason of an error or omission of an administrative or operational nature made by such Seller or the applicable Custodian, subject to the satisfaction of certain conditions.

Furthermore, the Issuer will be prohibited from issuing any new Class supported by a Repurchase Agreement with such Seller if a Repurchase Event of Default with respect to any applicable Repurchase Transaction related to any Class has occurred. For a description of the remedies that are available following the occurrence of a Repurchase Event of Default, see "*Summary of the Transaction Documents—Repurchase Agreements*" below. The occurrence of a Repurchase Event of Default by itself does not, however, necessarily give rise to an Acceleration Event or result in the acceleration of the Global Collateralised Medium Term Notes. For a description of the circumstances giving rise to an Acceleration Event and the acceleration of the Global Collateralised Medium Term Notes, see "*Summary of the Transaction Documents—The Security Agreement (English law)*" and "*Summary of the Transaction Documents—The Security Agreement (New York law)*" below.

Acceleration Event:

Each of the following events constitutes an Acceleration Event with respect to a Class of the Global Collateralised Medium Term Notes:

(a) the occurrence of an LLP Event of Default; or

(b) (x) the occurrence of a Repurchase Event of Default with respect to any Seller under a Repurchase Transaction related to such Class and (y) the occurrence of any of the following:

(i) for any Seller in respect of which an Issuer Collateral Posting Election could be exercised, the Issuer Collateral Posting Election is not validly exercised by the Issuer in accordance with the terms of the relevant Credit Support Deed by 11:00 a.m. (London time) or 11:00 a.m. (New York time), as applicable, on the Business Day following the occurrence of a Repurchase Event of Default with respect to such Seller;

(ii) for any Seller in respect of which an Issuer Collateral Posting Election could be exercised, the Issuer exercises the Issuer Collateral Posting Election and fails to post margin in accordance with the terms of the relevant Credit Support Deed; or

(iii) the occurrence of an Issuer Event of Default.

Upon the occurrence of an Acceleration Event for a Class, the Global Collateralised Medium Term Notes of such Class will be accelerated and the LLP's obligations under the LLP Undertaking with respect to

such Global Collateralised Medium Term Notes will similarly be accelerated. In connection therewith, the Applicable Enforcing Party will promptly commence realization upon the Collateral for such Class, in accordance with the Security Agreement. For a detailed description of the remedies that are available following the occurrence of an Acceleration Event, see "*Summary of the Security Agreement*" and "*Summary of the Transaction Documents—The LLP Undertakings*" below.

RISK FACTORS

An investment in the Global Collateralised Medium Term Notes involves certain risks, including risks relating to the Collateral for any Class and risks relating to the structure and rights of such Global Collateralised Medium Term Notes and the related arrangements. An investment should be undertaken only by investors capable of evaluating the merits and risks of the Global Collateralised Medium Term Notes and bearing the risks an investment in them represents. Prospective investors should carefully consider the following factors in addition to the matters set forth elsewhere in this Base Prospectus, prior to investing in any Global Collateralised Medium Term Notes. The Bank believes that the factors described below represent the principal risks inherent in investing in the Global Collateralised Medium Term Notes and the risks relating to the Issuer, the LLP and the Collateral for any Class. The considerations set out below in respect of the Global Collateralised Medium Term Notes are not, and are not intended to be, a comprehensive list of all considerations relevant to a decision to purchase or hold the Global Collateralised Medium Term Notes. Additional risks and uncertainties not presently known to the Bank or that it currently believes to be immaterial could also have a material impact on its business operations and on the Global Collateralised Medium Term Notes.

RISKS RELATING TO THE BANK AND THE GROUP

Principal Risks relating to the Issuer

Material risks relating to the Issuer and their impact are described below in two sections: i) risks which management believes may affect more than one "principal risk" (within the meaning of the Issuer's Enterprise Risk Management Framework, each a "Principal Risk"; and ii) risks management believes are more likely to impact a single Principal Risk. The five Principal Risks are currently categorised as: (i) Credit Risk; (ii) Market Risk; (iii) Funding Risk; (iv) Operational Risk; and (v) Conduct Risk.

Risks potentially impacting more than one Principal Risk

(i) **Business conditions, general economy and geopolitical issues**

The Group's performance could be adversely affected in more than one Principal Risk by a weak or deteriorating global economy or political instability. These factors may also be focused in one or more of the Group's main countries of operation.

The Group offers a broad range of services to retail and institutional customers, including governments, across a large number of countries with the result that it could be materially adversely impacted by weak or deteriorating economic conditions, including deflation, or political instability in one or a number of countries in which the Group operates or any other globally significant economy.

The global economy faces an environment characterised by low growth, and this is expected to continue during 2015 with slow growth or recession in some regions, such as Europe which may be offset in part by expected growth in others, such as North America. Any further slowing of economic growth in China would also be expected to have an adverse impact on the global economy through lower demand, which is likely to have the most significant impact on countries in developing regions that are producers of commodities used in China's infrastructure development.

While the pace of decreasing monetary support by central banks, in some regions, is expected to be calibrated to potential recovery in demand in such regions, any such decrease of monetary support could have a further adverse impact on volatility in the financial markets and on the performance of significant parts of the Group's business, which could, in each case, have an adverse effect on the Group's future results.

Falling or continued low oil prices could potentially have an adverse impact on the global economy with significant wide ranging effects on producer and importer nations as well as putting strain on client companies in certain sectors which may lead to higher impairment requirements.

Furthermore, the outcome of the political and armed conflicts in the Ukraine and parts of the Middle East are unpredictable and may have a negative impact on the global economy.

A weak or deteriorating global economy and political instability could impact Group performance in a number of ways including, for example: (i) deteriorating business, consumer or investor confidence leading to reduced levels of client activity and consequently a decline in revenues; (ii) mark to market losses in trading portfolios resulting from changes in credit ratings, share prices and solvency of counterparties; and (iii) higher levels of default rates and impairment.

(ii) **UK political and policy environment**

The public policy environment in the UK (including but not limited to regulatory reform in the UK, a potential referendum on UK membership of the European Union, and taxation of UK financial institutions and clients) is likely to remain challenging in the short to medium term, with the potential for policy proposals emerging that could impact clients, markets and the Group either directly or indirectly.

A referendum on the UK membership of the European Union may affect the Group's risk profile through introducing potentially significant new uncertainties and instability in financial markets, both ahead of the dates for this referendum and, depending on the outcomes, after the event. As a member of the European Union, the UK and UK-based organisations have access to the EU Single Market. Given the lack of precedent, it is unclear how a potential exit of the UK from the EU would affect the UK's access to the EU Single Market and how it would affect the Group.

(iii) **Model risk**

The Group may suffer adverse consequences from risk based business and strategic decisions based on incorrect or misused model assumptions, outputs and reports.

The Group uses models in particular to assess and control the Group's credit and market exposures. Model risk can arise from a number of sources, including: fundamental model flaws leading to inaccurate outputs; incomplete, inaccurate or inappropriate data used for either development or operation of the model; incorrect or inappropriate implementation or use of a model; or assumptions in the models becoming outdated or invalid due to the evolving external economic and legislative environment and changes in customer behaviour.

If the Group were to place reliance on incorrect or misused model outputs or reports, this could result in a material adverse impact on the Group's reputation, operations, financial condition and prospects, for example, due to inaccurate reporting of financial statements; estimation of capital requirement (either on a regulatory or economic basis); or measurement of the financial risks taken by the Group as part of its normal course of business.

As a consequence, management of model risk has become an increasingly important area of focus for the Group, regulators and the industry.

Risks by Principal Risk

Credit risk

The financial condition of the Group's customers, clients and counterparties, including governments and other financial institutions, could adversely affect the Group.

The Group may suffer financial loss if any of its customers, clients or market counterparties fails to fulfil their contractual obligations to the Group. Furthermore, the Group may also suffer loss when the value of the Group's investment in the financial instruments of an entity falls as a result of that entity's credit rating being downgraded. In addition, the Group may incur significant unrealised gains or losses due solely to changes in the Group's credit

spreads or those of third parties, as these changes affect the fair value of the Group's derivative instruments, debt securities that the Group holds or issues, or any loans held at fair value.

(i) **Deterioration in political and economic environment**

The Group's performance is at risk from any deterioration in the economic and political environment which may result from a number of uncertainties, including most significantly the following factors:

(a) *Political instability or economic uncertainty in markets in which the Group operates*

Political instability, economic uncertainty or deflation in regions in which the Group operates could weaken growth prospects that could lead to an adverse impact on customers' ability to service debt and so to higher impairment requirements for the Group. These include, but are not limited to:

Eurozone

The economies across the Eurozone are showing little evidence of sustained growth with debt-burdened government finances, deflation, weak demand and persistent high unemployment preventing a sustained recovery. Slow recovery could put economic pressure on key trading partners of Eurozone countries, notably the UK and China. Furthermore, concerns persist on the pace of structural banking reform in the Eurozone and the strength of the Eurozone banking sector in general. A slowdown in the Eurozone economy could have a material adverse effect on the Group's results of operations, financial condition and prospects through, for example, a requirement to raise impairment levels.

The Group is at risk from a sovereign default of an existing Eurozone country in which the Group has operations and the adverse impact on the economy of that exiting country and the credit standing of the Group's clients and counterparties. This may result in increased credit losses and higher impairment requirements. While the risk of one or more countries exiting the Eurozone had been receding, as a result of the recent formation of an anti-austerity coalition government in Greece, this risk and the risk of redenomination is now re-emerging alongside the possibility of a significant renegotiation of the terms of Greece's bailout programme.

South Africa

The economy in South Africa remains under pressure with weak underlying economic growth reinforced by industrial strike action and electricity shortages. While the rapid growth in the consumer lending industry over the past three years has begun to slow, concerns remain over the level of consumer indebtedness, particularly given the prospect of further interest rate rises and high inflation. Higher unemployment and a fall in property prices, together with increased customer or client unwillingness or inability to meet their debt obligations to the Group, may have an adverse impact on the Group's performance through higher impairment charges.

Countries in developing regions

A number of countries, which have high fiscal deficits and reliance on short term external financing and/or material reliance on commodity exports, have become increasingly vulnerable as a result of, for example, the volatility of the oil price, a strong US dollar relative to local currencies, and the winding down of quantitative easing policies by some central banks. The impact on the Group may vary according to such country's respective structural vulnerabilities but the impact may result in increased impairment requirements of the Group through sovereign defaults or the inability or unwillingness of clients and counterparties of the Group in that country to meet their debt obligations.

Russia

The risks to Russia have escalated, and may continue to do so, as pressure on the Russian economy increases. Slowing GDP growth and high inflation due to the imposition of economic sanctions by the US and EU, falls in the price of oil, a rapid fall in the value of the rouble against other foreign currencies and significant and rapid interest rate rises could have a significant adverse impact on the Russian economy. In addition, foreign investment into Russia reduced during 2014 and may continue in 2015.

While the Group has no material operations in Russia, the Group participates in certain financing and trading activity with selected counterparties conducting business in Russia with the result that further sanctions or deterioration in the Russian economy may result in the counterparties being unable, through lack of a widely accepted currency, or unwilling to repay, refinance or roll-over outstanding liabilities. Any such defaults could have a material adverse effect on the Group's results as a result of, for example, incurring higher impairment.

(b) *Interest rate rises, including as a result of slowing of monetary stimulus, could impact on consumer debt affordability and corporate profitability*

To the extent that interest rates increase in certain developed markets, such increases are widely expected to be gradual and modest in scale over the period to mid-2016, albeit at differing timetables, across the major currencies. While an increase may support Group income, any sharper than expected changes could cause stress in loan portfolio and underwriting activity of the Group, leading to the possibility of the Group incurring higher impairment. The possibility of higher impairment would most notably occur in the Group's retail unsecured and secured portfolios, which, coupled with a decline in collateral values, could lead to a reduction in recoverability and value of the Group's assets resulting in a requirement to increase the Group's level of impairment allowance.

(ii) **Specific sectors**

The Group is subject to risks arising from changes in credit quality and recovery of loans and advances due from borrowers and counterparties in a specific portfolio or from a large individual name. Any deterioration in credit quality could lead to lower recoverability and higher impairment in a specific sector or in respect of specific large counterparties. The following provides examples of areas of uncertainties to the Group's portfolio which could have a material impact on performance. However, there may also be additional risks not yet known or currently immaterial which may have an adverse impact on the Group's performance.

(a) *Decline in property prices in the UK and Italy*

The Group is at risk from a fall in property prices in both the residential and commercial sectors in the UK. With UK home loans representing the most significant portion of the Group's total loans and advances to the retail sector, the Group has a large exposure to adverse developments in the UK retail property sector. UK house prices (primarily in London) increased throughout 2014 at a rate faster than that of income and to a level far higher than the long term average. As a result, a fall in house prices, particularly in London and South East of the UK, would lead to higher impairment and negative capital impact as loss given default (LGD) rates increase. In addition, reduced affordability of residential and commercial property in the UK, for example, as a result of higher interest rates or increased unemployment, could also lead to higher impairment.

In addition a significant portion of the Group's total loans and advances in Italy are to residential home loans. As a consequence, a number of factors including, for example, a fall in property prices, higher unemployment, and higher default rates have the potential to have a significant impact on the Group's performance through higher impairment charges.

(b) *Non-Core assets*

The Group holds a large portfolio of Non-Core assets, including commercial real estate and leveraged finance loans, which (i) remain illiquid; (ii) are valued based upon assumptions, judgements and estimates which may change over time; and (iii) are subject to further deterioration and write-downs. As a result, the Group is at risk of loss on these portfolios due to, for example, higher impairment should their performance deteriorate or write-downs upon eventual sale of the assets.

(c) *Large single name losses*

The Group has large individual exposures to single name counterparties. The default of obligations by such counterparties could have a significant impact on the carrying value of these assets. In addition, where such counterparty risk has been mitigated by taking collateral, credit risk may remain high if the collateral held cannot be realised or has to be liquidated at prices which are insufficient to recover the full amount of the loan or derivative exposure. Any such defaults could have a material adverse effect on the Group's results due to, for example, incurring higher impairment charges.

Market risk

The Group's financial position may be adversely affected by changes in both the level and volatility of prices leading to lower revenues and may include:

(i) **Major changes in quantitative easing programmes**

The trading business model is focused on client facilitation in the wholesale markets, involving market making activities, risk management solutions and execution. A prolonged continuation of current quantitative easing programmes, in certain regions, could lead to a change and a decrease of client activity which could result in lower fees and commission income.

The Group is also exposed to a rapid unwinding of quantitative easing programmes. A sharp movement in asset prices could affect market liquidity and cause excess volatility impacting the Group's ability to execute client trades and may also result in portfolio losses.

(ii) **Adverse movements in interest and foreign currency exchange rates**

A sudden and adverse movement in interest or foreign currency exchange rates has the potential to detrimentally impact the Group's income arising from non-trading activity.

The Group has exposure to non-traded interest rate risk, arising from the provision of retail and wholesale (non-traded) banking products and services. This includes current accounts and equity balances which do not have a defined maturity date and an interest rate that does not change in line with base rate changes. The level and volatility of interest rates can impact the Group's net interest margin, which is the interest rate spread earned between lending and borrowing costs. The potential for future volatility and margin changes remains in key areas such as in the UK benchmark interest rate, to the extent such volatility and margin changes are not entirely neutralised by hedging programmes.

The Group is also at risk from movements in foreign currency exchange rates as these will impact the sterling equivalent value of foreign currency denominated assets in the banking book, and therefore exposing the Group to currency translation risk.

While the impact is difficult to predict with any accuracy, failure to appropriately manage the Group's balance sheet to take account of these risks could have an adverse effect on the Group's financial prospects due to reduced income and volatility of the regulatory capital measures.

(iii) **Adverse movements in the pension fund**

Adverse movements between pension assets and liabilities for defined benefits pension schemes could contribute to a pension deficit. The liabilities discount rate is a Key Risk and, in accordance with International Financial Reporting Standards (IAS 19), is derived from the yields of high quality corporate bonds (deemed to be those with AA ratings) and consequently includes exposure to both risk-free yields and credit spreads. Therefore, the Group's defined benefits scheme valuation would be adversely affected by a prolonged fall in the discount rate or a persistent low rate environment. Inflation is another key risk driver to the pension fund, as the net position could be negatively impacted by an increase in long term inflation expectation.

(iv) **Non-Core assets**

As part of the assets in the Non-Core business, the Group holds a UK portfolio of generally longer term loans to counterparties in Education, Social Housing and Local Authorities ("**ESHLA**") sectors which are measured on a fair value basis. The valuation of this portfolio is subject to substantial uncertainty due to the long-dated nature of the portfolios, the lack of a secondary market in the relevant loans and unobservable loan spreads. As a result of these factors, the Group may be required to revise the fair values of these portfolios to reflect, among other things, changes in valuation methodologies due to changes in industry valuation practices and as further market evidence is obtained in connection with the Non-Core asset run-off and exit process. In 2014, the Group recognised a significant reduction in the fair value of the ESHLA portfolio. Any further negative adjustments to the fair value of the ESHLA portfolio may give rise to significant losses to the Group.

Funding risk

The ability of the Group to achieve its business plans may be adversely impacted if it does not effectively manage its capital (including leverage) and liquidity ratios.

The Group may not be able to achieve its business plans due to: i) being unable to maintain appropriate capital ratios; ii) being unable to meet its obligations as they fall due; iii) rating agency methodology changes; and iv) adverse changes in foreign exchange rates on capital ratios.

(i) **Being unable to maintain appropriate capital ratios**

Should the Group be unable to maintain or achieve appropriate capital ratios this could lead to: an inability to support business activity; a failure to meet regulatory requirements including the requirements of regulator set stress tests; increased cost of funding due to deterioration in credit ratings; restrictions on distributions including the ability to meet dividend targets; and/or the need to take additional measures to strengthen the Group's capital or leverage position. Basel III and CRD IV have increased the amount and quality of capital that the Group is required to hold. While CRD IV requirements are now in force in the United Kingdom, changes to capital requirements can still occur, whether as a result of further changes by EU legislators, binding regulatory technical standards being developed by the European Banking Authority ("**EBA**") or changes to the Prudential Regulation Authority ("**PRA**") interpretation and application of these requirements to UK banks. Such changes, either individually and/or in aggregate, may lead to further unexpected enhanced requirements in relation to the Group's CRD IV capital.

Additional capital requirements will also arise from other regulatory reforms, including both UK, EU and US proposals on bank structural reform, current EBA 'Minimum Requirement for own funds and Eligible Liabilities' ("**MREL**"), proposals under the EU Bank Recovery and Resolution Directive ("**BRRD**") and Financial Stability Board ("**FSB**") Total Loss-Absorbing Capacity ("**TLAC**") proposals for Globally Systemically Important Banks ("**G-SIBs**"). Given many of the proposals are still in draft form and subject to change, the impact is still being assessed. However, it is likely that these changes in law and regulation will have an impact on the Group as they would require changes to the legal entity structure of the Group and how businesses are capitalised and funded. Any such increased capital requirements may also constrain the Group's planned activities, lead to forced asset sales and balance sheet reductions and could increase the

Group's costs, impact on the Group's earnings and restrict the Group's ability to pay dividends. Moreover, during periods of market dislocation, or when there is significant competition for the type of funding that the Group needs, increasing the Group's capital resources in order to meet targets may prove more difficult and/or costly.

(ii) **Being unable to meet its obligations as they fall due**

Should the Group fail to manage its liquidity and funding risk sufficiently, this may result in the Group, either not having sufficient financial resources available to meet its payment obligations as they fall due or, although solvent, only being able to meet these obligations at excessive cost. This could cause the Group to fail to meet regulatory liquidity standards, be unable to support day to day banking activities or no longer be a going concern.

(iii) **Rating agency methodology changes**

Please see "*Ratings of the Global Collateralised Medium Term Notes*" below for a description of the risks relating to ratings, including as a result of any change in ratings methodologies. While ratings reviews anticipated in 2015 have now been concluded, there is a risk that the downgrade actions taken, or any potential future downgrades, could impact the Group's performance should borrowing cost and liquidity change significantly versus expectations or the credit spreads of the Group be negatively affected.

(iv) **Adverse changes in foreign exchange rates on capital ratios**

The Group has capital resources and risk weighted assets denominated in foreign currencies and changes in foreign currency exchange rates may adversely impact the sterling equivalent value of foreign currency denominated capital resources and risk weighted assets. As a result, the Group's regulatory capital ratios are sensitive to foreign currency movements. Failure to appropriately manage the Group's balance sheet to take account of this risk could result in an adverse impact on regulatory capital ratios. While the impact is difficult to predict with any accuracy it may have a material adverse effect on the Group's operations as a result of a failure in maintaining appropriate capital and leverage ratios.

Operational risk

The operational risk profile of the Group may change as a result of human factors, inadequate or failed internal processes and systems, and external events.

The Group is exposed to many types of operational risk, including fraudulent and other criminal activities (both internal and external), the risk of breakdowns in processes, controls or procedures (or their inadequacy relative to the size and scope of the Group's business), systems failure or an attempt, by an external party, to make a service or supporting infrastructure unavailable to its intended users, known as a denial of service attack, and the risk of geopolitical cyber threat activity destabilising or destroying the Group's IT (or critical infrastructure the Group depends upon but does not control) in support of critical economic business functions. The Group is also subject to the risk of disruption of its business arising from events that are wholly or partially beyond its control (for example natural disasters, acts of terrorism, epidemics and transport or utility failures) which may give rise to losses or reductions in service to customers and/or economic loss to the Group. The operational risks that the Group is exposed to could change rapidly and there is no guarantee that the Group's processes, controls, procedures and systems are sufficient to address, or could adapt promptly to, such changing risks. All of these risks are also applicable where the Group relies on outside suppliers or vendors to provide services to it and its customers.

(i) **Cyber attacks**

The threat posed by cyber attacks continues to grow and the banking industry has suffered major cyber attacks during the year. Activists, nation states, criminal gangs, insiders and opportunists are among those targeting computer systems. Given the increasing sophistication and scope of potential cyber attack, it is possible that future attacks may lead to significant breaches of security. The occurrence of one or more of such events may jeopardise the Group or the Group's clients' or counterparties' confidential and other

information processed and stored in, and transmitted through, the Group's computer systems and networks, or otherwise cause interruptions or malfunctions in the Group's, clients', counterparties' or third parties' operations, which could impact their ability to transact with the Group or otherwise result in significant losses or reputational damage.

Failure to adequately manage cyber security risk and continually review and update current processes in response to new threats could adversely affect the Group's reputation, operations, financial condition and prospects. The range of impacts includes increased fraud losses, customer detriment, regulatory censure and penalty, legal liability and potential reputational damage.

(ii) **Infrastructure and technology resilience**

The Group's technological infrastructure is critical to the operation of the Group's businesses and delivery of products and services to customers and clients. Sustained disruption in a customer's access to their key account information or delays in making payments could have a significant impact on the Group's reputation and may also lead to potentially large costs to both rectify the issue and reimburse losses incurred by customers.

(iii) **Ability to hire and retain appropriately qualified employees**

The Group is largely dependent on highly skilled and qualified individuals. Therefore, the Group's continued ability to manage and grow its business, to compete effectively and to respond to an increasingly complex regulatory environment is dependent on attracting new talented and diverse employees and retaining appropriately qualified employees.

In particular, as the Group continues to implement changes to its compensation structures in response to new legislation, there is a risk that some employees may decide to leave the Group. This may be particularly evident among those employees who are impacted by changes to deferral structures and new claw back arrangements. Additionally, colleagues who have specialist sets of skills within control functions or within specific geographies that are currently in high demand may also decide to leave the Group as competitors seek to attract top industry talent to their own organisations. Finally, the impact of regulatory changes such as the introduction of the Individual Accountabilities Regime, under which greater individual responsibility and accountability will be imposed on senior managers and non- executives of UK banks and the structural reform of banking, may also reduce the attractiveness of the financial services industry to high calibre candidates in specific geographies.

Failure by the Group to prevent the departure of appropriately qualified employees, to retain qualified staff who are dedicated to oversee and manage current and future regulatory standards and expectations, or to quickly and effectively replace such employees, could negatively impact the Group's results of operations, financial condition, prospects and level of employee engagement.

(iv) **Critical accounting estimates and judgements**

The preparation of financial statements in accordance with International Financial Reporting Standards ("**IFRS**") requires the use of estimates. It also requires management to exercise judgement in applying relevant accounting policies. The key areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated and individual financial statements, include credit impairment charges for amortised cost assets, impairment and valuation of available for sale investments, calculation of current and deferred tax, fair value of financial instruments, valuation of provisions and accounting for pensions and post-retirement benefits. There is a risk that if the judgement exercised or the estimates or assumptions used subsequently turn out to be incorrect then this could result in significant loss to the Group, beyond that anticipated or provided for.

The further development of standards and interpretations under IFRS could also significantly impact the financial results, condition and prospects of the Group. For example, the introduction of IFRS 9 *Financial*

Instruments is likely to have a material impact on the measurement and impairment of financial instruments held.

(v) **Legal, competition and regulatory matters**

Legal disputes, regulatory investigations, fines and other sanctions relating to conduct of business and financial crime may negatively affect the Group's results, reputation and ability to conduct its business.

The Group conducts diverse activities in a highly regulated global market and therefore is exposed to the risk of fines and other sanctions relating to the conduct of its business. In recent years there has been an increased willingness on the part of authorities to investigate past practices, vigorously pursue alleged breaches and impose heavy penalties on financial services firms; this trend is expected to continue. In relation to financial crime, a breach of applicable legislation and/or regulations could result in the Group or its staff being subject to criminal prosecution, regulatory censure and other sanctions in the jurisdictions in which it operates, particularly in the UK and US. Where clients, customers or other third parties are harmed by the Group's conduct this may also give rise to legal proceedings, including class actions, particularly in the US. Other legal disputes may also arise between the Group and third parties relating to matters such as breaches, enforcement of legal rights or obligations arising under contracts, statutes or common law. Adverse findings in any such matters may result in the Group being liable to third parties seeking damages, or may result in the Group's rights not being enforced as intended.

Details of material legal, competition, and regulatory matters to which the Group is currently exposed are set out in Note 29 (Legal, competition and regulatory matters) to the financial statements of BPLC contained in the Joint Annual Report. In addition to those material ongoing matters, the Group is engaged in numerous other legal proceedings in various jurisdictions which arise in the ordinary course of business, as well as being subject to requests for information, investigations and other reviews by regulators and other authorities in connection with business activities in which the Group is or has been engaged. In light of the uncertainties involved in legal, competition and regulatory matters, there can be no assurance that the outcome of a particular matter or matters will not be material to the Group's results of operations or cash flow for a particular period, depending on, among other things, the amount of the loss resulting from the matter(s) and the amount of income otherwise reported for the period.

The outcome of material legal, competition and regulatory matters, both those to which the Group is currently exposed and any others which may arise in the future, is difficult to predict. However, it is likely that in connection with any such matters the Group will incur significant expense, regardless of the ultimate outcome, and one or more of such matters could expose the Group to any of the following: substantial monetary damages and/or fines; remediation of affected customers and clients; other penalties and injunctive relief; additional litigation; criminal prosecution in certain circumstances; the loss of any existing agreed protection from prosecution; regulatory restrictions on the Group's business including the withdrawal of authorisations; increased regulatory compliance requirements; suspension of operations; public reprimands; loss of significant assets or business; a negative effect on the Group's reputation; loss of investor confidence; and/or dismissal resignation of key individuals.

There is also a risk that the outcome of any legal, competition or regulatory matters in which the Group is involved may give rise to changes in law or regulation as part of a wider response by relevant law makers and regulators. An adverse decision in any one matter, either against the Group or another financial institution facing similar claims, could lead to further claims against the Group.

(vi) **Risks arising from regulatory change and scrutiny**

The financial services industry continues to be the focus of significant regulatory change and scrutiny which may adversely affect the Group's business, financial performance, capital and risk management strategies.

(a) *Regulatory change*

The Group, in common with much of the financial services industry, continues to be subject to significant levels of regulatory change and increasing scrutiny in many of the countries in which it operates (including, in particular, the UK and the US and in light of its significant investment banking operations). This has led to a more intensive approach to supervision and oversight, increased expectations and enhanced requirements, including with regard to: (i) capital, liquidity and leverage requirements (for example arising from Basel III and CRD IV); (ii) structural reform and recovery and resolution planning; and (iii) market infrastructure reforms such as the clearing of over-the-counter derivatives. As a result, regulatory risk will continue to be a focus of senior management attention and consume significant levels of business resources. Furthermore, this more intensive approach and the enhanced requirements, uncertainty and extent of international regulatory coordination as enhanced supervisory standards are developed and implemented may adversely affect the Group's business, capital and risk management strategies and/or may result in the Group deciding to modify its legal entity structure, capital and funding structures and business mix or to exit certain business activities altogether or to determine not to expand in areas despite their otherwise attractive potential.

(b) *Additional PRA supervisory expectations, including changes to CRD IV*

The Group's results and ability to conduct its business may be negatively affected by changes to CRD IV or additional supervisory expectations.

To protect financial stability the Financial Policy Committee of the Bank of England (FPC) has legal powers to make recommendations about the application of prudential requirements. In addition, it may, for example, be given powers to direct the PRA and FCA to adjust capital requirements through Sectoral Capital Requirements (SCR). Directions would apply to all UK banks and building societies, rather than to the Group specifically. The FPC issued its review of the leverage ratio in October 2014 containing a requirement of a minimum leverage ratio of 3% to supersede the previous PRA expectation of a 3% leverage ratio. That review also introduced a supplementary leverage ratio for G-SIBs to be implemented from 2016 and countercyclical leverage ratio buffers would be implemented at the same time as countercyclical buffers are implemented for RWA purposes.

Changes to CRD IV requirements, UK regulators' interpretations of them, or additional supervisory expectations, either individually or in aggregate, may lead to unexpected enhanced requirements in relation to the Group's capital, leverage, liquidity and funding ratios or alter the way such ratios are calculated. This may result in a need for further management actions to meet the changed requirements, such as: increasing capital or liquidity resources, reducing leverage and risk weighted assets; modifying legal entity structure (including with regard to issuance and deployment of capital and funding for the Group); changing the Group's business mix or exiting other businesses; and/or undertaking other actions to strengthen the Group's position.

(c) *Market infrastructure reforms*

The European Market Infrastructure Regulation ("**EMIR**") introduces requirements to improve transparency and reduce the risks associated with the derivatives market. Certain of these requirements came into force in 2013 and 2014 and still more will become effective in 2015. EMIR requires EU-established entities that enter into any form of derivative contract to: report every derivative contract entered into to a trade repository; implement new risk management standards for all bilateral over-the-counter derivative trades that are not cleared by a central counterparty; and clear, through a central counterparty, over-the-counter derivatives that are subject to a mandatory clearing obligation (although this clearing obligation will only apply to certain counterparties).

CRD IV aims to complement EMIR by applying higher capital requirements for bilateral, over-the-counter derivative trades. Lower capital requirements for cleared trades are only available if the central counterparty is recognised as a 'qualifying central counterparty', which has been authorised or recognised under EMIR (in accordance with related binding technical standards). Further significant market infrastructure reforms will be introduced by amendments to the EU Markets in Financial Instruments Directive that are expected to be implemented in 2016.

In the US, the Dodd-Frank Act also mandates that many types of derivatives that were previously traded in the over-the-counter markets must be traded on an exchange or swap execution facility and must be centrally cleared through a regulated clearing house. In addition, participants in these markets are now made subject to Commodity Futures Trading Commission ("**CFTC**") and US Securities and Exchange Commission (the "**SEC**") regulation and oversight.

It is possible that other additional regulations, and the related expenses and requirements, will increase the cost of and restrict participation in the derivative markets, thereby increasing the costs of engaging in hedging or other transactions and reducing liquidity and the use of the derivative markets.

Changes in regulation of the derivative markets could adversely affect the business of the Group and its affiliates in these markets and could make it more difficult and expensive to conduct hedging and trading activities, which could in turn reduce the demand for swap dealer and similar services of the Group and its subsidiaries. In addition, as a result of these increased costs, the new regulation of the derivative markets may also result in the Group deciding to reduce its activity in these markets.

(d) *Structural reform and bank recovery and resolution*

A number of jurisdictions have enacted or are considering legislation and rulemaking that could have a significant impact on the structure, business risk and management of the Group and of the financial services industry more generally.

Key developments that are relevant to the Group include:

- The UK Financial Services (Banking Reform) Act 2013 (the "**Banking Reform Act** "), gives UK authorities the power to implement key recommendations of the Independent Commission on Banking, including the separation of the UK and EEA retail banking activities of the largest UK banks into a legally, operationally and economically separate and independent entity (so-called 'ring fencing'). It is expected that banks will have to comply with these ring-fencing requirements from January 2019;

- The European Commission structural reform proposals of January 2014 (which are still in discussion) for a directive to implement recommendations of the EU High Level Expert Group Review (the Liikanen Review). The directive would apply to EU globally significant financial institutions;

- Implementation of the requirement to create a US intermediate holding company ("**IHC**") structure to hold its US banking and non-banking subsidiaries, including Barclays Capital Inc., the Group's US broker-dealer subsidiary. The IHC will generally be subject to supervision and regulation, including as to regulatory capital and stress testing, by the Federal Reserve Bank ("**FRB**") as if it were a US bank holding company of comparable size. The Group will be required to form its IHC by 1 July 2016. The IHC will be subject to the US generally applicable minimum leverage capital requirement (which is different than to Basel III international leverage ratio, including to the extent that the generally applicable US leverage ratio does not include off-balance sheet exposures) starting 1 January 2018. The Group continues to evaluate the implications of the FRB's IHC final rules (issued in February 2014) for the Group. Nevertheless, the Group currently believes

that, in the aggregate, the final rules (and, in particular, the leverage requirements in the final rules that will be applicable to the IHC in 2018) are likely to increase the operational costs and capital requirements and/or require changes to the business mix of the Group's US operations, which ultimately may have an adverse effect on the Group's overall result of operations; and

- Implementation of the so-called 'Volcker Rule' under the Dodd-Frank Act. The Volcker Rule, once fully effective, will prohibit banking entities, including Barclays PLC, Barclays Bank PLC and their various subsidiaries and affiliates from undertaking certain 'proprietary trading' activities and will limit the sponsorship of, and investment in, private equity funds and hedge funds, in each case broadly defined, by such entities. The rules will also require the Group to develop an extensive compliance and monitoring programme (both inside and outside of the US), subject to various executive officer attestation requirements, addressing proprietary trading and covered fund activities, and the Group therefore expects compliance costs to increase. The final rule is highly complex and its full impact will not be known with certainty until market practices and structures develop under it. Subject entities are generally required to be in compliance with the prohibition on proprietary trading and the requirement to develop an extensive compliance programme by July 2015 (with certain provisions subject to possible extensions).

These laws and regulations and the way in which they are interpreted and implemented by regulators may have a number of significant consequences, including changes to the legal entity structure of the Group, changes to how and where capital and funding is raised and deployed within the Group, increased requirements for loss-absorbing capacity within the Group and/or at the level of certain legal entities or sub-groups within the Group and potential modifications to the business mix and model (including potential exit of certain business activities). These and other regulatory changes and the resulting actions taken to address such regulatory changes, may have an adverse impact on the Group's profitability, operating flexibility, flexibility of deployment of capital and funding, return on equity, ability to pay dividends and/or financial condition. It is not yet possible to predict the detail of such legislation or regulatory rulemaking or the ultimate consequences to the Group which could be material.

(e) *Regulatory bank resolution framework*

The UK Banking Act 2009, as amended ("**Banking Act**") provides for a regime to allow the Bank of England (or, in certain circumstances, HM Treasury) to resolve failing banks in the UK – see "*Risks relating to regulatory actions in the event of a bank failure, including the UK Bail-In Power*" below.

(f) *Recovery and resolution planning*

There continues to be a strong regulatory focus on resolvability from international and UK regulators. The Group made its first formal Recovery and Resolution Plan ("**RRP**") submissions to the UK and US regulators in mid-2012 and has continued to work with the relevant authorities to identify and address impediments to resolvability.

In the UK, RRP work is now considered part of continuing supervision. Removal of barriers to resolution will be considered as part of the PRA's supervisory strategy for each firm, and the PRA can require firms to make significant changes in order to enhance resolvability.

In the US, Barclays is one of several systemically important banks (as one of the so-called "first wave filers") required to file resolution plans with the Federal Reserve and the FDIC under provisions of the Dodd-Frank Act. The regulators provided feedback in August 2014 with respect to the 2013 resolution plans submitted by first wave filers. This feedback required such filers to make substantive improvements to their plans for filing in 2015 or face potential punitive actions

which, in extremis, could lead to forced divestitures or reductions in operational footprints in the US. Barclays is working with its regulators to address these issues and will file its revised plan in June 2015. It is uncertain when or in what form US regulators will review and assess Barclays' US resolution plan filing.

In South Africa, the South African Treasury and the South Africa Reserve Bank are considering material new legislation and regulation to adopt a resolution and depositor guarantee scheme in alignment with FSB principles. BAGL and Absa Bank will be subject to these schemes as they are adopted. It is not clear what shape these schemes will take or when they will be adopted, but current proposals for a funded deposit insurance scheme and for operational continuity could result in material new expense impacts for the BAGL group.

Whilst the Group believes that it is making good progress in reducing impediments to resolution, should the relevant authorities ultimately decide that the Group or any significant subsidiary is not resolvable, the impact of such structural changes (whether in connection with RRP or other structural reform initiatives) could impact capital, liquidity and leverage ratios, as well as the overall profitability of the Group, for example via duplicated infrastructure costs, lost cross-rate revenues and additional funding costs.

Conduct risk

Any inappropriate judgements or actions taken by the Group, in the execution of business activities or otherwise, may adversely impact the Group or its employees. In addition, any such actions may have a detrimental impact on the Group's customers, clients or counterparties.

Such judgements or actions may negatively impact the Group in a number of ways including, for example, negative publicity and consequent erosion of reputation, loss of revenue, imposition of fines, litigation, higher scrutiny and/or intervention from regulators, regulatory or legislative action, loss of existing or potential client business, criminal and civil penalties and other damages, reduced workforce morale, and difficulties in recruiting and retaining talent. The Group may self-identify incidents of inappropriate judgement which might include non-compliance with regulatory requirements where consumers have suffered detriment leading to remediation of affected customers.

There are a number of areas where the Group has sustained financial and reputational damage from previous periods and where the consequences continued in 2014 and are likely to have further adverse effects in 2015 and possibly beyond.

As a global financial services firm, the Group is subject to the risks associated with money laundering, terrorist financing, bribery and corruption and economic sanctions and may be adversely impacted if it does not adequately mitigate the risk that its employees or third parties facilitate or that its products and services may be used to facilitate financial crime activities.

Furthermore, the Group's brand may be adversely impacted from any association, action or inaction which is perceived by stakeholders to be inappropriate or unethical and not in keeping with the Group's stated purpose and values.

Failure to appropriately manage these risks and the potential negative impact to the Group's reputation may reduce, directly or indirectly, the attractiveness of the Group to stakeholders, including customers and clients. Furthermore, such a failure may undermine market integrity and result in detriment to the Group's clients, customers, counterparties or employees leading to remediation of affected customers by the Group.

RISKS RELATING TO THE GLOBAL COLLATERALISED MEDIUM TERM NOTES

Global Collateralised Medium Term Notes issued under the Global Collateralised Medium Term Note Series

Each Global Collateralised Medium Term Note of a Class will share in the security granted by the LLP for such Class under the Security Agreement. If an Acceleration Event occurs with respect to such Class, all the Global Collateralised Medium Term Notes of that Class will accelerate at the same time against the Issuer but will be subject to, and have the benefit of, payments made by the LLP under the LLP Undertaking. In order to ensure that any further issuance of Global Collateralised Medium Term Notes does not adversely affect existing holders of the Global Collateralised Medium Term Notes, any new Class will have separate collateral arrangements from those described herein relating to the Global Collateralised Medium Term Notes. Accordingly, prospective investors should be aware that additional collateral will not be made available to the LLP in order for it to meet its obligations under the LLP Undertaking with respect to the Global Collateralised Medium Term Notes, and that any surplus collateral from any other Class will not be available as a source of payment for the LLP or the Issuer.

Applicable Enforcing Party's powers may affect the interests of the holders of the Global Collateralised Medium Term Notes

In the exercise of its powers, trusts, authorities and discretions, the Applicable Enforcing Party will only have regard to the interests of the holders of the Global Collateralised Medium Term Notes of any relevant Class and may not act on behalf of any Seller. If, in connection with the exercise of its powers, trusts, authorities or discretions, the Applicable Enforcing Party is of the opinion that the interests of the holders of the Global Collateralised Medium Term Notes of any relevant Class would be materially prejudiced thereby, the Applicable Enforcing Party may seek direction from the applicable group of Noteholders, seek advice from counsel and rely upon the same, or otherwise take action that may result in delays in actions by the Applicable Enforcing Party, and potentially losses on the Global Collateralised Medium Term Notes for some or all investors. See the summary of the rights of the Applicable Enforcing Party in "*Summary of the Transaction Documents—The Security Agreement (English law)*" and "*Summary of the Transaction Documents—The Security Agreement (New York law)*" below.

Regulatory action in the event a bank or investment firm in the Group (such as the Issuer) is failing or likely to fail could materially adversely affect the value of the Global Collateralised Medium Term Notes

The BRRD provides an EU wide framework for the recovery and resolution of credit institutions and investment firms, their subsidiaries and certain holding companies. The BRRD requires all EEA member states to provide their relevant resolution authorities with a set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the broader economy and financial system.

In the United Kingdom, the majority of the requirements of the BRRD have been implemented into national law in the Banking Act. The UK implementation of the BRRD included the introduction of the bail-in tool as of 1 January 2015. The UK has deferred the implementation of the MREL regime, pending, amongst other things, further developments via the FSB for harmonising key principles for TLAC globally. See "*Minimum requirement for own funds and eligible liabilities (MREL)*" below.

The Banking Act confers substantial powers on a number of UK authorities designed to enable them to take a range of actions in relation to UK banks or investment firms and certain of their affiliates in the event a bank in the same group is considered to be failing or likely to fail. The exercise of any of these actions in relation to the Issuer could materially adversely affect the value of the Global Collateralised Medium Term Notes.

Under the Banking Act, substantial powers are granted to the Bank of England, (or in certain circumstances HM Treasury), in consultation with the PRA, the FCA and HM Treasury, as appropriate as part of a special resolution regime (the SRR). These powers enable the relevant UK resolution authority to implement resolution measures with respect to a UK bank (such as the Issuer) and certain of its affiliates (including for example, Barclays PLC) (each a

relevant entity) in circumstances in which the relevant UK resolution authority is satisfied that the resolution conditions are met.

The stabilisation options available to the relevant UK resolution authority under the SRR provide for:

(i) private sector transfer of all or part of the business of the relevant entity;

(ii) transfer of all or part of the business of the relevant entity to a "bridge bank" established by the Bank of England;

(iii) transfer to an asset management vehicle;

(iv) the bail-in tool; and

(v) temporary public ownership (nationalisation) of the relevant entity

Each of these stabilisation options is achieved through the exercise of one or more "stabilisation powers", which include (i) the power to make share transfer orders pursuant to which all or some of the securities issued by a relevant entity may be transferred to a commercial purchaser, a bridge bank or, in the case of certain relevant entities, the UK government; (ii) the resolution instrument power which includes the exercise of the bail-in tool; (iii) the power to transfer all or some of the property, rights and liabilities of a UK bank to a commercial purchaser or Bank of England entity; and (iv) the third country instrument powers that recognise the effect of similar special resolution action taken under the law of a country outside the EEA (a third country). A share transfer order can extend to a wide range of securities, including shares and bonds issued by a relevant entity and warrants for such shares and bonds and could therefore apply to the Global Collateralised Medium Term Notes. In addition, the Banking Act grants powers to modify contractual arrangements in certain circumstances, powers to suspend enforcement or termination rights that might be invoked as a result of the exercise of the resolution powers and powers for the relevant UK resolution authority to disapply or modify laws in the UK (with possible retrospective effect) to enable the powers under the Banking Act to be used effectively.

The exercise of any resolution power or any suggestion of any such exercise could materially adversely affect the value of the Global Collateralised Medium Term Notes and could lead to holders of Global Collateralised Medium Term Notes losing some or all of the value of their investment in the Global Collateralised Medium Term Notes, notwithstanding the potential treatment of the Repurchase Agreement, LLP Undertaking and Security Agreement described below.

The SRR is designed to be triggered prior to insolvency of the Issuer and holders of the Global Collateralised Medium Term Notes may not be able to anticipate the exercise of any resolution power by the relevant UK resolution authority

The stabilisation options are intended to be used prior to the point at which any insolvency proceedings with respect to the relevant entity could have been initiated. The purpose of the stabilisation options is to address the situation where all or part of a business of a relevant entity has encountered, or is likely to encounter, financial difficulties, giving rise to wider public interest concerns. Accordingly, the stabilisation options may be exercised if the relevant UK resolution authority: (i) is satisfied that a UK bank or investment firm (such as the Issuer) is failing or is likely to fail; (ii) determines that it is not reasonably likely that (ignoring the stabilisation powers) action will be taken by or in respect of a UK bank or investment firm that will result in condition (i) above ceasing to be met; (iii) considers that the exercise of the stabilisation powers to be necessary having regard to certain public interest considerations (such as the stability of the UK financial system, public confidence in the UK banking system and the protection of depositors, being some of the special resolution objectives); and (iv) considers that the special resolution objectives would not be met to the same extent by the winding-up of the UK bank or investment firm. In the event that the relevant UK resolution authority seeks to exercise its powers in relation to a UK banking group company (such as the Issuer), the relevant UK resolution authority has to be satisfied that (A) the conditions set out in (i) to (iv) above are met in respect of a UK bank or investment firm in the same banking group (or, in respect of an EEA or third country credit institution or investment firm in the same banking group, the relevant EEA or third country resolution

authority is satisfied that the conditions for resolution applicable in its jurisdiction are met) and (B) certain criteria are met, such as the exercise of the powers in relation to such UK banking group company being necessary having regard to public interest considerations. The use of different stabilisation powers is also subject to further "specific conditions" that vary according to the relevant stabilisation power being used.

On 26 May 2015, the EBA published its final guidelines on the circumstances in which an institution shall be deemed as 'failing or likely to fail' by supervisors and resolution authorities. These will apply from 1 January 2016. The guidelines set out the objective elements and criteria which should apply when supervisors and resolution authorities make such a determination and further provide guidance on the approach to consultation and exchange of information between supervisors and resolution authorities in such scenarios.

Although the Banking Act provides for the above described conditions to the exercise of any resolution powers and the EBA guidelines mentioned above set out the objective elements for determining whether an institution is failing or likely to fail, it is uncertain how the relevant UK resolution authority would assess such conditions in any particular pre-insolvency scenarios affecting the Issuer and/or other members of the Group and in deciding whether to exercise a resolution power. The relevant UK resolution authority is also not required to provide any advance notice to holders of the Global Collateralised Medium Term Notes of its decision to exercise any resolution power. Therefore, holders of the Global Collateralised Medium Term Notes may not be able to anticipate a potential exercise of any such powers nor the potential effect of any exercise of such powers on the Issuer, the Group and the holders of the Global Collateralised Medium Term Notes.

Holders of the Global Collateralised Medium Term Notes may have only very limited rights to challenge the exercise of any resolution powers by the relevant UK resolution authority

Holders of the Global Collateralised Medium Term Notes may have only very limited rights to challenge and/or seek a suspension of any decision of the relevant UK resolution authority to exercise its resolution powers (including the UK Bail-in Power) or to have that decision reviewed by a judicial or administrative process or otherwise.

The relevant UK resolution authority may exercise the bail-in tool in respect of the Issuer and the Global Collateralised Medium Term Notes, which may result in holders of the Global Collateralised Medium Term Notes losing some or all of their investment

The relevant UK resolution authority may exercise the bail-in tool to enable it to recapitalise an institution in resolution by allocating losses to its shareholders and unsecured creditors in a manner that (i) ought to respect the hierarchy of claims in an ordinary insolvency and (ii) is consistent with shareholders and creditors not receiving a less favourable treatment than they would have received in ordinary insolvency proceedings of the relevant entity (known as the "no creditor worse off" safeguard). Certain liabilities are excluded from the scope of the bail-in tool, such as liabilities to the extent they are secured. The Banking Act also grants the power for the relevant UK resolution authority to exclude any liability or class of liabilities on certain prescribed grounds (including financial stability grounds) and subject to specified conditions.

The bail-in tool includes the power to cancel a liability or modify the terms of contracts for the purposes of reducing or deferring the liabilities of the relevant entity under resolution and the power to convert a liability from one form or class to another. The exercise of such powers may result in the cancellation of all, or a portion, of the principal amount of, interest on, or any other amounts payable on, the Global Collateralised Medium Term Notes and/or the conversion of all or a portion of the principal amount of, interest on, or any other amounts payable on, the Global Collateralised Medium Term Notes into shares or other securities or other obligations of the Issuer or another person, including by means of a variation to the terms of the Global Collateralised Medium Term Notes, in each case, to give effect to the exercise by the relevant UK resolution authority of such power.

Where the relevant statutory conditions for intervention under the SRR and the use of the bail-in tool have been met, the relevant UK resolution authority would be expected to exercise these powers without the consent of the holders of the Global Collateralised Medium Term Notes.

The exercise of any resolution power, including the power to exercise the bail-in tool in respect of the Issuer and the Global Collateralised Medium Term Notes or any suggestion of any such exercise could materially adversely affect the rights of the holders of the Global Collateralised Medium Term Notes, the price or value of their investment in the Global Collateralised Medium Term Notes and/or the ability of the Issuer to satisfy its obligations under the Global Collateralised Medium Term Notes and could lead to holders of Global Collateralised Medium Term Notes losing some or all of the value of their investment in such Global Collateralised Medium Term Notes. In addition, even in circumstances where a claim for compensation is established under the "no creditor worse off" safeguard in accordance with a valuation performed after the resolution action has been taken, it is unlikely that such compensation would be equivalent to the full losses incurred by the holders of the Global Collateralised Medium Term Notes in the resolution and there can be no assurance that holders of Global Collateralised Medium Term Notes would recover such compensation promptly.

The following sections describe the potential application of the bail-in power to the rights of the LLP under the related Repurchase Agreement, the LLP and the LLP Undertaking and Security Agreement, and the Issuer and the Global Collateralised Medium Term Notes.

(a) *Treatment of the Repurchase Agreement*

Under the Banking Act 2009 (Restriction of Bail-In Provision, etc) Order 2014 (the 2014 Order), the bail-in tool cannot be used to cancel or modify liabilities under repurchase agreements and other forms of financial contracts which are capable of being set-off or net (which would include the liabilities under the Repurchase Agreement) but which have not been converted into a net debt claim or obligation. Only post-netting or set-off liabilities can be cancelled or modified. The 2014 Order does not operate to prohibit the bail-in provision from being exercised to convert the protected liability (the liability that is subject to set-off or netting) into the net sum that would be due following netting or set-off. Any post-netting liability of the Issuer or other entity as seller under the Repurchase Agreement (e.g. resulting from under-collateralisation at the point of netting) would be an unsecured obligation of the Issuer or other repo seller as repo seller and so susceptible to bail-in. To the extent any under-collateralised claim of the LLP against a repo seller were subject to bail-in, the ultimate recoveries available to the LLP to support the LLP Undertaking would be diminished by the value of that unsecured claim to the extent subject to bail-in.

(b) *Treatment of the LLP, the LLP Undertaking and Security Agreement*

The Global Collateralized Medium Term Notes benefit from the limited recourse LLP Undertaking, pursuant to which the LLP agrees to pay an amount equal to any amount of principal and interest due but unpaid under an applicable Class of Notes, limited to the Collateral expressed in the Security Agreement applicable to such Class and the proceeds thereof. Because the LLP Undertaking is a secured obligation pursuant to the applicable Security Agreement, it should not be subject to the bail-in tool, up to the value of the relevant security.

In connection with the exercise of the bail-in tool, the UK Banking Act grants the relevant UK resolution authority an ancillary power to cancel or modify a contract, such as the LLP Undertaking, under which a banking group company, such as the LLP, has a liability. Although as discussed above the UK Banking Act expressly provides that secured obligations are not subject to bail-in to the extent the obligation is secured, the provision granting this ancillary power to cancel or modify a contract does not expressly exclude secured obligations. Consequently, there is a risk that the relevant UK resolution authority could exercise this ancillary power to cancel or modify the liabilities of the LLP under the LLP Undertaking. No assurances can be given as to how the relevant UK resolution authority would seek to exercise the bail-in power.

In the event of use of the bail-in tool by the relevant UK resolution authority, the liabilities of the Issuer under the Global Collateralised Medium Term Notes could be cancelled, modified or changed. The LLP Undertaking (as amended) expressly provides that any such cancellation, modification or change in the liability or the form of liability of the Issuer under the Global Collateralised Medium Term Notes, resulting from the making of a special bail-in provision (as such term is defined in section 48B of the Banking Act) with respect to the Issuer shall in no way affect or impair the rights of Any Applicable Enforcing Party or holder or the obligations of the LLP pursuant to the LLP Undertaking and that the LLP Undertaking shall remain in full force and effect as if such special bail-in provision had not been made. As a result, the LLP Undertaking provides that the quantum of the obligation secured

by the LLP Undertaking will not be affected by a reduction in the Issuer's liability under the Global Collateralised Medium Term Note arising from application of the bail-in tool.

The BRRD also provides that covered bonds are exempt from the scope of the bail-in power. This exemption is not reflected in the Banking Act by a direct exclusion of covered bonds. Rather, the Banking Act 2009 (Banking Group Companies) Order 2014 (the Banking Group Companies Order) excludes "covered bond vehicles" (as defined in the Banking Group Companies Order) from the categories of banking group companies which can be the subject of a bail-in. The Programme is structured in a manner that is similar in many respects to a covered bond programme, but no assurance can be given that a UK resolution authority or a court would ultimately determine that the Programme would be eligible to benefit from the exclusion of covered bond vehicles from the scope of the bail-in power.

(c) *Treatment of the Issuer and the Global Collateralised Medium Term Notes*

Several categories of liabilities are excluded from the scope of the bail-in power, including

liabilities of a bank to the extent that they are secured. Secured liabilities are defined in this context to include liabilities that are "covered" by collateral arrangements. Because the liabilities of the Issuer to the holders of the Global Collateralised Medium Term Notes benefit from the collateral arrangement involving the LLP Undertaking and the Security Agreement, the relevant UK resolution authority could consider these liabilities to be "covered" by a collateral arrangement and, as such, be secured liabilities of the Issuer for purposes of the application of the bail-in tool. However, given that the liabilities are secured by the LLP and not directly by the Issuer, it is possible that the relevant UK resolution authority or a court could conclude that the liabilities should be treated as being unsecured liabilities of the Issuer, and thus subject to bail-in.

As insured deposits are excluded from the scope of the bail-in tool and other preferred deposits (and insured deposits) rank ahead of any Global Collateralised Medium Term Notes, such Global Collateralised Medium Term Notes would be more likely to be bailed-in than certain other unsubordinated liabilities of the Issuer (such as other preferred deposits)

As part of the reforms required by the BRRD, amendments have been made to relevant legislation in the UK (including the UK Insolvency Act 1986) to establish in the insolvency hierarchy a statutory preference (i) firstly, for deposits that are insured under the Financial Services Compensation Scheme (insured deposits) to rank with existing preferred claims as 'ordinary' preferred claims and (ii) secondly, for all other deposits of individuals and micro, small and medium sized enterprises held in EEA or non-EEA branches of an EEA bank (other preferred deposits), to rank as 'secondary' preferred claims only after the 'ordinary' preferred claims. In addition, the EU Deposit Guarantee Scheme Directive, which is to be implemented into national law by July 2015, will increase the nature and quantum of insured deposits to include a wide range of deposits, including corporate deposits (unless the depositor is a public sector body or financial institution) and some temporary high value deposits. The effect of these changes is to increase the size of the class of preferred creditors. All such preferred deposits will rank in the insolvency hierarchy ahead of all other unsecured senior creditors of the Issuer, including the holders of the Global Collateralised Medium Term Notes. Furthermore, insured deposits are excluded from the scope of the bail-in tool. As a result, if the UK Bail-in Power were exercised by the relevant UK resolution authority, the Global Collateralised Medium Term Notes would be more likely to be bailed-in than certain other unsubordinated liabilities of the Issuer such as other preferred deposits.

Minimum requirement for own funds and eligible liabilities

To support the effectiveness of bail-in and other resolution tools, the BRRD requires that all institutions must meet an individual MREL requirement, calculated as a percentage of total liabilities and own funds and set by the relevant resolution authorities. Items eligible for inclusion in MREL will include an institution's own funds, along with "eligible liabilities". The UK has opted to defer until 1 January 2016 the implementation of the MREL regime.

The EBA and the European Commission are required to develop the criteria for determining the MREL, the calculation methodologies and related measures. Although the EBA has consulted on certain proposals, which are in draft form and subject to change, the precise impact of the MREL requirements on individual firms will remain a

matter of some uncertainty until the final measures are adopted. It is also unclear whether the proposals published in November 2014 by the FSB for a new international standard on TLAC for globally systemically important banks (G-SIBs) (including the Issuer, based on the latest FSB list of G-SIBs published in November 2014) will affect the way in which the authorities implement the MREL regime.

While these measures remain in development, it is not possible to determine the ultimate scope and nature of any resulting obligations for the Issuer or the Group, nor the impact that they will have on the Issuer or the Group once implemented. If the FSB's and EBA's proposals are implemented in their current form however, it is possible that the Issuer and/or other members of the Group may have to issue MREL eligible liabilities in order to meet the new requirements within the required timeframes and/or alter the quantity and type of internal capital and funding arrangements within the Group. During periods of market dislocation, or when there is significant competition for the type of funding that the Group needs, a requirement to increase the Group's MREL eligible liabilities in order to meet MREL targets may prove more difficult and/or costly. More generally, these proposals could increase the Group's costs and may lead to asset sales and/or other balance sheet reductions. The effects of these proposals could all adversely impact the results of operations, financial condition and prospects of the Group and, in turn, adversely affect the value of the Global Collateralised Medium Term Notes.

Ratings of the Global Collateralised Medium Term Notes

It is expected that the Global Collateralised Medium Term Notes will be rated by credit rating agencies and may in the future be rated by additional rating agencies, although the Issuer is under no obligation to ensure that the Global Collateralised Medium Term Notes are rated by any rating agency. Credit ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in these Risk Factors and other factors that may affect the liquidity or market value of the Global Collateralised Medium Term Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

Any rating assigned to the Issuer and/or the Global Collateralised Medium Term Notes may be withdrawn entirely by a rating agency, may be suspended or may be lowered, if, in that rating agency's judgment, circumstances relating to the basis of the rating so warrant. Ratings may be impacted by a number of factors which can change over time, including the rating agency's assessment of: the issuer's strategy and management's capability; the issuer's financial condition including in respect of capital, funding and liquidity; competitive and economic conditions in the issuer's key markets; the level of political support for the industries in which the issuer operates; and legal and regulatory frameworks affecting the issuer's legal structure, business activities and the rights of its creditors. The rating agencies may also revise the ratings methodologies applicable to issuers within a particular industry, or political or economic region. If rating agencies perceive there to be adverse changes in the factors affecting an issuer's credit rating, including by virtue of changes to applicable ratings methodologies, the rating agencies may downgrade, suspend or withdraw the ratings assigned to an issuer and/or its securities. In particular, Moody’s, Standard & Poor’s and Fitch each published revised methodologies applicable to bank ratings (including the Issuer and Barclays PLC) during 2015 which resulted in credit rating actions being taken on the Issuer’s ratings and the ratings of Barclays PLC. Further revisions to ratings methodologies and actions on the Issuer’s ratings or the ratings of Barclays PLC by the credit rating agencies may occur in the future.

If the Issuer determines to no longer maintain one or more ratings, or if any rating agency withdraws, suspends or downgrades the credit ratings of the Issuer or the Global Collateralised Medium Term Notes, or if such a withdrawal, suspension or downgrade is anticipated (or any credit rating agency places the credit ratings of the Issuer or the Global Collateralised Medium Term Notes on "credit watch" status in contemplation of a downgrade, suspension or withdrawal), whether as a result of the factors described above or otherwise, such event could adversely affect the liquidity or market value of the Global Collateralised Medium Term Notes.

Transaction Documents may be amended, or provisions waived, without investor consent

Potential investors should review the description of the standard for amendments and waivers under each of the Transaction Documents. In certain circumstances, described herein, one or more Transaction Documents could be amended, or a waiver granted of a provision thereof, without the need for consent from any of the Noteholders. See

"*Summary of the Transaction Documents—The Administration Agreement*" and "*Summary of the Transaction Documents—The Collateral Administration Agreement*".

Limited Recourse Obligations of the LLP

The LLP is a special purpose, bankruptcy-remote limited liability partnership organised under the laws of England and Wales, having limited assets other than its right, title and interest in, to and under the Collateral pledged to each Applicable Enforcing Party for the benefit of the related Secured Creditors. The Global Collateralised Medium Term Notes represent obligations solely of the Issuer, with the benefit of payment undertakings by the LLP, and the only security available for the benefit of the Noteholders will be the Collateral related to the applicable Class, subject to the Post-Acceleration Priority of Payments summarised under "*Summary of the Transaction Documents—The Security Agreement (English law)*" and "*Summary of the Transaction Documents—The Security Agreement (New York law)*". As noted above, only the Class Collateral for a given Class is available to support that Class: the Global Collateralised Medium Term Notes of different Classes are not cross-collateralised and excess Class Collateral available in respect of one Class's related Class Collateral will not be available to any other Class. Otherwise, the holders of the Global Collateralised Medium Term Notes will have an unsecured claim against the Issuer. Although the Applicable Enforcing Party has the right to enforce certain rights and remedies against the LLP upon the occurrence of certain events of default, as set forth in the Transaction Documents, and to enforce the rights of the LLP against the applicable Seller under the applicable Repurchase Agreement following the declaration or deemed declaration of a Repurchase Event of Default, there can be no assurance that the Collateral will be sufficiently liquid or sufficient in an amount to cause the Global Collateralised Medium Term Notes to be paid in full at such time.

The LLP's ability to meet its obligations under the LLP Undertaking with respect to any Class will depend on (i) the availability and realisable value of the Class Collateral held by the Applicable Enforcing Party for the benefit of the related Class, (ii) the amount of Available Receipts generated by repurchases by the Sellers under the related Repurchase Transactions, (iii) the receipt by it of funds from the sale of property credited to the Collateral Account and/or the Escrow Account allocated to the related Class, and (iv) any other realisable value derived from any other Collateral relating to such Class. The LLP's obligations under the LLP Undertaking arise on a Class by Class basis, meaning that if Class Collateral for a given Class yields an excess, such excess may not be applied to offset losses that arise in connection with another Class. Prospective investors should carefully review the descriptions of the security and collateral arrangements, and the description of the LLP Undertaking, set forth in this Base Prospectus, and ensure that they fully understand the limits on the Collateral available for any given Class. With respect to any Class, recourse against the LLP under the LLP Undertaking is limited to the Collateral applicable to such Class and the proceeds thereof, and any payments with respect to such Class under the LLP Undertaking are limited by and subject to the priorities of payments related to the Global Collateralised Medium Term Notes. If an Acceleration Event for a Class occurs and the Issuer defaults in its payment of the Global Collateralised Medium Term Notes of such Class, the Collateral applicable to that Class may not be sufficient to meet the claims of all the Secured Creditors in that Class. See "*Summary of the Transaction Documents—The Security Agreement (English law) —Post-Acceleration Priority of Payments*" and "*Summary of the Transaction Documents—The Security Agreement (New York law) —US System Post-Acceleration Priority of Payments*" below.

Limited recourse to the Sellers

The LLP, the Custodians, the Collateral Administrator and each Applicable Enforcing Party will not undertake any investigations, searches or other actions on any Class Collateral and will rely instead on the representations and warranties given in each Repurchase Agreement by the applicable Seller in respect of the Purchased Securities sold by it to the LLP. See "*Summary of the Transaction Documents— Repurchase Agreements*" below. In the event such Seller sells securities to the LLP that are not Eligible Securities, and such Seller fails to repurchase such ineligible securities or there is any other Repurchase Event of Default applicable to the Seller, the LLP has the option to require such Seller to immediately repurchase the related securities. There is, however, no guarantee that such Seller will comply with such requirement and, in the event the LLP sells such securities to a third party at a price below the applicable Repurchase Price, there is no guarantee that such Seller will make up the shortfall. In such event, the LLP would then only have an unsecured claim against such Seller in the amount of such shortfall, as well as related interest and damages.

The Global Collateralised Medium Term Notes may be redeemed prior to their scheduled maturity date

The applicable Final Terms for a particular Class of Global Collateralised Medium Term Notes may provide that the Issuer has a right to redeem the Global Collateralised Medium Term Notes prior to their scheduled Maturity Date. Although rights of early redemption are often exercised in periods where prevailing interest rates are lower than those prevailing at the time of issuance, the Issuer may elect to exercise any early redemption right at any time as permitted under the applicable Final Terms for other reasons, in its discretion. If the market interest rates decrease, the risk to Noteholders that the Issuer will exercise its right of early redemption increases. As a consequence, the yields received upon redemption may be lower than expected.

The Final Terms for a particular Class of Global Collateralised Medium Term Notes may provide for early redemption at the option of Noteholders. A prospective investor in such a Global Collateralised Medium Term Note should understand the consequences of liquidating any investment in such Global Collateralised Medium Term Notes by redeeming such investment as opposed to selling it. This includes knowing when the Global Collateralised Medium Term Notes are redeemable and how to redeem them.

If the Global Collateralised Medium Term Notes are redeemed or cancelled prior to their scheduled Maturity Date (including as a result of an exercise of any Call Option, Put Option or Make-Whole Redemption Option), the Issuer will take into account when determining the relevant Redemption Amount, and deduct therefrom, an amount in respect of all costs, charges, taxes, duties, losses and expenses (if any) incurred (or expected to be incurred) by or on behalf of the Issuer in connection with the redemption or cancellation of the Global Collateralised Medium Term Notes, including, without limitation, any costs associated with terminating, liquidating, obtaining or re-establishing any hedge or related trading position (including, without limitation, hedging unwind and funding breakage costs and any associated costs of funding). Such costs, charges, taxes, duties, losses and expenses will reduce the amount received by Noteholders on redemption or cancellation and may reduce the Redemption Amount to zero. The Issuer is under no duty to hedge itself at all or in any particular manner, and is not required to hedge itself in a manner that would (or may be expected to) result in the lowest costs, charges, taxes, duties, losses and expenses.

Reliance of the LLP on third parties

The LLP has entered into agreements with a number of third parties, which have agreed to perform services for the LLP. Barclays Bank PLC, as the Administrator, The Bank of New York Mellon, as the Collateral Administrator, each Applicable Enforcing Party and a Custodian, and Clearstream Banking, société anonyme, as a Custodian, will each perform critical services for the LLP as described herein. In the event that any of those parties fails to perform its obligations under the relevant agreement to which it is a party, the realisable value of any Collateral, and/or the ability of the LLP to make payments or deliveries in connection with its obligations under the LLP Undertaking, may be affected.

Clearing and settlement risk in connection with daily Class Collateral reallocations with respect to Certain Custodians

Each Repurchase Agreement permits the applicable Seller to effect substitutions of Class Collateral on any Business Day, subject to the limitations described herein. In connection with these substitutions, and any other reallocations associated with margin maintenance or operational needs, each Custodial Agreement and each Repurchase Agreement provides that Class Collateral may only be withdrawn from the related Collateral Account against delivery of replacement Eligible Securities. However, in order to effect clearance operations in accordance with current customary market practices and procedures, particularly under the United States triparty custodial system, the applicable Custodian may withdraw Class Collateral prior to the point when replacement Eligible Securities are available to be credited to the associated Collateral Account or Collateral Accounts, notwithstanding the terms of the Transaction Documents. In such cases, the applicable Custodian is expected to advance funds in cash into the related Collateral Account. At that point, the Noteholders of each related Class will be secured by cash collateral, rather than securities. If for any reason the anticipated Eligible Securities are not delivered to the applicable Custodian for credit to the associated Collateral Account, such Custodian will either reverse the transaction (re-crediting the original Class Collateral to the applicable Collateral Account, and withdrawing its cash advance) or, if reversal is not possible, then the cash will remain on deposit in the applicable Collateral Account until Eligible Securities do become available. The amount of cash deposited by such Custodian is expected to be equivalent to the market value of the securities withdrawn from the account, subject to any differences in haircuts applicable to cash as opposed to the securities. The effect of this is that it is possible for the Payment Amount to exceed the amount of cash posted with respect to a given Class, if the cash remains on deposit for some period of time before an Acceleration Event occurs.

Possible illiquidity of the secondary market

There can be no assurance as to how Global Collateralised Medium Term Notes will trade in the secondary market or whether such market will be liquid or illiquid, which may adversely affect the value of the Global Collateralised Medium Term Notes and/or the ability of the Noteholder to dispose of them. There will be one Global Collateralised Medium Term Note per Class and the Eligible Security for each Class is to a degree bespoke for the initial holder(s) of such Class, further adversely affecting the liquidity of such Global Collateralised Medium Term Notes. The Issuer may list Global Collateralised Medium Term Notes on the Irish Stock Exchange or any other exchange as is specified in the applicable Final Terms or may issue Global Collateralised Medium Term Notes which are not listed on any exchange. However, no assurance can be given that any secondary trading market will develop for the Global Collateralised Medium Term Notes, and neither the Issuer nor any Lender is required to make a market in the Global Collateralised Medium Term Notes. If Global Collateralised Medium Term Notes are not listed or traded on any exchange, pricing information for such Global Collateralised Medium Term Notes may be more difficult to obtain and the liquidity of such Global Collateralised Medium Term Notes may be adversely affected. The fact that Global Collateralised Medium Term Notes are listed will not necessarily lead to greater liquidity. Neither the Issuer nor any Dealer currently intends to make a market in any Class of Global Collateralised Medium Term Notes.

If additional and competing products are introduced in the markets, this may adversely affect the value of the Global Collateralised Medium Term Notes. Also, to the extent that Global Collateralised Medium Term Notes of a particular Series are redeemed in part, the number of Global Collateralised Medium Term Notes of such Series outstanding will decrease, resulting in diminished liquidity for the remaining Global Collateralised Medium Term Notes. A decrease in the liquidity of a Class of Global Collateralised Medium Term Notes may cause, in turn, an increase in the volatility associated with the price of such Class of Global Collateralised Medium Term Notes.

Certain Global Collateralised Medium Term Notes are also subject to transfer restrictions. See "*Terms and Conditions of the Global Collateralised Medium Term Notes—Form, Title and Transfer*".

Redemption or cancellation of the Global Collateralised Medium Term Notes in the event of illegality or physical impossibility

If the Issuer determines that the performance of any of its absolute or contingent obligations under the Global Collateralised Medium Term Notes has become illegal or a physical impossibility, in whole or in part, for any reason, the Issuer may redeem or cancel the Global Collateralised Medium Term Notes by paying each holder of

such Global Collateralised Medium Term Notes an amount equal to the relevant Redemption Amount of such Global Collateralised Medium Term Note, notwithstanding such illegality. Such redemption or cancellation may result in an investor not realising a return or realising a reduced return on an investment in the relevant Global Collateralised Medium Term Notes.

Status of the Global Collateralised Medium Term Notes and the LLP Undertaking

The Global Collateralised Medium Term Notes are direct, unsubordinated and unsecured obligations of the Issuer and will rank equally among themselves and, with the exception of certain obligations given priority by applicable law, will rank *pari passu* with all other present and future outstanding unsecured and unsubordinated obligations of the Issuer. The obligations of the LLP under the LLP Undertaking constitute direct, unsubordinated and limited recourse secured obligations of the LLP (with such recourse being limited to the Collateral for any Class). If the proceeds of realisation of the Collateral for a Class are insufficient to meet the claims of the related Noteholders in full, the Noteholders will continue to rank as unsecured creditors of the Issuer in respect of any shortfall due and payable by the Issuer pursuant to the relevant Global Collateralised Medium Term Notes.

Taxation

Potential purchasers of Global Collateralised Medium Term Notes should be aware that duties and other taxes and/or expenses, including any applicable depositary charges, transaction charges, stamp duty and other charges, may be levied in accordance with the laws and practices in the countries where the Global Collateralised Medium Term Notes are transferred.

Except to the extent that the Issuer is required by law to withhold or deduct amounts for or on account of Tax or to the extent otherwise disclosed in the Conditions, a holder of Global Collateralised Medium Term Notes must pay all Taxes and Settlement Expenses relating to the Global Collateralised Medium Term Notes. As used in the Conditions of the Global Collateralised Medium Term Notes, "**Settlement Expenses**" include any expenses (other than in relation to Taxes) payable on or in respect of or in connection with the redemption, exercise or settlement of such Global Collateralised Medium Term Note or Global Collateralised Medium Term Notes, and "**Taxes**" means any tax, duty, impost, levy, charge or contribution in the nature of taxation or any withholding or deduction for or on account thereof, including any applicable stock exchange tax, turnover tax, stamp duty, stamp duty reserve tax and/or other taxes, duties, assessments or governmental charges of whatever nature chargeable or payable and includes any interest and penalties in respect thereof.

Save to the extent otherwise disclosed in the Conditions, the Issuer is not liable for or otherwise obliged to pay any Taxes or Settlement Expenses and all payments and/or deliveries made by the Issuer will be made subject to any such Taxes or Settlement Expenses which may be required to be made, paid, withheld or deducted.

The information on taxation contained in this Base Prospectus is based on the law and practice currently in force and is subject to change. The effect of the current taxation regimes referred to in this Base Prospectus may vary depending upon the individual circumstances of an investor. The levels and bases of, and reliefs from, taxation can also change. The Issuer cannot give any assurance as to the actual tax treatment of the Global Collateralised Medium Term Notes, or of a particular investor, as a result of the purchase, holding, sale, redemption or exercise of a Global Collateralised Medium Term Note.

Potential purchasers of Global Collateralised Medium Term Notes should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

CREST Notes and CDIs

None of the Issuer, any Administrator or any Issue and Paying Agent makes any representation or warranty as to the tax consequences of an investment in CREST Notes or CDIs and/or the tax consequences of the acquisition, holding, transfer or disposal of CREST Notes or CDIs by any investor (including, without limitation, whether any stamp

duty, stamp duty reserve tax, excise, severance, sales, use, transfer, documentary or any other similar tax, duty or charge may be imposed, levied, collected, withheld or assessed by any government, applicable tax authority or jurisdiction on the acquisition, holding, transfer or disposal of CREST Notes or CDIs by any investor).

Whilst the attention of prospective investors is drawn to the section entitled "*Taxation*", the tax consequences for each investor in CREST Notes or CDIs can be different and therefore investors and counterparties should consult with their tax advisers as to their specific consequences, including, in particular, whether United Kingdom stamp duty reserve tax will be payable on transfers of CREST Notes or CDIs in uncertificated form within CREST.

U.S. Foreign Account Tax Compliance Act Withholding

Pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended ("**U.S. Internal Revenue Code**"), the U.S. Treasury Regulations thereunder, any agreement entered into by a paying agent or an intermediary with the U.S. Internal Revenue Service (**"IRS"**) pursuant to such U.S. Internal Revenue Code sections, and any intergovernmental agreement concluded by the United States with another country (such as the country of residence of the Issuer, a paying agent or an intermediary) facilitating the implementation thereof or law implementing such agreement (**"FATCA"**) , a reporting regime may apply and, potentially, a 30% U.S. federal withholding tax may be imposed with respect to (i) certain payments from sources within the United States, (ii) "foreign passthru payments" made to certain non-U.S. financial institutions that do not comply with this new reporting regime, and (iii) payments to certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution. Whilst the Global Collateralised Medium Term Notes are held within DTC, Euroclear and/or Clearstream Banking, société anonyme or similar clearing systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the clearing systems. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms and other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax advisers to obtain a more detailed explanation of FATCA and how FATCA may affect them. The Issuer's obligations under the Global Collateralised Medium Term Notes are discharged once it has made payment to, or to the order of, the clearing systems, and the Issuer had therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries. Further, foreign financial institutions in a jurisdiction which has entered into an intergovernmental agreement with the United States (an "**IGA**") are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being a "**FATCA Withholding**") from payments they make. Prospective investors should refer to the section "*Taxation – United Sates Taxation – U.S. Foreign Account Tax Compliance Act Withholding*".

Non-registration under the Securities Act and restrictions on transfer

The Global Collateralised Medium Term Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The Global Collateralised Medium Term Notes are being issued and sold in reliance upon exemptions from registration provided by such laws. Consequently, the transfer of the Global Collateralised Medium Term Notes will be subject to satisfaction of legal requirements applicable to transfers that do not require registration under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. In addition, the Global Collateralised Medium Term Notes are subject to certain transfer restrictions as described herein under "*Clearance, Settlement and Transfer Restrictions*" and "*Purchase and Sale*", which may further limit the liquidity of the Global Collateralised Medium Term Notes.

RISKS RELATING TO THE LLP AND THE CLASS COLLATERAL

General risks

Limited description of the related Class Collateral

The Class Collateral will be comprised of a variety of Eligible Securities. The applicable Custodian will allocate the Class Collateral into the applicable Collateral Account for the related Class in accordance with the related Final Terms for such Class of Eligible Securities and the terms of the related Custodial Agreement. In addition, subject to the restrictions in the applicable Repurchase Agreement and the applicable Custodial Agreement, Class Collateral may be substituted by the related Seller for other Eligible Securities on any Business Day. The Collateral Administrator, based on information received from the applicable Custodian, will be obliged to make a daily summary report available to the applicable Noteholders regarding the Class Collateral for each Class. Because the eligibility of securities is based on criteria, and because of the ability of the applicable Seller to effect substitutions in accordance with the Transaction Documents, neither the Issuer nor the LLP can control the exact composition of the Class Collateral for a particular Class at any point. There can be no assurance that the Class Collateral for a particular Class will, upon an Acceleration Event for such Class, be composed of securities that are attractive to prospective purchasers, or otherwise susceptible of prompt liquidation. In addition, there is the risk that one or more Custodians will incorrectly allocate the Class Collateral in accordance with the Schedule of Eligible Securities, or that the reporting done by the Collateral Administrator will misstate the content of the Collateral Accounts for such Class, resulting in delays in fulfillment by the LLP of its obligations under the LLP Undertaking following such Acceleration Event.

Business Relationships

Each of the Bank, the Applicable Enforcing Party, the Collateral Administrator or any of their Affiliates may have existing or future business relationships with any obligor in respect of any Class Collateral of any Class of Global Collateralised Medium Term Notes (including, but not limited to, lending, depository, risk management, advisory and banking relationships), and will pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for a Noteholder. Furthermore, the Bank, the Applicable Enforcing Party, the Collateral Administrator or any of their respective Affiliates may buy, sell or hold positions in obligations of, or act as investment or commercial bankers, advisers or fiduciaries to, or hold directorship and officer positions in, any Obligor in respect of the Class Collateral.

Withholding Tax; No Gross-Up by LLP with respect to Payments under the LLP Undertakings

In the event that any withholding tax is imposed on payments under the LLP Undertakings or payments under a Repurchase Agreement, the LLP will not "gross-up" payments to the holders of the relevant Global Collateralised Medium Term Notes. The Noteholders will bear such tax or withholding through a reduction of the amounts available for payment under the LLP Undertakings and the related Global Collateralised Medium Term Notes, unless otherwise specified in the applicable Final Terms. In addition, the LLP will not be obliged at any time to make any payments in respect of additional amounts which may become payable by the Bank under Condition 9 (*Taxation*).

No Fiduciary Role

None of the Bank, the LLP, the Applicable Enforcing Party, the Administrator, the Collateral Administrator, any of the parties to the Transaction Documents or any of their respective Affiliates is acting as an investment advisor, and none of them (other than the Applicable Enforcing Party) assumes any fiduciary obligation, to any purchaser of Global Collateralised Medium Term Notes.

None of the Bank, the LLP, the Applicable Enforcing Party, the Collateral Administrator, the Administrator or any of the parties to the Transaction Documents or any of their respective Affiliates assumes any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of an obligor of the Class Collateral.

None of such parties makes any representation or warranty, express or implied, as to any of such matters.

EU Directive on the Taxation of Savings Income

Under Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Directive**"), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual (or certain other types of person) resident in that other Member State or to certain limited types of entities established in that other Member State, except that Austria is required to impose a withholding system in relation to such payments for a transitional period (unless during such period it elects otherwise), the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories have adopted similar measures (for example, a withholding system in the case of Switzerland).

On 24 March 2014, the Council of the European Union adopted a Directive amending the EU Savings Directive (the "**Amending Directive**") amending and broadening the scope of the requirements described above. The Amending Directive requires Member States to apply these new requirements from 1 January 2017, and if they were to take effect, the changes would expand the range of payments covered by the EU Savings Directive, in particular to include additional types of income payable on securities. The Amending Directive would also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported or subject to withholding. This approach would apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the EU.

However, on 18 March 2015, the Commission proposed the repeal of the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates and to certain other transitional provisions in the case of Austria). This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

If a payment under the Global Collateralised Medium Term Notes were to be made or collected through a Member State which has opted for a withholding system (or through another country that has adopted similar measures) and an amount of, or in respect of, tax were to be withheld from that payment, then none of the Bank, any Paying Agent or any other person would be obliged to pay additional amounts with respect to any Global Collateralised Medium Term Note as a result of the imposition of such withholding tax. The Bank is required to maintain a Paying Agent that is not located in a Member State that will oblige such Paying Agent to withhold or deduct tax pursuant to the EU Savings Directive or any law implementing or complying with, or introduced in order to conform to, the EU Savings Directive. Potential investors who are in any doubt as to their tax position should consult their own independent tax advisers.

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**").

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Global Collateralised Medium Term Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Global Collateralised Medium Term Notes where at least one party is a financial institution, and at least one party is established in a

participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

Joint statements issued by participating Member States indicate an intention to implement the FTT by 1 January 2016.

However, the FTT proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate.

Prospective holders of the Global Collateralised Medium Term Notes are advised to seek their own professional advice in relation to the FTT.

Legality of Purchase

Neither the Issuer nor the LLP have registered or will register as an investment company under the Investment Company Act (or any similar non-US regulatory regime), and, accordingly, investors in the Global Collateralised Medium Term Notes are not afforded the protections of regulation under the Investment Company Act or otherwise.

None of the Bank, the LLP, the Administrator or any of their affiliates has or assumes responsibility for the lawfulness of the acquisition of the Global Collateralised Medium Term Notes by a prospective purchaser of the Global Collateralised Medium Term Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it. However, notwithstanding the lawfulness of any acquisition of the Global Collateralised Medium Term Notes, where Global Collateralised Medium Term Notes are held by or on behalf of a US person (as defined in Regulation S) who is not a QIB and a QP at the time it purchases such Global Collateralised Medium Term Notes, the Bank may, in its discretion and at the expense and risk of such holder, (a) redeem the Global Collateralised Medium Term Notes, in whole or in part, of any such holder who holds any Global Collateralised Medium Term Note in violation of the applicable transfer restrictions or (b) compel any such holder to transfer the Global Collateralised Medium Term Notes to a purchaser who is a QIB and also a QP or to a non-US person outside the United States.

If, despite such restrictions, a court were to determine that the LLP was required to register as an investment company under the Investment Company Act, both the LLP and holders of Global Collateralised Medium Term Notes are likely to be materially and adversely affected.

Insolvency of the LLP - UK Insolvency Act 1986

The Programme has been structured so as to reduce significantly the likelihood of the LLP entering into an English insolvency process (administration, liquidation, company voluntary arrangement or receivership). However, if the LLP were nevertheless to enter into an English insolvency process, the ability of an Applicable Enforcing Party to enforce the security interests granted by the LLP under the relevant Security Agreement may be limited in the manner set out below. From a date yet to be announced, the Banking Act is to be amended by the Financial Services Act 2012 so that in certain circumstances an undertaking within the same group as a UK bank could become subject to the bank administration procedure provided for in the Banking Act. Each reference in this section to administration or the administrator includes a reference to bank administration, to the extent applicable to the LLP, or as applicable to the related bank administrator.

If the LLP were to enter into administration (or certain documents were filed at court with a view to placing the LLP into administration), a moratorium, which would prevent any step being taken to enforce security interests over the LLP's assets (without the leave of the administrator or the court), would automatically be applicable and would continue while the LLP is in administration. The moratorium does not affect title transfer arrangements (such as those contained in the English Law Security Agreement). The moratorium may not prevent the taking of steps to enforce security interests outside of England and Wales, subject to contrary order by a UK or foreign court. If the

moratorium applied, the relevant Applicable Enforcing Party would need to obtain the consent of the administrator or the permission of the court in order to take any step to enforce the security interests granted under the applicable Security Agreement.

If it met certain criteria and wished to put forward a company voluntary arrangement, the LLP could seek protection from its creditors, by virtue of a moratorium on taking any step to enforce security over the LLP's assets (without the leave of the court) for a period of 28 days, with the option for creditors to extend the moratorium for a further two months. There are certain exclusions from the protection of a company voluntary arrangement moratorium, which include a situation where the LLP has incurred a liability under an agreement of at least £10 million.

If the LLP went into liquidation or administration, then to the extent any of the security interests created by or pursuant to the Security Agreement were regarded as "floating" rather than "fixed" security interests under English law, certain preferential debts (including debts, liabilities, expenses and remuneration of an administrator or liquidator) will rank in priority to claims of holders of floating security interests and would be paid out of the floating secured assets. In addition, a prescribed part of the realisations under those security interests (up to a maximum of £600,000) would need to be made available for the satisfaction of unsecured debts of the LLP (if any) in priority to claims under those "floating" security interests.

If the LLP were to enter into administration, the administrator could in certain circumstances (but only with leave of the court where the security interests are "fixed") dispose of or take action in relation to assets subject to security interests as if they were not subject to that security, and this could affect the extent to which an Applicable Enforcing Party could itself enforce the security interests granted under the applicable Security Agreement. If the administrator were to take such a step, secured creditors would have the same priority in respect of the net proceeds as they had in respect of the assets subject to the security interests.

The administration moratorium, the company voluntary arrangement moratorium, the prescribed part and the ability of administrators to dispose of secured assets (all discussed above) would not apply if and to the extent that the Security Agreement in relation to the security interests granted under it is regarded as constituting a "security financial collateral arrangement" under the UK Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**"). No assurance can be given that the Security Agreement in relation to the security interests granted under it would be so regarded for the purposes of the Financial Collateral Regulations.

Pensions Act 2004

Under the Pensions Act 2004 (United Kingdom) a person that is connected with or an "associate" of an employer under a defined benefits occupational pension scheme can in certain circumstances be subject to a notice or direction served by the Pensions Regulator requiring it to make contributions or provide other financial support such as guarantee to the scheme. The circumstances include a situation where an employer under a scheme is "insufficiently resourced", which it could be if the value of its resources is less than 50% of the employer's share of the pension scheme's estimated deficit calculated on a statutory, annuity buyout, basis. As the LLP is a member of the Group, it may be treated as connected with or an associate of an employer under such a scheme within the Group. In deciding whether to serve a notice or direction and if so for what amount, the Pensions Regulator would have to take into account the financial circumstances of the LLP. The LLP's liability under the notice or direction would rank as an unsecured claim, but claims of this sort made after commencement of an administration will be regarded as a proveable debt in the administration.

Insolvency of the Bank and BCSL—Treatment of Repurchase Agreements

Since Barclays Bank PLC is authorised by the Financial Conduct Authority (the "**FCA**") with permission to carry on the regulated activity of accepting deposits, the special resolution regime set out in the Banking Act could apply in relation to its insolvency or, from the date, yet to be announced, on which the relevant powers are extended by the Financial Services Act 2012 to undertakings within the same group as a UK bank that satisfy certain specified conditions, to the insolvency of BCSL and/or the LLP.

Under the special resolution regime, there are three pre-insolvency "stabilisation options" that could potentially be implemented by a combination of the FCA, the Bank of England's Financial Policy Committee and the PRA (known as the "**Authorities**"), namely (1) the transfer of all or part of the bank to a private sector purchaser; (2) the transfer of all or part of the bank to a bridge bank owned by the Bank of England; or (3) transfer of the bank or bank holding to temporary public ownership. The decision to trigger the special resolution regime and, once triggered, the decision to implement the stabilisation options, will be made by the Authorities with regard to a number of public interest factors not limited to the bank's solvency and potentially out of the control of the Bank, including for example the stability of the UK's financial systems, the maintenance of public confidence and the protection of depositors.

A stabilisation option may be implemented that involves the transfer effected by a property transfer instrument of some or all of the property, rights and liabilities of the Bank to a purchaser or bridge bank. A transfer can take place regardless of any legislative or contractual restriction including any consent requirement. It is possible that all or some only of the rights and/or liabilities of the Bank to the LLP under the Repurchase Agreements could be transferred. However, under the Banking Act 2009 (Restriction of Partial Property Transfers) Order 2009, a property transfer instrument may not provide for the transfer of some, but not all, of the protected rights and liabilities between a party and the bank under a particular set-off arrangement, netting arrangement or title transfer financial collateral arrangement; for the transfer of the property or rights against which a liability is secured unless that liability and the benefit of the security are also transferred; or for the transfer of some, but not all, of the property, rights and liabilities which are or form part of a capital market arrangement to which the bank is a party. Provision is also made for an assessment of whether compensation should be paid to some or all pre-transfer creditors. A purchaser or bridge bank would thereafter take the place of the Bank in relation to the Repurchase Agreements. None of the stabilisation options could be implemented in a manner which involves a transfer to a purchaser or bridge bank of collateral which has been transferred to the LLP under the Repurchase Agreements.

Where some or all of the property of the bank has been transferred, the Bank of England may also modify or cancel a contract or other arrangement between the residual bank and a group company (which might include the LLP) (whether or not rights or obligations under it have been transferred) or impose rights and obligations between them and a transferee. That power may be exercised only in so far as the Bank of England thinks it necessary to ensure the provision of services and facilities to enable the transferee to operate the business effectively. So far as reasonably practicable, the Bank of England is required to aim to preserve or include provision for reasonable consideration and any other provision that would be expected in arrangements concluded between parties dealing at arms' length. Its modification and cancellation powers do not apply to rights or liabilities which may be netted or set off under a set off arrangement, netting arrangement or title transfer financial collateral arrangement; where the effect would be that the liability is no longer secured; or which are or form part of a capital market arrangement. To the extent that the Repurchase Agreement fell within those exceptions, the modification and cancellation powers of the Bank of England would not apply. The limits on the Bank of England's powers are such that they are expected to be exercised sparingly.

Whether or not the stabilisation options are implemented, the bank insolvency procedures or bank administration procedures under the Banking Act could apply in relation to the Bank's insolvency. The bank insolvency procedures apply the sections of the Insolvency Act 1986 relating to compulsory winding up and the bank administration procedures apply the sections of the Insolvency Act 1986 relating to administration, both with modifications.

Since BCSL is authorised by the FCA with permission to carry on the regulated activity of arranging safeguarding and administration of assets, dealing in investments as agent and dealing in investments as principal, and it has advised the Issuer that it holds client assets or money, the special administration regime set out in The Investment Bank Special Administration Regulations 2011 could apply in relation to its insolvency. The special administration regime applies the sections of the Insolvency Act 1986 relating to administration, with certain modifications.

However, the matters set out above (in the section headed "Insolvency of the LLP – UK Insolvency Act 1986") regarding the effect of the Insolvency Act 1986 on security interests granted by the LLP do not have application to the respective rights and liabilities of the Bank, BCSL and the LLP under the Repurchase Agreements because title transfer arrangements such as those constituted by the Repurchase Agreements do not constitute security for the purpose of the moratorium.

In relation to both the Bank and BCSL, the decision to make an application for a bank insolvency order / the appointment of a special administrator respectively could be made with regard to a number of public interest factors not limited to solvency and potentially out of their respective control, including for example that it would be fair and expedient in the public interest to put it into bank insolvency/special administration. The directors and creditors of the Bank and BCSL may not otherwise appoint an administrator or liquidator unless the FCA has been given two weeks' notice of the proposed appointment or otherwise consents to it. At present, the Authorities have not made an instrument or order under the Banking Act in respect of the Bank but no assurance can be given that this will not change in the future.

Separately, the enforcement process for a Repurchase Agreement documented on an MRA as against the Bank or BCSL as Seller, is not certain in an insolvency context. In the event of an insolvency under the applicable regime (as described above), the insolvency proceedings would be conducted in the courts of England and Wales. However, ancillary proceedings may be conducted in other jurisdictions, and not necessarily on a coordinated basis with the English proceedings. In particular, were the Bank to become insolvent, it is expected that proceedings with respect to the assets of the New York branch of the Bank would be initiated by the applicable authorities, including the New York State Commissioner of Banking. Because an MRA is documented under New York law, and the associated collateral would be US System Securities Collateral, the relevant authorities would likely take the view that all those assets are within the ambit of their authority in respect of the New York branch of the Bank, and seek to oversee the termination, acceleration and liquidation of the related Repurchase Agreements in accordance with New York law, as described herein. However, the courts of England may separately rule on the same matters. Were they to do so, they would apply English law to decide the matter. And while the preferred outcome would be for the courts of England to uphold the New York law security interest and MRA as falling within the ambit of the Financial Collateral Arrangements Regulations, there can be no assurance that they would do so. Beyond the normal uncertainties of litigation, the Financial Collateral Arrangements Regulations contain wording whose precise meaning and effect is not clear. Broadly, the applicable language in the regulations allows that a right of the collateral provider (here, the Seller) to effect a substitution or to withdraw excess financial collateral will not prejudice the financial collateral having been provided to the collateral taker (here, the applicable Custodian on behalf of the LLP) as required in order to qualify for the benefits of the Financial Collateral Arrangements Regulations. The rights retained by the Seller under an MRA and the associated US Security Agreement are, however, broader than merely rights to substitute and to withdraw excess collateral: for example, the related Seller has rights to income, voting rights, and associated other rights. It is not clear whether the provision summarised above is intended to be exclusive, such that the Seller having rights beyond substitution or a right to excess means that the benefits of the Financial Collateral Arrangements Regulations would not be available. There is no direct case law on the question, although there were recent *obiter dicta* statements by Briggs J in a 2012 case relating to the Lehman Brothers insolvency that could give support to an argument that such extended rights should not mean that the Financial Collateral Arrangements Regulations do not apply as a result of there being such extended rights. However, as there was no direct holding on this point (it not being the subject of that case), the comments of the judge are only persuasive and form a basis for argument, and are not a binding precedent.

Insolvency of BCI—Treatment of Repurchase Agreements

In the event of financial distress or insolvency, BCI, as a US broker/dealer, would very likely become the subject of a proceeding governed by, and administered under, the Securities Investors Protection Act of 1970 ("**SIPA**") and, potentially, Title II, Orderly Liquidation Authority, of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**").

SIPA Proceeding –

Upon the commencement of a SIPA proceeding with respect to BCI, SIPA provides that a court shall, if the Seller consents or if the court finds the necessary statutory predicates exist, issue a protective decree which generally stays all proceedings in which BCI is a party as well as stays any acts of creditors to enforce their rights, including termination of contracts.

A creditor or counterparty under a "securities contract" or "repurchase agreement", as defined in the United States Bankruptcy Code (the "**Bankruptcy Code**"), may have (i) the right to liquidate, terminate or accelerate the Master Repurchase Agreement and the Repurchase Transactions; and (ii) the rights to set off mutual debts and claims and to

liquidate the Purchased Securities which are the subject of any Repurchase Transaction, in each case without being stayed by the protective decree, operation of the Bankruptcy Code or by any order of a court in any proceeding. While the Repurchase Transactions have been structured, and the LLP and BCI will state in the Transaction Documents that they intend that the related Repurchase Agreement will qualify, as a "securities contract" (as defined in the Bankruptcy Code), that characterization could be subject to challenge.

However, the protective decree sought by SIPC and entered by a court could order a stay of foreclosure on or disposition of securities collateral pledged by the Seller, which could be temporally open-ended, requiring the LLP to seek prior court approval for the exercise of its rights. The delay and expense of seeking such relief, and the ultimate availability of same, cannot be determined or quantified and could result in reductions in payments on the Global Collateralised Medium Term Notes and a potential loss on each holder's investment therein.

The LLP's rights under the related Repurchase Agreement with BCI, and any claim arising thereunder (in excess of the value of previously posted collateral or Purchased Securities), would likely be categorised as general unsecured claims against the Seller's SIPA estate and would not be categorised as a claim of a customer. While the LLP may be entitled to a claim against the SIPC's insurance fund, its claim would be subordinate to all customer claims, which may well be of significant magnitude.

Dodd-Frank Title II Proceeding –

Dodd-Frank constitutes a sweeping reform of the regulation and supervision of financial institutions, impacting different aspects of the US financial services industry. Title II of Dodd-Frank provides that a financial company, which could include BCI or its affiliates, could be designated as a covered financial company subject to resolution under Title II of Dodd-Frank. After the Federal Deposit Insurance Corporation's (the "**FDIC**") appointment as receiver for a covered broker-dealer, it is required to appoint SIPC to act as trustee for the broker-dealer's liquidation. SIPC would apply its normal liquidation processes, and have the same rights, powers, and duties for a liquidation under Title II as it does under SIPA. The rights and obligations of parties to a qualified financial contract (as defined in Section 210 of Dodd-Frank) are governed under Section 210 of Dodd-Frank and not by the SIPC processes.

Section 210 of Dodd-Frank generally treats qualified financial contracts in a manner similar to the Federal Deposit Insurance Act. Subject to restrictions on the exercise of judicial action and other legal proceedings, Dodd-Frank prohibits (i) any stay upon the exercise of any right to terminate, liquidate or accelerate arising on the date of appointment of the FDIC as receiver for the covered financial company, (ii) any stay upon the exercise of rights under related security agreements or (iii) the stay of any right to offset or net payment amounts. However, Dodd-Frank does prohibit the exercise of the right to terminate, liquidate or accelerate until 5:00 p.m. eastern time on the close of business on the first business day following the date of appointment of the FDIC as receiver. A qualified financial contract can be transferred by the FDIC to a financial institution (including a bridge financial company) with notice to the counterparty at any time prior to the close of business on such first business day following appointment of the FDIC. In making any transfer of a qualified financial contract, the FDIC is required to transfer to a financial institution or bridge financial company either all or none of the qualified financial contracts between the counterparty and its affiliates and the covered financial company, together with the claims of the parties and property securing the contracts. The FDIC may also exercise its rights to repudiate either all or none of the qualified financial contracts between the counterparty and its affiliates and the covered financial company if, in its discretion, the FDIC determines the performance of those contracts would be burdensome and repudiation would promote the orderly administration of the estate. Upon repudiation of all of a counterparty's qualified financial contracts, the FDIC is liable for compensatory damages to the counterparty that would include normal and reasonable costs of cover or other reasonable measures of damages utilised in the industry for securities contracts and related claims.

Dodd-Frank is a recently-enacted omnibus regulatory act with respect to which few administrative regulations have been written and for which no precedent case law exists. Similarly, the foregoing paragraphs summarising the possible effects of Dodd-Frank should be reviewed in light of the current lack of regulation, and the possibility that regulations may significantly vary the effect of Dodd-Frank, its scope, and/or its applicability to the transactions described in this Base Prospectus. Accordingly, the FDIC may construe Dodd-Frank's provisions and exercise its powers in a manner that would challenge the exercise of rights by a counterparty to a qualified financial contract. Those challenges might include actions such as a request for injunctive relief, the characterization of the repurchase

agreement as a "qualified financial contract" or be based on a claim that an affiliate like the LLP should be substantively consolidated with the BCI.

Prospective purchasers of the Global Collateralised Medium Term Notes should discuss the risks associated with any commencement of a Dodd-Frank Title II proceeding with their own counsel.

LLP only obliged to pay Payment Amounts when such amounts are Due for Payment

Under the terms of the LLP Undertaking, the LLP is obliged to pay Payment Amounts as and when such amounts are "**Due for Payment**," meaning, prior to the occurrence of an Acceleration Event with respect to any Class, the date on which an amount of interest or principal (including any accreted discount) is due on the Global Collateralised Medium Term Notes of such Class (whether pursuant to the original terms of such Class or any earlier date on which such amounts become due, in accordance with the terms of such Class, by reason of prepayment, acceleration of maturity, mandatory or optional redemption or otherwise), and following the occurrence of an Acceleration Event with respect to such Class, the Acceleration Date. The LLP is not obliged to pay any other amounts (including broken funding indemnities, penalties, premiums, default interest or interest on interest which may accrue on or in respect of the Global Collateralised Medium Term Notes) which become payable for any other reason, nor is it liable to pay amounts that would otherwise constitute Payment Amounts if the same are not Due for Payment. The Payment Amount with respect to the Global Collateralised Medium Term Notes may be less than the amount that would have been due had the Global Collateralised Medium Term Notes been paid on their scheduled maturity date in full. If, following an Acceleration Event, a Global Collateralised Medium Term Note is accelerated on a date prior to its maturity date, the Payment Amount will not include interest accruing (or discount accreting) for any period after the applicable Acceleration Date.

Acceleration Event

Upon the occurrence of an LLP Event of Default or any other Acceleration Event with respect to any Class, the Applicable Enforcing Party will be required to give a written Acceleration Notice to the Issuer and the LLP to the effect that, as against the Issuer and the LLP under the LLP Undertaking, each applicable Class is, and each Class will thereupon immediately become, due and payable at its respective principal amount outstanding (including accreted discount) together with accrued interest, if any, through the date of repayment. In addition, the relevant Applicable Enforcing Party will otherwise be required to protect, preserve and enforce its rights in the Collateral in accordance with its standard of care set forth in the applicable Security Agreement. There can be no assurance that the Applicable Enforcing Party will be aware of the circumstances establishing the existence of an Acceleration Event, or recognise that an Acceleration Event has then occurred or that the Applicable Enforcing Party will deliver an accurate Acceleration Notice in the form and manner required by the Transaction Documents. Even if the Applicable Enforcing Party complies with the applicable standard of care with respect to the Collateral and enforcement of its rights under the Security Agreement, there is no guarantee or assurance that such efforts will realise sufficient funds to pay in full amounts due and owing to the holders of the related Global Collateralised Medium Term Notes. Furthermore, in the absence of an Acceleration Event with respect to a given Class, the Applicable Enforcing Party will have no right to sell the Class Collateral related to such Class except in limited circumstances described herein, arising as a result of a Repurchase Event of Default affecting one or more Sellers. Following an Acceleration Event, the Global Collateralised Medium Term Notes will be subject to repayment, as applicable, in accordance with the priority of payments described in "*Summary of the Transaction Documents—The Security Agreement (English law) —Post-Acceleration Priority of Payments*" and "*Summary of the Transaction Documents—The Security Agreement (New York law) —US System Post-Acceleration Priority of Payments*" below, and such repayment may occur prior to the related maturity date for such Class. No compensation will be owed or payable to Noteholders for any interest or discount that would have accrued or accreted after the date of acceleration, and Noteholders will have no claim for any such amount. If, following an Acceleration Event, a Global Collateralised Medium Term Note is accelerated on a date prior to its maturity date, the Payment Amount will not include interest accruing (or discount accreting) for any period after the applicable Acceleration Date.

Maintenance of Margin

If at any time, the aggregate Margin Value of a given Repurchase Transaction is less than the Purchase Price plus the then accrued and unpaid Price Differential for such Repurchase Transaction, the relevant Seller will be obligated

to cure the resulting Margin Deficit by delivering cash or Margin Securities in the form of Eligible Securities to the applicable Custodian on behalf of the LLP. Although such Seller is obligated to cure any such Margin Deficit, there is a risk that such Seller will fail to do so. Although such a failure would constitute a Repurchase Event of Default and may become an Acceleration Event (unless for any Seller in respect of which an Issuer Collateral Posting Election could be exercised, the Issuer makes an Issuer Collateral Posting Election and fulfills its obligations in connection therewith) and the Applicable Enforcing Party on behalf of the LLP could then exercise the LLP's rights under the applicable Repurchase Agreement, including requiring the applicable Seller to immediately repurchase the Purchased Securities of the affected Repurchase Transaction at the Purchase Price plus the Price Differential, there is no guarantee that the Applicable Enforcing Party will immediately exercise such rights, and no guarantee that the applicable Seller would effect such a repurchase. If an Issuer Collateral Posting Election is made, there can be no assurance that the Issuer would continue to fulfill its obligations under the Credit Support Deed, which would have the effect of delaying the occurrence of an Acceleration Event beyond the time when the initial default by the applicable Seller occurred. If, following such an Acceleration Event, the Applicable Enforcing Party sells the Purchased Securities subject to such Repurchase Transaction, there is no guarantee that the proceeds of the sale of the Purchased Securities in the Collateral Account of the affected Class will be in an amount sufficient to repay all amounts due to the holders of the affected Global Collateralised Medium Term Notes, nor is there any guarantee that the Issuer will meet its obligation to make up for any such shortfall.

Factors that may affect the realisable value of the Class Collateral or any part thereof or the ability of the LLP to make payments under the LLP Undertaking

Upon the sale of any Class Collateral by the relevant Applicable Enforcing Party, whether as a result of an Acceleration Event for the related Class or otherwise, there is a possibility that the Applicable Enforcing Party will be unable, temporarily or otherwise, to gain possession of the securities because, among other things, the Collateral Administrator, one or more Custodians, the Securities Intermediary or some other intervening party denies access to the applicable Collateral Account. Such a denial may arise where the applicable party disagrees that access is permitted, or wishes to seek directions, legal advice, or an order of a court, or for another reason. Such event may result in the failure of, or delays in, the sale by the Applicable Enforcing Party of the related Class Collateral and reductions in amounts available to make payment on the affected Class or Classes or Global Collateralised Medium Term Notes.

There can be no guarantee that a buyer will be found to acquire Class Collateral at the times such securities are offered for sale by an Applicable Enforcing Party, and there can be no assurance as to the price which may be able to be obtained. Any of these factors could apply or arise inconsistently across the portfolio of securities being sold, in particular because the Class Collateral will consist of various types of securities, including equity securities. All sales of Class Collateral must be effected in accordance with applicable laws, including applicable securities laws, and sales by an Applicable Enforcing Party are not exempt from such securities laws purely as a result of such sales being a liquidation of collateral security. There are various regimes of securities laws which may apply to sales and distributions of the Class Collateral following an Acceleration Event for a Class, and the Applicable Enforcing Party will be permitted to retain counsel to advise it with respect to compliance with laws in the discharge of its duties. There may be delays while such counsel are retained, instructed, research applicable laws and advise the Applicable Enforcing Party, and the costs of such counsel will be deducted from the proceeds of sale. In addition, the need to comply with (or qualify for an exemption from) such securities laws in the sale of such securities may result in a sale conducted in a manner that realises a lower amount of net proceeds than might otherwise have been generated had the sale been conducted in another manner.

Value of the Class Collateral

The payment undertaking granted by the LLP in respect of the Class of Global Collateralised Medium Term Notes, is, *inter alia*, secured by the LLP's interest in the related Class Collateral. Since the economic value of the Class Collateral for a Class may increase or decrease, the value of the LLP's assets may decrease (for example if there is a general decline in the securities markets). If the securities markets experience an overall decline in prices, the value of the Class Collateral for a Class could be significantly reduced and there is no assurance that the applicable Seller will post cash or Additional Securities to cure any resulting Margin Deficit. In addition, there is the risk that the applicable Custodian will fail to recognise a decline in market values or to properly calculate a Margin Deficit in a timely manner or to notify the LLP so that it may require the applicable Seller to cure such Margin Deficit.

Any calculation of the Margin Value of the Class Collateral by such Custodian will be derived from screen pricing or market quotations, and there can be no assurance that such sources represent the true market value of the related securities, or that they will do so at the time when the quotation is sought. Similarly, there can be no assurance that the Custodians will necessarily derive the same determination of value for a given security. After the occurrence of an Acceleration Event for a Class, any decline in the Margin Value of the related Purchased Securities may not be cured, and investors in such Class of Global Collateralised Medium Term Notes would, in such circumstances, be exposed to such price declines in the period between the Acceleration Date and the date the related Class Collateral is liquidated by the Applicable Enforcing Party or any other party.

In addition, there may be currency risk associated with the Class Collateral. Although each Repurchase Transaction has a Base Currency in which the transaction is priced (and in which the Purchase Price, Price Differential and Repurchase Price are required to be paid), the Eligible Securities may not be denominated in that Base Currency. The marking and margin procedures described herein include the applicable Custodian converting, if necessary, securities prices to the Base Currency of the related Repurchase Transaction. Such conversions are calculated at a Spot Rate in accordance with standard procedures established by each Custodian. Accordingly, margin for each Repurchase Transaction is expected to include amounts reflecting the then-current Spot Rate of exchange where there is a currency mismatch between the Base Currency of the Repurchase Transaction, and the currency in which the Class Collateral is denominated. However, there is no currency swap or other similar feature that eliminates currency exchange risk. In conducting sales or a liquidation of the Class Collateral, the LLP or the Applicable Enforcing Party (as applicable) may realise proceeds in one currency and it be necessary to convert such amount into the Base Currency of the Repurchase Transaction. The Spot Rate available in such circumstances may not be the same as that used to calculate the margin amounts, and fluctuations in currency exchange rates over time will not be addressed by additional margin postings if the Seller is in default under the related Repurchase Agreement. The effect of currency exchange fluctuations could significantly reduce the realisable value of the Class Collateral, and consequently the amount available to the LLP to meet the Payment Amount due in respect of the related Class of Global Collateralised Medium Term Notes.

FORWARD-LOOKING STATEMENTS

This Base Prospectus and certain documents incorporated by reference herein contain certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of the Group's plans and its current goals and expectations relating to its future financial condition and performance. The Bank cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "may", "will", "seek", "continue", "aim", "anticipate", "target", "projected", "expect", "estimate", "intend", "plan", "goal", "believe", "achieve" or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group's future financial position, income growth, assets, impairment charges and provisions, business strategy, capital, leverage and other regulatory ratios, payment of dividends (including dividend pay-out ratios), projected levels of growth in the banking and financial markets, projected costs or savings, original and revised commitments and targets in connection with the Transform Programme and Group Strategy Update, run-down of assets and businesses within Barclays Non-Core, estimates of capital expenditures and plans and objectives for future operations, projected employee numbers and other statements that are not historical fact.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. These may be affected by changes in legislation, the development of standards and interpretations under IFRS, evolving practices with regard to the interpretation and application of accounting and regulatory standards, the outcome of current and future legal proceedings and regulatory investigations, future levels of conduct provisions, the policies and actions of governmental and regulatory authorities, geopolitical risks and the impact of competition. In addition, factors including (but not limited to) the following may have an effect: capital, leverage and other regulatory rules (including with regard to the future structure of the Group) applicable to past, current and future periods; UK, United States, Africa, Eurozone and global macroeconomic and business conditions; the effects of continued volatility in credit markets; market related risks such as changes in interest rates and foreign exchange rates; effects of changes in valuation of credit market exposures; changes in valuation of issued securities; volatility in capital markets; changes in credit ratings of the Group; the potential for one or more countries exiting the Eurozone; the impact of EU and US sanctions on Russia; the implementation of the Transform Programme; and the success of future acquisitions, disposals and other strategic transactions. A number of these influences and factors are beyond the Group's control. As a result, the Group's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, and expectations set forth in the Group's forward-looking statements. Additional risks and factors are identified in the Group's filings with the SEC, including in the Joint Annual Report, the 2014 Bank Annual Report and the 2014 Barclays PLC Annual Report (each as defined in "*Information Incorporated by Reference*" below).

Any forward-looking statements made herein speak only as of the date they are made and it should not be assumed that they have been revised or updated in the light of new information or future events. Except as required by the PRA, the FCA, the London Stock Exchange plc (the "**LSE**") or applicable law, the Bank expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this Base Prospectus to reflect any change in the Bank's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that the Bank has made or may make in documents it has published or may publish via the Regulatory News Service of the LSE and/or has filed or may file with the SEC, including the Joint Annual Report.

INFORMATION INCORPORATED BY REFERENCE

The following information has been filed pursuant to the Transparency Directive and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- the joint Annual Report of Barclays PLC and the Bank, as filed with the US Securities and Exchange Commission on Form 20-F in respect of the years ended 31 December 2013 and 31 December 2014 (the "**Joint Annual Report**"), with the exception of the information incorporated by reference in the Joint Annual Report referred to in the Exhibit Index of the Joint Annual Report, which shall not be deemed to be incorporated in this Base Prospectus (available at http://www.barclays.com/content/dam/barclayspublic/docs/InvestorRelations/AnnualReports/AR2013/2013-20-F.pdf and http://www.barclays.com/content/dam/barclayspublic/docs/InvestorRelations/AnnualReports/AR2014/Barclays_PLC_Form_20-F_2014%20.pdf, respectively;

- the Annual Reports of the Bank containing the audited consolidated financial statements of the Bank in respect of the years ended 31 December 2013 (the "**2013 Bank Annual Report**") and 31 December 2014 ("**2014 Bank Annual Report**"), respectively (available at http://www.barclays.com/content/dam/barclayspublic/docs/InvestorRelations/AnnualReports/AR2013/barclays-bank-plc-annual-report-2013.pdf and http://www.barclays.com/content/dam/barclayspublic/docs/InvestorRelations/AnnualReports/AR2014/Barclays_Bank_PLC_Annual_Report_%202014.pdf, respectively);

- the Annual Report of Barclays PLC containing the audited consolidated financial statements of Barclays PLC in respect of the year ended 31 December 2014 (the "**2014 Barclays PLC Annual Report**") (available at http://www.barclays.com/content/dam/barclayspublic/docs/InvestorRelations/AnnualReports/AR2014/Barclays_PLC_Annual_Report_%202014.pdf);

- the unaudited Q1 2015 Results Announcement as filed with the SEC on Form 6-K on 29 April 2015 in respect of the three months ended 31 March 2015 (the "**Q1 2015 Results Announcement**") (available at http://www.barclays.com/content/dam/barclayspublic/docs/InvestorRelations/ResultAnnouncements/2015Q1IMS/Barclays%20Q1%202015%20IMS.pdf); and

- the announcement of the Issuer and Barclays PLC as filed with the SEC on Form 6-K on 20 May 2015 in respect of the foreign exchange and ISDAFix settlements (the "**May 2015 Announcement**" (available at http://api40.10kwizard.com/cgi/convert/pdf/BARCLAYSPLC-20150520-6K-20150520.pdf?ipage=10289957&xml=1&quest=1&rid=23&section=1&sequence=-1&pdf=1&dn=1).

The hyperlinks set out in the preceding paragraphs are provided solely for the convenience of prospective investors. Other than the information specifically incorporated by reference pursuant to this section of the Base Prospectus, neither the content of respective websites of the Bank or the SEC, nor the content of any website accessible from hyperlinks on such websites, is incorporated into, or forms part of, this Base Prospectus. The information incorporated by reference herein has been filed with the Irish Stock Exchange and the Central Bank.

Any information contained in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant for prospective investors for the purposes of Article 5(1) of the Prospectus Directive or is covered elsewhere in this Base Prospectus.

The table below sets out the relevant page references for the information contained within the Joint Annual Report:

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Each of the Bank and Barclays PLC has applied IFRS as issued by the International Accounting Standards Board and as adopted by the European Union (EU) in the financial statements incorporated by reference above. A summary of the significant accounting policies for each of the Bank and Barclays PLC is included in each of the Joint Annual Report, the 2013 Bank Annual Report, the 2014 Bank Annual Report and the 2014 Barclays PLC Annual Report.

INFORMATION RELATING TO THE ISSUER

THE BANK AND THE GROUP

The Bank (together with its subsidiary undertakings (the "**Bank Group**")) is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered and head office at 1 Churchill Place, London, E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). The Bank was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and on 4 October 1971 was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Bank was re-registered as a public limited company and its name was changed from "Barclays Bank International Limited" to "Barclays Bank PLC". The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC. Barclays PLC (together with its subsidiary undertakings the "**Group**") is the ultimate holding company of the Group and is one of the largest financial services companies in the world by market capitalisation.

The Group is engaged in personal banking, credit cards, corporate and investment banking, wealth and investment management services with an extensive international presence in Europe, United States, Africa and Asia. The Bank Group is structured around four core businesses: Personal and Corporate Banking, Barclaycard, Africa Banking and the Investment Bank. Businesses and assets which no longer fit the Bank Group's strategic objectives, are not expected to meet certain returns criteria and/or offer limited growth opportunities to the Group, have been reorganised into Barclays Non-Core. Together with its predecessor companies, the Bank Group has over 300 years of history and expertise in banking. Today the Bank Group operates in over 50 countries. The Bank Group moves, lends, invests and protects money for customers and clients internationally.

The short term unsecured obligations of the Bank are rated A-2 by Standard & Poor's Credit Market Services Europe Limited, P-1 by Moody's Investors Service Ltd. and F1 by Fitch Ratings Limited and the unsecured unsubordinated long-term obligations of the Bank are rated A- by Standard & Poor's Credit Market Services Europe Limited, A2 by Moody's Investors Service Ltd. and A by Fitch Ratings Limited.

Based on the Bank Group's audited financial information for the year ended 31 December 2014[1], the Bank Group had total assets of £1,358,693m (2013): £1,344,201m), total net loans and advances[2] of £470,424m (2013: £474,059m), total deposits[3] of £486,258m (2013: £ 487,647m), and total shareholders' equity of £66,045m (2013: £63,220m) (including non-controlling interests of £2,251m (2013: £2,211m)). The profit before tax from continuing operations of the Bank Group for the year ended 31 December 2014 was £2,309m (2013: £2,885m) after credit impairment charges and other provisions of £2,168m (2013: £3,071m). The financial information in this paragraph is extracted from the audited consolidated financial statements of the Bank for the year ended 31 December 2014.

Acquisitions, Disposals and Recent Developments

Sale of Spanish Businesses to CaixaBank

On 2 January 2015, the Bank completed the sale of its Retail Banking, Wealth and Investment Management and Corporate Banking businesses in Spain to CaixaBank S.A.

The sale represented total assets of £13,446mn and liabilities of £12,840mn as at 31 December 2014. The Bank reported a £446mn loss as at 31 December 2014 in connection with the sale.

Legal, Competition and Regulatory Matters

[1] As noted in the financial statements of the Bank for the year ended 31 December 2014, the prior year (2013) has been restated to reflect the IAS 32 (revised) standard. The restated 2013 results are included in the 2014 financial statements.

[2] Total net loans and advances include balances relating to both bank and customer accounts.

[3] Total deposits include deposits from bank and customer accounts.

Barclays PLC ("**BPLC**"), the Bank and the Group face legal, competition and regulatory challenges, many of which are beyond our control. The extent of the impact on BPLC, the Bank and the Group of these matters cannot always be predicted but may materially impact our operations, financial results, condition and prospects. Matters arising from a set of similar circumstances can give rise to either a contingent liability or a provision, or both, depending on the relevant facts and circumstances. The Group has not disclosed an estimate of the potential financial effect on the Group of contingent liabilities where it is not currently practicable to do so.

Investigations into certain agreements

The FCA has alleged that BPLC and the Bank breached their disclosure obligations in connection with two advisory services agreements entered into by the Bank. The FCA has imposed a £50m fine. BPLC and the Bank are contesting the findings. The United Kingdom (UK) Serious Fraud Office ("**SFO**") is also investigating these agreements. The US Department of Justice ("**DOJ**") and the SEC are investigating whether the Group's relationships with third parties who help it to win or retain business are compliant with the US Foreign Corrupt Practices Act. The Bank has been providing information to other regulators concerning certain of these relationships.

Background Information

The FCA has investigated certain agreements, including two advisory services agreements entered into by the Bank with Qatar Holding LLC ("**Qatar Holding**") in June and October 2008 respectively, and whether these may have related to BPLC's capital raisings in June and November 2008.

The FCA issued warning notices ("**Warning Notices** " against BPLC and the Bank in September 2013.

The existence of the advisory services agreement entered into in June 2008 was disclosed but the entry into the advisory services agreement in October 2008 and the fees payable under both agreements, which amount to a total of £322m payable over a period of five years, were not disclosed in the announcements or public documents relating to the capital raisings in June and November 2008. While the Warning Notices consider that BPLC and the Bank believed at the time that there should be at least some unspecified and undetermined value to be derived from the agreements, they state that the primary purpose of the agreements was not to obtain advisory services but to make additional payments, which would not be disclosed, for the Qatari participation in the capital raisings.

The Warning Notices conclude that BPLC and the Bank were in breach of certain disclosure-related listing rules and BPLC was also in breach of Listing Principle 3 (the requirement to act with integrity towards holders and potential holders of the Company's shares). In this regard, the FCA considers that BPLC and the Bank acted recklessly. The financial penalty in the Warning Notices against the Group is £50m. BPLC and the Bank continue to contest the findings.

Other Investigations

The FCA has agreed that the FCA enforcement process be temporarily stayed pending progress in the SFO's investigation into the agreements referred to above, including the advisory services agreements, in respect of which the Group has received and has continued to respond to requests for further information. The DOJ and SEC are investigating these same agreements and are also undertaking an investigation into whether the Group's relationships with third parties who assist BPLC to win or retain business are compliant with the US Foreign Corrupt Practices Act. The US Federal Reserve has requested to be kept informed. One third-party relationship is also being investigated by another regulator. Regulators in other jurisdictions have also been briefed on the investigations into the Group's relationships with third parties.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect, if any, that they might have upon the Group's operating results, cash flows or financial position in any particular period.

Alternative Trading Systems and High-Frequency Trading

The SEC, the New York State Attorney General ("**NYAG**") and regulators in certain other jurisdictions have been investigating a range of issues associated with alternative trading systems ("**ATS**"), including dark pools, and the activities of high-frequency traders. The Group has been providing information to the relevant regulatory authorities in response to their enquiries. Various parties, including the NYAG, have filed complaints against the Group and certain of its current and former officers in connection with ATS related activities. The Group continues to defend itself against these actions.

Recent Developments

Civil complaints have been filed in the New York Federal Court on behalf of a putative class of plaintiffs against BPLC and others generally alleging that the defendants violated the federal securities laws by participating in a scheme in which high-frequency trading firms were given informational and other advantages so that they could manipulate the US securities market to the plaintiffs' detriment.

In June 2014, the NYAG filed a complaint (Complaint) against BPLC and Barclays Capital Inc. ("**BCI**") in the Supreme Court of the State of New York (the "**NY Supreme Court**") alleging, amongst other things, that BPLC and BCI engaged in fraud and deceptive practices in connection with LX Liquidity Cross, the Group's SEC-registered ATS. BPLC and BCI filed a motion to dismiss the Complaint in July 2014. The NYAG filed an amended complaint ("**Amended Complaint**") on 3 February 2015 in response to the BPLC and BCI motion to dismiss. On 13 February 2015, the NY Supreme Court granted in part and denied in part the BPLC and BCI motion to dismiss. BPLC and BCI will file a motion to dismiss any remaining claims asserted by the NYAG in the Amended Complaint. Proceedings in this matter are continuing.

BPLC and BCI have also been named in a class action by an institutional investor client under California law based on allegations similar to those in the Complaint. This California class action has been consolidated with the class action filed in the New York Federal Court described above.

Also, following the filing of the Complaint, BPLC and BCI were named in a shareholder securities class action along with its current and certain of its former CEOs and CFOs on the basis that investors suffered damages when their investments in Barclays American Depository Receipts declined in value as a result of the allegations in the Complaint. BPLC and BCI have filed a motion to dismiss the complaint.

It is possible that additional complaints relating to these or similar matters may be brought in the future against BPLC and/or its affiliates.

Claimed Amounts/Financial Impact

The complaints seek unspecified monetary damages and injunctive relief. It is not currently practicable to provide an estimate of the financial impact of the matters in this section or what effect, if any, that these matters might have upon operating results, cash flows or the Group's financial position in any particular period.

FERC

The US Federal Energy Regulatory Commission ("**FERC**") has filed a civil action against the Bank and certain of its former traders in the US District Court in California seeking to collect on an order assessing a $435m civil penalty and the disgorgement of $34.9m of profits, plus interest, in connection with allegations that the Bank manipulated the electricity markets in and around California. The Bank and the former traders have filed a motion to dismiss the action for improper venue or, in the alternative, to transfer it to the Southern District of New York ("**SDNY**"), and a motion to dismiss the complaint for failure to state a claim. The US Attorney's Office in the SDNY has informed the Bank that it is looking into the same conduct at issue in the FERC matter.

Background Information

In October 2012, FERC issued an Order to Show Cause and Notice of Proposed Penalties (the "**Order and Notice**") against the Bank and four of its former traders in relation to the Group's power trading in the western US. In the Order and Notice, FERC asserted that the Bank and its former traders violated FERC's Anti-Manipulation Rule by manipulating the electricity markets in and around California from November 2006 to December 2008, and proposed civil penalties and profit disgorgement to be paid by the Bank.

In July 2013, FERC issued an Order Assessing Civil Penalties in which it assessed a $435m civil penalty against the Bank and ordered the Bank to disgorge an additional $34.9m of profits plus interest (both of which are consistent with the amounts proposed in the Order and Notice).

In October 2013, FERC filed a civil action against the Bank and its former traders in the US District Court in California seeking to collect the penalty and disgorgement amount. FERC's complaint in the civil action reiterates the allegations previously made by FERC in its October 2012 Order and Notice and its July 2013 Order Assessing Civil Penalties.

In September 2013, the Bank was contacted by the criminal division of the US Attorney's Office in SDNY and advised that such office is looking at the same conduct at issue in the FERC matter.

In December 2013, the Bank and its former traders filed a motion to dismiss the action for improper venue or, in the alternative, to transfer it to the SDNY, and a motion to dismiss the complaint for failure to state a claim. Proceedings on the motion to dismiss are continuing.

Claimed Amounts/Financial Impact

FERC has made claims against the Group totalling $469.9m, plus interest, for civil penalties and profit disgorgement. This amount does not necessarily reflect the Group's potential financial exposure if a ruling were to be made against it.

Investigations into LIBOR, other Benchmarks, ISDAfix, Foreign Exchange Rates and Precious Metals

Regulators and law enforcement agencies from a number of governments have been conducting investigations relating to the Bank's involvement in manipulating financial benchmarks and Foreign Exchange rates. The Bank, BPLC and BCI have reached settlements with the relevant law enforcement agency or regulator in certain of the investigations, but others, including those set out in more detail below, remain pending.

Background Information

The FCA, the US Commodity Futures Trading Commission ("**CFTC**"), the SEC, the DOJ Fraud Section ("**DOJ-FS**") and Antitrust Division ("**DOJ-AD**"), the European Commission (the "**Commission**"), the SFO, the Monetary Authority of Singapore, the Japan Financial Services Agency, the prosecutors' office in Trani, Italy and various US state attorneys general are amongst various authorities that opened investigations into submissions made by the Bank and other financial institutions to the bodies that set or compile various financial benchmarks, such as LIBOR and EURIBOR and in connection with efforts to manipulate certain benchmark currency exchange rates.

On 27 June 2012, the Bank announced that it had reached settlements with the Financial Services Authority ("**FSA**") (as predecessor to the FCA), the CFTC and the DOJ-FS in relation to their investigations concerning certain benchmark interest rate submissions, and the Bank agreed to pay total penalties of £290m, which were reflected in operating expenses for 2012. The settlements were made by entry into a Settlement Agreement with the FSA, a Settlement Order with the CFTC (the "**CFTC LIBOR Order**") and a Non-Prosecution Agreement ("**NPA**") with the DOJ-FS. In addition, the Bank was granted conditional leniency from the DOJ-AD in connection with potential US antitrust law violations with respect to financial instruments that reference EURIBOR. Summaries of the NPA and the CFTC LIBOR Order are set out below. The full text of the CFTC LIBOR Order and the NPA are publicly available on the websites of the CFTC and the DOJ, respectively. The terms of the Settlement Agreement with the FSA are confidential, but the Final Notice of the FSA in relation to LIBOR is available on the FCA's website.

On 20 May 2015, the Group announced that it had reached settlements with the CFTC, the New York State Department of Financial Services ("**NYDFS**"), the DOJ, the Board of Governors of the Federal Reserve System ("**Federal Reserve**") and the FCA (together, the "**Resolving Authorities**") in relation to investigations into certain sales and trading practices in the foreign exchange market, that it had agreed to pay total penalties of approximately $2.38 billion and that BPLC had agreed to plead guilty to a violation of US anti-trust law. In addition, the Group announced that BPLC, the Bank and BCI had also reached a settlement with the CFTC as part of an industry-wide investigation into the setting of the US Dollar ISDAfix benchmark and that it had agreed to pay a penalty of $115 million. The full text of the CFTC orders relating to foreign exchange and ISDAfix are publicly available on the CFTC website, the full text of the plea agreement with the DOJ is publicly available on the DOJ website and the full text of the orders of the NYDFS and the Federal Reserve are publicly available on their respective websites. The final notice of the FCA in relation to foreign exchange is also publicly available on the FCA's website.

CFTC LIBOR Order

In addition to a $200m civil monetary penalty, the CFTC LIBOR Order requires the Bank to cease and desist from further violations of specified provisions of the US Commodity Exchange Act ("**CEA**") and take specified steps to ensure the integrity and reliability of its benchmark interest rate submissions, including LIBOR and EURIBOR, and improve related internal controls.

DOJ Non-Prosecution Agreement

As part of the NPA, the Bank agreed to pay a $160m penalty. In addition, the DOJ agreed not to prosecute the Bank for any crimes (except for criminal tax violations, as to which the DOJ cannot and does not make any agreement) related to the Bank's submissions of benchmark interest rates, including LIBOR and EURIBOR, contingent upon the Bank's satisfaction of specified obligations under the NPA. In particular, under the NPA, the Bank agreed for a period of two years from 26 June 2012, amongst other things, to:

- commit no US crimes whatsoever;
- truthfully and completely disclose non-privileged information with respect to the activities of the Bank, its officers and employees, and others concerning all matters about which the DOJ enquires of it, which information can be used for any purpose, except as otherwise limited in the NPA;
- bring to the DOJ's attention all potentially criminal conduct by the Bank or any of its employees that relates to fraud or violations of the laws governing securities and commodities markets; and
- bring to the DOJ's attention all criminal or regulatory investigations, administrative proceedings or civil actions brought by any governmental authority in the US by or against the Bank or its employees that alleges fraud or violations of the laws governing securities and commodities markets.

The Bank also agreed to cooperate with the DOJ and other government authorities in the US in connection with any investigation or prosecution arising out of the conduct described in the NPA, which commitment shall remain in force until all such investigations and prosecutions are concluded. The Bank also continues to cooperate with the other ongoing investigations.

The settlements announced by the Group on 20 May 2015 include a $60 million penalty imposed by the DOJ as a consequence of certain practices continuing after entry into the NPA; however, the DOJ exercised its discretion not to declare a breach of the NPA.

Investigations by the US State Attorneys General

Following the settlements announced in June 2012, 31 US State Attorneys General commenced their own investigations into LIBOR, EURIBOR and the Tokyo Interbank Offered Rate. The NYAG, on behalf of this coalition of Attorneys General, issued a subpoena in July 2012 to the Bank (and subpoenas to a number of other banks) to produce wide-ranging information and has since issued additional information requests to the Bank for both documents and transactional data. The Bank is responding to these requests on a rolling basis.

Investigation by the SFO

In addition, following the settlements announced in June 2012, the SFO announced in July 2012 that it had decided to investigate the LIBOR matter, in respect of which the Bank has received and continues to respond to requests for information.

Investigations by the European Commission

The Commission has also been conducting investigations into the manipulation of, amongst other things, EURIBOR. On 4 December 2013, the Commission announced that it had reached a settlement with the Group and a number of other banks in relation to anti-competitive conduct concerning EURIBOR. The Group had voluntarily reported the EURIBOR conduct to the Commission and cooperated fully with the Commission's investigation. In recognition of this cooperation, the Group was granted full immunity from the financial penalties that would otherwise have applied.

ISDAfix Investigation

On 20 May 2015, the CFTC entered into a settlement with BPLC, the Bank and BCI in which the Group agreed to pay a fine of $115 million in connection with the CFTC's industry-wide investigation into the setting of the US Dollar ISDAfix benchmark. Certain other regulatory and enforcement authorities have requested information regarding the setting of, and trading intended to influence, the US Dollar ISDAfix benchmark, and those inquiries have not been resolved by the settlement with the CFTC.

Precious Metals Investigation

The Bank has been providing information to the DOJ in connection with the DOJ's investigation into precious metals and precious metals-based financial instruments.

Foreign Exchange Trading Investigations

In December 2014, the Hong Kong Monetary Authority (HKMA) announced the outcome of its investigation into the Foreign Exchange operations of 10 banks in Hong Kong, including the Bank. In respect of the Bank, the HKMA said that its investigation revealed certain control deficiencies in respect of which it required the Bank's Hong Kong branch to take certain remedial steps, but also noted that, in recent years, the Bank has made enhancements in line with international trends.

On 20 May 2015, the Resolving Authorities reached settlements with several financial institutions, including BPLC and the Bank, regarding investigations into certain sales and trading practices in the foreign exchange market. In connection with the settlements, the Group agreed to pay penalties totalling $2.38 billion and BPLC pleaded guilty to a violation of US anti-trust law.

The settlements reached on 20 May 2015 did not encompass ongoing investigations of electronic trading in the foreign exchange market. In addition, certain other authorities continue to investigate sales and trading practices in the foreign exchange market among multiple market participants, including the Bank, in various countries. The Group is continuing to cooperate with the relevant authorities in their investigations.

For a discussion of litigation arising in connection with these investigations see "*LIBOR and other Benchmarks Civil Actions*", "*Civil Actions in Respect of ISDAfix*", "*Civil Actions in Respect of Foreign Exchange Trading*" and "*Civil Actions in Respect of the Gold Fix*" below.

The amount paid by BPLC pursuant to the plea agreement with the DOJ includes a $60 million penalty imposed by the DOJ as a consequence of certain practices continuing after entry into the NPA; however, the DOJ exercised its discretion not to declare a breach of the NPA.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of certain of the matters in this section, or what effect, if any, that these matters might have upon the Group's operating results, cash flows or financial position in any particular period. The fines in connection with the May 2015 settlements with the CFTC and the Resolving Authorities are covered by the Group's existing provisions of £2.05 billion.

LIBOR and other Benchmark Civil Actions

A number of individuals and corporates in a range of jurisdictions have threatened or brought civil actions against the Group and other banks in relation to manipulation of LIBOR and/or other benchmark rates. While several of such cases have been dismissed and one has settled subject to final approval from the court, others remain pending and their ultimate impact is unclear.

Background Information

Following the settlements of the investigations referred to above in 'Investigations into LIBOR, other Benchmarks, ISDAfix, Foreign Exchange Rates and Precious Metals', a number of individuals and corporates in a range of jurisdictions have threatened or brought civil actions against the Group in relation to LIBOR and/or other benchmarks.

USD LIBOR Cases in MDL Court

The majority of the USD LIBOR cases, which have been filed in various US jurisdictions, have been consolidated for pre-trial purposes before a single judge in the SDNY ("**MDL Court**").

The complaints are substantially similar and allege, amongst other things, that the Bank and the other banks individually and collectively violated provisions of the US Sherman Antitrust Act, the CEA, the US Racketeer Influenced and Corrupt Organizations Act ("**RICO**") and various state laws by manipulating USD LIBOR rates.

The lawsuits seek unspecified damages with the exception of five lawsuits, in which the plaintiffs are seeking a combined total in excess of $1.25bn in actual damages against all defendants, including the Bank, plus punitive damages. Some of the lawsuits also seek trebling of damages under the US Sherman Antitrust Act and RICO.

The proposed class actions purport to be brought on behalf of (amongst others) plaintiffs that (i) engaged in USD LIBOR-linked over-the-counter transactions (the "**OTC Class**"); (ii) purchased USD LIBOR-linked financial instruments on an exchange (the "**Exchange-Based Class**"); (iii) purchased USD LIBOR-linked debt securities (the "**Debt Securities Class**"); (iv) purchased adjustable-rate mortgages linked to USD LIBOR (the "**Homeowner Class**"); or (v) issued loans linked to USD LIBOR (the "**Lender Class**").

In August 2012, the MDL Court stayed all newly filed proposed class actions and individual actions (Stayed Actions), so that the MDL Court could address the motions pending in three lead proposed class actions ("**Lead Class Actions**") and three lead individual actions ("**Lead Individual Actions**").

In March 2013, the MDL Court issued a decision dismissing the majority of claims against the Bank and other panel bank defendants in the Lead Class Actions and Lead Individual Actions.

Following the decision, the plaintiffs in the Lead Class Actions sought permission to either file an amended complaint or appeal an aspect of the March 2013 decision. In August 2013 and June 2014, the MDL Court denied the majority of the motions presented in the Lead Class Actions. As a result, the:

- Debt Securities Class has been dismissed entirely;
- The claims of the Exchange-Based Class have been limited to claims under the CEA; and

- The claims of the OTC Class have been limited to claims for unjust enrichment and breach of the implied covenant of good faith and fair dealing.

Subsequent to the MDL Court's March 2013 decision, the plaintiffs in the Lead Individual Actions filed a new action in California state court (since moved to the MDL Court) based on the same allegations as those initially alleged in the proposed class action cases discussed above. The Debt Securities Class attempted to appeal the dismissal of their action to the US Court of Appeals for the Second Circuit ("**Second Circuit**"), but the Second Circuit dismissed the appeal as untimely on the grounds that the MDL Court had not reached a decision resolving all of the claims in the consolidated actions. In January 2015, the US Supreme Court reversed the Second Circuit's decision, ruling that the Second Circuit must hear the Debt Securities Class' appeal. The OTC Class and the Exchange-Based Class have received permission to join this appeal. Certain other proposed class actions that had previously been stayed by the MDL Court have also received permission to join the appeal as to the dismissal of their antitrust claims.

In December 2014, the MDL Court granted preliminary approval for the settlement of the remaining Exchange-Based Class claims for $19.98m and requested that the plaintiffs present a plan for allocation of the settlement proceeds.

Additionally, the MDL Court has begun to address the claims in the Stayed Actions, many of which, including state law fraud and tortious interference claims, were not asserted in the Lead Class Actions. As a result, in October 2014, the direct action plaintiffs (those who have opted out of the class actions) filed their amended complaints and in November 2014, the defendants filed their motions to dismiss. In November 2014, the plaintiffs in the Lender Class and Homeowner Class actions filed their amended complaints. In January 2015, the defendants filed their motions to dismiss.

Until there are further decisions, the ultimate impact of the MDL Court's decisions will be unclear, although it is possible that the decisions will be interpreted by courts to affect other litigation, including the actions described below, some of which concern different benchmark interest rates.

Additional USD LIBOR Case in the SDNY

An additional individual action was commenced in February 2013 in the SDNY against the Bank and other panel bank defendants. The plaintiff alleged that the panel bank defendants conspired to increase USD LIBOR, which caused the value of bonds pledged as collateral for a loan to decrease, ultimately resulting in the sale of the bonds at a low point in the market. This action is not assigned to the MDL Court; it is proceeding on a different schedule before a different judge in the SDNY. The panel bank defendants have moved to dismiss the action.

Securities Fraud Case in the SDNY

BPLC, the Bank and BCI have also been named as defendants along with four former officers and directors of the Bank in a proposed securities class action pending in the SDNY in connection with the Bank's role as a contributor panel bank to LIBOR. The complaint asserted claims under the US Securities Exchange Act of 1934, principally alleging that the Bank's Annual Reports for the years 2006 to 2011 contained misstatements and omissions concerning (amongst other things) the Bank's compliance with its operational risk management processes and certain laws and regulations. The complaint also alleged that the Bank's daily USD LIBOR submissions constituted false statements in violation of US securities law. The complaint was brought on behalf of a proposed class consisting of all persons or entities that purchased BPLC-sponsored American Depositary Receipts on a US securities exchange between 10 July 2007 and 27 June 2012. In May 2013, the district court granted the Bank's motion to dismiss the complaint in its entirety. The plaintiffs appealed, and, in April 2014, the Second Circuit issued an order upholding the dismissal of certain of the plaintiffs' claims, but reversing the dismissal of the plaintiffs' claims that the Bank's daily USD LIBOR submissions constituted false statements in violation of US securities law. The action has been remanded back to the district court for further proceedings, and discovery is expected to be substantially complete by the end of 2015.

Complaint in the US District Court for the Central District of California

In July 2012, a purported class action complaint in the US District Court for the Central District of California was amended to include allegations related to USD LIBOR and name the Bank as a defendant. The amended complaint was filed on behalf of a purported class that includes holders of adjustable rate mortgages linked to USD LIBOR. In January 2015, the court granted the Bank's motion for summary judgement and dismissed all of the remaining claims against the Bank. The plaintiff has appealed the court's decision to the US Court of Appeals for the Ninth Circuit, and the appeal is expected to be fully briefed by the end of summer 2015.

Japanese Yen LIBOR Case in SDNY

An additional class action was commenced in April 2012 in the SDNY against the Bank and other Japanese Yen LIBOR panel banks by a plaintiff involved in exchange-traded derivatives. The complaint also names members of the Japanese Bankers Association's Euroyen Tokyo Interbank Offered Rate (Euroyen TIBOR) panel, of which the Bank is not a member. The complaint alleges, amongst other things, manipulation of the Euroyen TIBOR and Yen LIBOR rates and breaches of the CEA and US Sherman Antitrust Act between 2006 and 2010. The defendants filed a motion to dismiss and, in March 2014, the Court issued a decision granting in part and denying in part that motion. Specifically, the court dismissed the plaintiff's antitrust claims in full, but sustained the plaintiff's CEA claims. The defendants' motion for reconsideration of the decision concerning the CEA claims was denied by the Court in October 2014. The plaintiff has moved for leave to file a third amended complaint adding additional claims, including a RICO claim.

EURIBOR Cases

In February 2013, a Euribor-related class action was filed against BPLC, the Bank, BCI and other Euribor panel banks. The plaintiffs assert antitrust, CEA, RICO, and unjust enrichment claims. In particular, the Bank is alleged to have conspired with other Euribor panel banks to manipulate EURIBOR. The lawsuit is brought on behalf of purchasers and sellers of NYSE LIFFE EURIBOR futures contracts, purchasers of Euro currency-related futures contracts and purchasers of other derivative contracts (such as interest rate swaps and forward rate agreements that are linked to EURIBOR) during the period 1 June 2005 through 31 March 2011.

In addition, the Bank has been granted conditional leniency from the DOJ-AD in connection with potential US antitrust law violations with respect to financial instruments that reference EURIBOR. As a result of that grant of conditional leniency, the Bank is eligible for (i) a limit on liability to actual rather than treble damages if damages were to be awarded in any civil antitrust action under US antitrust law based on conduct covered by the conditional leniency and (ii) relief from potential joint-and-several liability in connection with such civil antitrust action, subject to the Bank satisfying the DOJ-AD and the court presiding over the civil litigation of fulfilment of its cooperation obligations.

Non-US Benchmarks Cases

In addition to US actions, legal proceedings have been brought or threatened against the Group in connection with alleged manipulation of LIBOR and EURIBOR in a number of jurisdictions. The number of such proceedings in non-US jurisdictions, the benchmarks to which they relate, and the jurisdictions in which they may be brought have increased over time.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect, if any, that they might have upon the Group's operating results, cash flows or financial position in any particular period.

Civil Actions in respect of ISDAfix

Since September 2014, a number of ISDAfix related civil actions have been filed in the SDNY on behalf of a proposed class of plaintiffs, alleging that the Bank, a number of other banks and one broker, violated the US

Sherman Antitrust Act and several state laws by engaging in a conspiracy to manipulate the USD ISDAfix. A consolidated amended complaint was filed in mid-February 2015. Pursuant to a schedule issued by the court, the defendants, including the Bank, will move to dismiss the consolidated amended complaint.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect, if any, that they might have upon the Group's operating results, cash flows or financial position in any particular period.

Civil Actions in respect of Foreign Exchange Trading

Since November 2013, a number of civil actions have been filed in the SDNY on behalf of proposed classes of plaintiffs alleging manipulation of Foreign Exchange markets under the US Sherman Antitrust Act and New York state law and naming several international banks as defendants, including the Bank. The SDNY before whom all the cases are pending, has combined all actions alleging a class of US persons in a single consolidated action. The two actions alleging classes of non-US persons were dismissed on 28 January 2015.

Recent Developments

Defendants' motion to dismiss the consolidated action was denied on 28 January 2015.

Claimed Amounts/Financial Impact

The financial impact of the actions described on the Group or what effect, if any, that they might have upon the Group's operating results, cash flows or financial position in any particular period is currently uncertain.

Civil Actions in respect of the Gold Fix

Since March 2014, a number of civil complaints have been filed in US federal courts, each on behalf of a proposed class of plaintiffs, alleging that the Group entities and other members of The London Gold Market Fixing Ltd. manipulated the prices of gold and gold derivative contracts in violation of the CEA, the US Sherman Antitrust Act, and state antitrust and consumer protection laws. All of the complaints have been transferred to the SDNY and consolidated for pretrial purposes.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the potential exposure of the actions described or what effect, if any, that they might have upon operating results, cash flows or the Group's financial position in any particular period.

US Residential and Commercial Mortgage-related Activity and Litigation

The Group's activities within the US residential mortgage sector during the period from 2005 through 2008 included:

- Sponsoring and underwriting of approximately $39bn of private-label securitisations;
- Economic underwriting exposure of approximately $34bn for other private-label securitisations;
- Sales of approximately $0.2bn of loans to government sponsored enterprises ("GSEs");
- Sales of approximately $3bn of loans to others; and

- Sales of approximately $19.4bn of loans (net of approximately $500m of loans sold during this period and subsequently repurchased) that were originated and sold to third parties by mortgage originator affiliates of an entity that the Group acquired in 2007 2007 (the "Acquired Subsidiary").

Throughout this time period affiliates of the Group engaged in secondary market trading of US residential mortgaged-backed securities ("RMBS") and US commercial mortgage backed securities ("CMBS"), and such trading activity continues today.

In connection with its loan sales and certain private-label securitisations the Group provided certain loan level representations and warranties ("R&Ws"), which if breached may require the Group to repurchase the related loans. On 31 December 2014, the Group had unresolved repurchase requests relating to loans with a principal balance of approximately $2.6bn at the time they were sold, and civil actions have been commenced by various parties alleging that the Group must repurchase a substantial number of such loans. In addition, the Group is party to a number of lawsuits filed by purchasers of RMBS asserting statutory and/or common law claims. The current outstanding face amount of RMBS related to these pending claims against the Group as of 31 December 2014 was approximately $0.9bn.

Regulatory and governmental authorities have initiated wide-ranging investigations into market practices involving mortgage-backed securities, and the Group is co-operating with several of those investigations.

RMBS Repurchase Requests

Background

The Group was the sole provider of various loan-level R&Ws with respect to:

- Approximately $5bn of Group sponsored securitisations;
- Approximately $0.2bn of sales of loans to GSEs; and
- Approximately $3bn of loans sold to others.

In addition, the Acquired Subsidiary provided R&Ws on all of the $19.4bn of loans it sold to third parties.

R&Ws on the remaining Group sponsored securitisations were primarily provided by third-party originators directly to the securitisation trusts with a Group subsidiary, such as the depositor for the securitisation, providing more limited R&Ws. There are no stated expiration provisions applicable to most R&Ws made by the Group, the Acquired Subsidiary or these third parties.

Under certain circumstances, the Group and/or the Acquired Subsidiary may be required to repurchase the related loans or make other payments related to such loans if the R&Ws are breached.

The unresolved repurchase requests received on or before 31 December 2014 associated with all R&Ws made by the Group or the Acquired Subsidiary on loans sold to GSEs and others and private-label activities had an original unpaid principal balance of approximately $2.6bn at the time of such sale.

A substantial number (approximately $2.2 billion) of the unresolved repurchase requests discussed above relate to civil actions that have been commenced by the trustees for certain RMBS securitisations in which the trustees allege that the Group and/or the Acquired Subsidiary must repurchase loans that violated the operative R&Ws. Such trustees and other parties making repurchase requests have also alleged that the operative R&Ws may have been violated with respect to a greater (but unspecified) amount of loans than the amount of loans previously stated in specific repurchase requests made by such trustees. All of the litigation involving repurchase requests remain at early stages.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect, if any, that they might have upon the Group's operating results, cash flows or financial position in any particular period.

RMBS Securities Claims

Background

As a result of some of the RMBS activities described above, the Group is party to a number of lawsuits filed by purchasers of RMBS sponsored and/or underwritten by the Group between 2005 and 2008. As a general matter, these lawsuits allege, among other things, that the RMBS offering materials allegedly relied on by such purchasers contained materially false and misleading statements and/or omissions and generally demand rescission and recovery of the consideration paid for the RMBS and recovery of monetary losses arising out of their ownership.

The original face amount of RMBS related to the pending civil actions against the Group total approximately $2.4bn, of which approximately $0.9bn was outstanding as at 31 December 2014.

Cumulative realised losses reported on these RMBS as at 31 December 2014 were approximately $0.3bn.

Claimed Amounts/Financial Impact

If the Group were to lose the pending actions the Group believes it could incur a loss of up to the outstanding amount of the RMBS at the time of judgement (taking into account further principal payments after 31 December 2014), plus any cumulative losses on the RMBS at such time and any interest, fees and costs, less the market value of the RMBS at such time and less any provisions taken to date.

Although the purchasers in these securities actions have generally not identified a specific amount of alleged damages, the Group has estimated the total market value of these RMBS as at 31 December 2014 to be approximately $0.6bn. The Group may be entitled to indemnification for a portion of such losses.

Other Mortgage-related Investigations

In addition to the RMBS Repurchase Requests and RMBS Securities Claims, numerous regulatory and governmental authorities, amongst them the DOJ, SEC, Special Inspector General for the US Troubled Asset Relief Program and US Attorney's Office for the District of Connecticut have been investigating various aspects of the mortgage-related business, including issuance and underwriting practices in primary offerings of RMBS and trading practices in the secondary market for both RMBS and CMBS. The Group is co-operating with these investigations.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect, if any, that they might have upon the Group's operating results, cash flows or financial position in any particular period.

Lehman Brothers

Since September 2009, the Group has been engaged in litigation with various entities that have sought to challenge certain aspects of the transaction pursuant to which BCI and other companies in the Group acquired most of the assets of Lehman Brothers Inc. ("LBI") in September 2008, as well as the court order (the "Order")approving the sale (the "Sale"). The Order was upheld by the courts and is no longer being challenged. On 5 August 2014, the Second Circuit affirmed the SDNY's rulings in favour of the Group on certain claims with respect to its rights over assets it claims from the Sale.

Background Information

In September 2009, motions were filed in the United States Bankruptcy Court for the SDNY (the "**Bankruptcy Court**") by Lehman Brothers Holdings Inc. ("**LBHI**"), the SIPA Trustee for Lehman Brothers Inc. (the "**Trustee**") and the Official Committee of Unsecured Creditors of Lehman Brothers Holdings Inc. (the "**Committee**"). All three motions challenged certain aspects of the Sale, as well as the Order. The claimants sought an order voiding the transfer of certain assets to BCI, requiring BCI to return to the LBI estate any excess value BCI allegedly received, and declaring that BCI is not entitled to certain assets that it claims pursuant to the Sale documents and the Order (the "**Rule 60 Claims**").

In January 2010, BCI filed its response to the motions and also filed a motion seeking delivery of certain assets that LBHI and LBI had failed to deliver as required by the Sale documents and the Order (together with the Trustee's competing claims to those assets, the "**Contract Claims**").

In 2011, the Bankruptcy Court rejected the Rule 60 Claims and decided some of the Contract Claims in the Trustee's favour and some in favour of the Group. The Group and the Trustee each appealed the Bankruptcy Court's adverse rulings on the Contract Claims to the SDNY. LBHI and the Committee did not appeal the Bankruptcy Court's ruling on the Rule 60 Claims.

The SDNY issued an opinion in June 2012, reversing one of the Bankruptcy Court's rulings on the Contract Claims that had been adverse to the Group and affirming the Bankruptcy Court's other rulings on the Contract Claims. In July 2012, the SDNY issued an agreed judgement implementing the rulings in the opinion (the "**Judgement**"). Under the Judgement, the Group is entitled to receive:

- $1.1bn (£0.7bn) from the Trustee in respect of "clearance box" assets ("**Clearance Box Assets**"); and
- Property held at various institutions in respect of the exchange traded derivatives accounts transferred to BCI in the Sale (the "**ETD Margin**").

Recent Developments

The Trustee appealed the SDNY's adverse rulings to the Second Circuit. On 5 August 2014, the Second Circuit issued an opinion affirming the rulings of the SDNY that the Group is entitled to receive the Clearance Box Assets and the ETD Margin.

On 1 October 2014, the Trustee filed a motion with the SDNY to confirm the scope of the SDNY's judgement regarding the ETD Margin the Group is entitled to receive. With that motion, the Trustee is challenging the Bank's entitlement to approximately $1.1bn of assets that the Trustee asserts do not constitute ETD Margin.

On 15 December 2014, the Trustee requested that the US Supreme Court review the rulings of the SDNY and the Second Circuit regarding the ETD margin.

Claimed Amounts/Financial Impact

Approximately $1.7bn (£1.1bn) of the assets to which the Group is entitled as part of the Sale had not been received by 31 December 2014, approximately $0.8bn (£0.5bn) of which has been recognised as a financial asset on the balance sheet as at 31 December 2014. The unrecognised amount, approximately $0.9bn (£0.6bn) as of 31 December 2014, effectively represents a provision against the uncertainty inherent in the litigation and potential post-appeal proceedings and issues relating to the recovery of certain assets held by an institution outside the US. The financial asset reflects an increase of $0.7bn (£0.5bn) recognised in profit or loss as at 30 September 2014 as a result of greater certainty regarding the recoverability of the Clearance Box Assets and the ETD Margin from the Trustee, as well as decreases resulting from a payment of $1.1bn (£0.7bn) made by the Trustee to the Group on 8 October 2014, fully discharging the Trustee's obligations in respect of the Clearance Box Assets and from a payment of approximately $1.5bn (£1bn) made by the Trustee to the Group on 10 December 2014 in respect of a portion of the ETD Margin.

In this context, the Group is satisfied with the valuation of the asset recognised on its balance sheet and the resulting level of effective provision.

American Depositary Shares

BPLC, the Bank and various current and former members of BPLC's Board of Directors have been named as defendants in five proposed securities class actions consolidated in the SDNY, alleging misstatements and omissions in registration statements for certain American Depositary Shares offered by the Bank.

Background Information

The consolidated amended complaint, filed in February 2010, asserted claims under the Securities Act of 1933, alleging that registration statements relating to American Depositary Shares representing preferred stock, series 2, 3, 4 and 5 (the "**Preferred Stock ADS**") offered by the Bank at various times between 2006 and 2008 contained misstatements and omissions concerning (amongst other things) the Bank's portfolio of mortgage-related (including US subprime-related) securities, the Bank's exposure to mortgage and credit market risk, and the Bank's financial condition. These complaints did not specifically identify what alleged damages these plaintiffs sought to recover in connection with their claims.

Recent Developments

The claims concerning the series 2, 3 and 4 offerings have been dismissed on the basis that they were time barred. Although the SDNY also dismissed the claims concerning the series 5 offering, the Second Circuit reversed the dismissal and ruled that the plaintiffs should have been permitted to file a second amended complaint in relation to the series 5 offering claims. This series 5 offering had an original face amount of approximately $2.5 billion.
In June 2014, the SDNY denied defendants' motion to dismiss with respect to the claims in the amended complaint concerning the series 5 offering.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect, if any, that they might have upon the Group's operating results, cash flows or financial position in any particular period.

BDC Finance L.L.C.

BDC Finance L.L.C. (BDC) filed a complaint against the Bank in the NY Supreme Court alleging breach of a portfolio of total return swaps governed by an ISDA Master Agreement (collectively, the "**Agreement**"). A ruling was made against the Bank, but the New York State Court of Appeals effectively reversed that ruling. Parties related to BDC have also sued the Bank and BCI in Connecticut State Court in connection with the Bank's conduct relating to the Agreement.

Background Information

In October 2008, BDC filed a complaint in the NY Supreme Court alleging that the Bank breached the Agreement when it failed to transfer approximately $40 million of alleged excess collateral in response to BDC's October 2008 demand (the "**Demand**").

BDC asserts that under the Agreement the Bank was not entitled to dispute the Demand before transferring the alleged excess collateral and that even if the Agreement entitled the Bank to dispute the Demand before making the transfer, the Bank failed to dispute the Demand.

BDC demands damages totalling $298 million plus attorneys' fees, expenses, and prejudgement interest.

In August 2012, the NY Supreme Court granted partial summary judgement for the Bank, ruling that the Bank was entitled to dispute the Demand before transferring the alleged excess collateral, but determining that a trial was

required to determine whether the Bank actually did so. The parties cross-appealed to the Appellate Division of the NY Supreme Court (the "**NY Appellate Division**").

In September 2011, BDC's investment advisor, BDCM Fund Adviser, L.L.C. and its parent company, Black Diamond Capital Holdings, L.L.C. also sued the Bank and BCI in Connecticut State Court for unspecified damages allegedly resulting from the Bank's conduct relating to the Agreement, asserting claims for violation of the Connecticut Unfair Trade Practices Act and tortious interference with business and prospective business relations. The parties have agreed to a stay of that case.

In October 2013, the NY Appellate Division reversed the NY Supreme Court's grant of partial summary judgement in favour of the Bank, and instead granted BDC's motion for partial summary judgement, holding that the Bank breached the Agreement. The NY Appellate Division did not rule on the amount of BDC's damages, which has not yet been determined by the NY Supreme Court.

Recent Developments

In January 2014 the NY Appellate Division granted the Bank leave to appeal its October 2013 decision to the NY Court of Appeals. The New York Court of Appeals heard oral argument on 6 January 2015 and on 19 February 2015 modified the NY Appellate Division's grant of partial summary judgement to BDC, holding that summary judgement in either party's favour cannot be granted because a material issue of fact remains as to whether the Bank breached the Agreement. The New York Court of Appeals ordered that the matter be referred back to the NY Supreme Court for further proceedings.

Claimed Amounts/Financial Impact

BDC has made claims against the Group totalling $298m plus attorneys' fees, expenses, and pre-judgement interest. This amount does not necessarily reflect the Group's potential financial exposure if a ruling were to be made against it.

Civil Actions in respect of the US Anti-Terrorism Act

In November 2014, a civil complaint was filed in the US Federal Court in the Eastern District of New York by a group of approximately 200 plaintiffs, alleging that the Group and a number of other banks engaged in a conspiracy and violated the US Anti-Terrorism Act (ATA) by facilitating US dollar denominated transactions for the Government of Iran and various Iranian banks, which in turn funded Hezbollah attacks that injured the plaintiffs' family members. Plaintiffs seek to recover for pain, suffering and mental anguish pursuant to the provisions of the ATA, which allows for the tripling of any proven damages.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the matters in this section or what effect, if any, that these matters might have upon operating results, cash flows or the Group's financial position in any particular period.

Credit Default Swap (CDS) Antitrust Investigations

The Commission and the DOJ-AD commenced investigations in the CDS market, in 2011 and 2009, respectively. In July 2013 the Commission addressed a Statement of Objections to the Bank, 12 other banks, Markit Ltd. and ISDA. The case relates to concerns that certain banks took collective action to delay and prevent the emergence of exchange traded credit derivative products.

If the Commission does reach a decision in this matter it has indicated that it intends to impose sanctions. The Commission's sanctions can include fines. The DOJ-AD's investigation is a civil investigation and relates to similar issues. The Bank is also contesting a proposed, consolidated class action alleging similar issues that has been filed in the US. Disclosure in the case is ongoing.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the actions described on the Group or what effect, if any, that they might have upon the Group's operating results, cash flows or financial position in any particular period.

Interchange Investigations

Investigations of Visa and MasterCard credit and debit interchange rates by competition authorities in Europe remain open.

The Bank receives interchange fees, as a card issuer, from providers of card acquiring services to merchants. The key risks arising from the investigations comprise the potential for fines imposed by competition authorities, litigation and the implementation of new regulations that impact interchange fees.

Claimed Amounts/Financial Impact

It is not currently practicable to provide an estimate of the financial impact of the matters in this section or what effect, if any, that these matters might have upon operating results, cash flows or the Group's financial position in any particular period.

Interest Rate Hedging Products Redress

See Note 27 (Provisions) to the financial statements of BPLC as contained in the Joint Annual Report for a description of the FSA's review and redress exercise in respect of interest rate hedging products and the provisions recognised by the Group in connection with it.

General

The Group is engaged in various other legal, competition and regulatory matters both in the UK and a number of overseas jurisdictions. It is subject to legal proceedings by and against the Group which arise in the ordinary course of business from time to time, including (but not limited to) disputes in relation to contracts, securities, debt collection, consumer credit, fraud, trusts, client assets, competition, data protection, money laundering, employment, environmental and other statutory and common law issues.

The Group is also subject to enquiries and examinations, requests for information, audits, investigations and legal and other proceedings by regulators, governmental and other public bodies in connection with (but not limited to) consumer protection measures, compliance with legislation and regulation, wholesale trading activity and other areas of banking and business activities in which the Group is or has been engaged.

At the present time, the Group does not expect the ultimate resolution of any of these other matters to have a material adverse effect on its financial position. However, in light of the uncertainties involved in such matters and the matters specifically described in this section, there can be no assurance that the outcome of a particular matter or matters will not be material to the Group's results of operations or cash flow for a particular period, depending on, amongst other things, the amount of the loss resulting from the matter(s) and the amount of income otherwise reported for the reporting period.

Directors

The Directors of the Bank, each of whose business address is 1 Churchill Place, London E14 5HP, United Kingdom, their functions in relation to the Group and their principal outside activities (if any) of significance to the Group are as follows:

Name	*Function(s) within the Group*	*Principal outside activities*
John McFarlane[4]	Chairman	Chairman, FirstGroup plc; Director, Westfield Group; Director, Old Oak Holdings Ltd
Antony Jenkins	Group Chief Executive	Director, The Institute of International Finance; Member, International Advisory Panel of the Monetary Authority of Singapore; Chairman, Business in the Community; Director, Catalyst
Tushar Morzaria	Group Finance Director	
Tim Breedon CBE	Non-Executive Director	Adviser, Blackstone Group L.P; Chairman, Apax Global Alpha
Crawford Gillies	Non-Executive Director	Non-Executive Director Standard Life plc; Non-Executive Director MITIE Group PLC; Chairman, Control Risks Group Limited; Chairman, Scottish Enterprise
Reuben Jeffery III	Non-Executive Director	Chief Executive Officer, President and Director, Rockefeller & Co., Inc.; and Rockefeller Financial Services Inc,; Member International Advisory Council of the China Securities Regulatory Commission; Member, Advisory Board of Towerbrook Capital Partners LP; Director, Financial Services Volunteer Corps; International Advisory Committee, J. Rothschild Capital management
Dambisa Moyo	Non-Executive Director	Non-Executive Director, SABMiller PLC; Non-Executive Director, Barrick Gold Corporation
Sir Michael Rake	Deputy Chairman and Senior Independent Director	Chairman, BT Group PLC; Director, McGraw-Hill Financial Inc.; President, Confederation of British Industry
Diane de Saint Victor	Non-Executive Director	General Counsel, Company Secretary and a member of the Group Executive Committee of

[4] John McFarlane was appointed as a non-executive Director of the Bank and Barclays PLC with effect from 1 January 2015 and succeeded Sir David Walker as Chairman of the Bank and Barclays PLC with effect from the conclusion of the Barclays PLC AGM on 23 April 2015. John McFarlane is currently Chairman of FirstGroup plc and he will be stepping down from this position at the conclusion of the FirstGroup plc AGM in July 2015. Mr McFarlane will remain a non-executive Director of Westfield Group and Old Oak Holdings Ltd.

Name	*Function(s) within the Group*	*Principal outside activities*
		ABB Limited; Member, Advisory Board of the World Economic Forum's Davos Open Forum
Frits van Paasschen	Non-Executive Director	
Mike Ashley	Non-Executive Director	Member, HM Treasury Audit Committee; Member, Institute of Chartered Accountants in England & Wales' Ethics Standards Committee; Vice-Chair, European Financial Reporting Advisory Group's Technical Expert Group; Chairman, Government Internal Audit Agency
Wendy Lucas-Bull	Non-Executive Director; Chairman of Barclays Africa Group Limited	Director, Afrika Tikkun NPC; Director, Peotona Group Holdings (Pty) Limited
Stephen Thieke	Non-Executive Director	

Barclays Africa Group Limited (BAGL) is majority-owned by the Group and a minority of the voting capital is held by non-controlling third party interests. As such, procedures are in place to manage any potential conflicts of interest arising from Wendy Lucas-Bull's duties as a Non-Executive Director of the Bank and her duties as Chairman of BAGL. Except as stated above in respect of Wendy Lucas-Bull, no potential conflicts of interest exist between any duties to the Bank of the Directors listed above and their private interests or other duties.

Significant Change Statement

There has been no significant change in the financial or trading position of the Bank or the Group since 31 March 2015.

Material Adverse Change Statement

There has been no material adverse change in the financial position or prospects of the Bank or the Group since 31 December 2014.

Legal Proceedings

Save as disclosed under "*The Bank and the Group — Legal, Competition and Regulatory Matters*" (other than under the heading 'General') and in the Q1 2015 Results Announcement and the May 2015 Announcement, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware), which may have or have had during the 12 months preceding the date of this Base Prospectus, a significant effect on the financial position or profitability of the Bank and/or the Group.

Auditors

The annual consolidated and unconsolidated financial statements of the Bank for the two years ended 31 December 2013 and 31 December 2014 have been audited without qualification by PricewaterhouseCoopers of Southwark Towers, 32 London Bridge Street, London SE1 9SY, chartered accountants and registered auditors (authorised and regulated by the Financial Services Authority for designated investment business), who are members of the Institute of Chartered Accountants of England and Wales.

Related Parties

In the ordinary course of business, the Issuer participates in transactions with parent and fellow subsidiary companies. Such transactions are disclosed in the consolidated audited financial statements of Barclays PLC, which are publicly available and incorporated by reference into this Base Prospectus.

DESCRIPTION OF THE LLP

Barclays CCP Funding LLP was formed under the laws of England and Wales on 26 October, 2010. The LLP is a limited liability partnership with registered number OC359024, whose registered office is at 1 Churchill Place, London, E14 5HP (telephone number of the Administrator of the LLP: +44 (0) 20 7116 1000).

The members of the LLP as at the date of this Base Prospectus, and their respective principal offices, are Barclays Bank PLC, and Barclays Shea Limited, both at 1 Churchill Place, London, E14 5HP, United Kingdom. One hundred percent of the economic interest in the LLP is owned by Barclays Bank PLC, and the LLP will be consolidated with Barclays Bank PLC under applicable international accounting standards. See "*The LLP Deed*" below.

As of the Series Closing Date, the LLP has incurred indebtedness and other obligations under the Intercompany Loan Agreement and in connection with the LLP Undertaking in connection two Series of collateralised commercial paper under the Programme. The LLP is expected to incur additional indebtedness under these Series, under the Global Collateralised Medium Term Note Series and under any other series issued from time to time under the Programme. Except for certain expenses of liquidation under the occurrence of an Acceleration Event of any Series or Class issued under the Programme, the Issuer will pay all fees and expenses of all third party service providers to the LLP.

The LLP's annual financial year-end date is 31 December. The LLP has prepared audited financial statements for the years ended 31 December 2012 and 31 December 2013. The LLP has applied IFRS as issued by the International Accounting Standards Board and as adopted by the EU in such financial statements. A summary of the significant accounting policies for the LLP is included in the Report and Financial Statements of the LLP for the years ended 31 December 2012 and 2013 included elsewhere herein. Based on the LLP's audited financial information for the year ended 31 December 2013, the LLP had total assets of $8,166,498,868 (2012: $4,258,325,102), total liabilities of $8,166,498,868 (2012: $4,258,325,102) and total shareholders' equity of $10,000,000 (2012: $10,000,000). The financial information in this paragraph is extracted from the Report and Financial Statements of the LLP for the year ended 31 December 2013 included elsewhere herein.

The LLP Deed

As at the date of this Base Prospectus, the LLP is controlled by the Bank. To ensure that such control is not abused, the Bank, the LLP and the Liquidation Member have entered into the LLP Deed which governs the operation of the LLP.

Establishment, Membership and Capital

The LLP Deed ("**LLP Deed**") is a limited liability partnership deed between the LLP, Barclays Bank PLC (in its capacity as Administrator and Member) and the Liquidation Member. The LLP Deed is governed by the law of England and Wales. The LLP Deed provides for the establishment and management of the LLP. The Members of the LLP agree to operate the business of the LLP through the LLP Management Committee, in accordance with the terms of the LLP Deed.

The only members of the LLP (each a "**Member**", and together with any other members from time to time, the "**Members**" of the LLP) are Barclays Bank PLC and the Liquidation Member. The Members (other than the Liquidation Member) may from time to time make capital contributions in cash to the LLP ("**Capital Contributions**") if so requested by the LLP Management Committee. In addition, the Members (other than the Liquidation Member) may pay the fees and expenses of service providers for the LLP on the LLP's behalf, which payments will be deemed to be Capital Contributions by such Member. The Liquidation Member will not make any Capital Contributions to the LLP. No Member is entitled to any interest on its Capital Contribution. The Members are not obligated to make Capital Contributions, or to contribute to the losses of the LLP.

Management of the LLP

Decisions by the LLP are generally made by a management committee which is comprised of Barclays Bank PLC and the Liquidation Member (the "**LLP Management Committee**"), each of whom are represented at any meeting of the LLP Management Committee by a representative appointed by each respective Member from its officers, directors and employees. Except as specified below, the Members will delegate all matters to the LLP Management Committee, who may decide such matters by majority decision or by sub-delegating or otherwise determining such matters as they consider appropriate.

A quorum for the transaction of business at a meeting of the LLP Management Committee must include at least one representative of each of the two members of the LLP Management Committee and, for any meeting of the LLP Management Committee relating to any decision requiring a unanimous decision of the LLP Management Committee as described below, must include the Independent Director. The following matters may only be determined by the unanimous decision of the LLP Management Committee, and, while any Series is outstanding, with prior notice to each Applicable Enforcing Party for such Series: (a) appointment of a liquidator or application to the court to make an administration order in respect of the LLP; (b) any change to the LLP name; (c) any amendment to certain provisions of the LLP Deed relating to governance of the LLP; (d) a decision not to fully indemnify the LLP for liabilities of the LLP due to the dishonesty, willful default, willful neglect or negligence of a Member; (e) a transfer of the whole or any part of the business of the LLP; and (f) any change to the LLP's business, other than as contemplated by the Transaction Documents.

An "**Independent Director**," for purposes of the LLP Deed, means a person that (a) is not a director, officer or employee of the Issuer; and (b) is not a person, or a director, officer or employee of a person, which controls or has in the five years prior to appointment as director of the Liquidation Member controlled (whether directly, indirectly, or otherwise) the Issuer or its Affiliates. With respect to any entity, an "**Affiliate"** is another entity that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with such entity. For purposes of this definition, the term "control" means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through the ability to exercise voting power, by contract or otherwise. An entity shall be deemed to be controlled by another entity if such other entity possesses, directly or indirectly, the power to elect a majority of the board of directors or equivalent body of the first entity. The Independent Director will act in the best interests of the LLP in making any decision or casting any vote with respect to the business and/or operation of the LLP.

A quorum for a meeting of the Members of the LLP must include at least one representative of each of the two Members and, for any meeting of the Members relating to any decision requiring a unanimous decision of the Members as described below, must include the Independent Director. The following matters may only be decided by a unanimous decisions of the Members: (a) approval of the balance sheet and profit and loss account of the LLP, together with the notes of such accounts; (b) a resolution for the voluntary winding up of the LLP; and (c) a resolution to contribute to the losses of the LLP.

Following the appointment of a liquidator or administrator to the Issuer while it is a Member, decisions which are reserved to the Members (including any decision expressly requiring a unanimous decision of the Members) will be made by the Liquidation Member, acting by decision of the Independent Director, alone.

No potential conflicts of interest exist between any duties to the LLP of the members of the LLP Management Committee and their private interests or other duties.

LLP Master Account

The LLP Deed authorises the establishment of a main operating bank account for the LLP (the "**LLP Master Account**"). The LLP Master Account is not pledged by the LLP and does not represent part of the Collateral for any Class of the Global Collateralised Medium Term Notes or any other Series under the Programme.

Winding Up Provisions

For so long as any Series is outstanding, each Member has agreed that it will not terminate or purport to terminate the LLP or institute any winding-up, administration, insolvency or other similar proceedings against the LLP and in the event that any Series is not outstanding, only with a unanimous decision of the Members. Such consent must include the consent of the Independent Director. The LLP may only be wound up voluntarily under Section 84(1) of the Insolvency Act, in accordance with the LLP Deed and the Companies Act 2006 and any regulations made pursuant thereto. Upon the winding up of the LLP, each Applicable Enforcing Party may realise upon some or all of the assets of the LLP in accordance with the security documents for any Series or Class under the Programme, and distribute the proceeds of sale or assets in accordance with such security documents. The remaining property of the LLP will be distributed in cash or in specie in repayment of, with respect to any Member, the balance of such Member's Capital Contributions as determined in accordance with the LLP Deed. Any remaining balance will be distributed to the Members *pro rata* and *pari passu* in the proportions which their respective outstanding Capital Contributions bear to the aggregate outstanding Capital Contributions of the Members immediately prior to the liquidation. The provisions of the LLP Deed will remain binding notwithstanding that the LLP has been wound up or become insolvent in so far as the obligations and covenants set out in it remain or require to be performed.

Isolation of the LLP

The LLP has agreed that (a) it will maintain separate financial statements from the Issuer and will conduct its business such that the LLP is a readily identifiable business separate from, and independent of, the Issuer (it being understood that, in the event it is required to do so by applicable law or any accounting principles from time to time in effect, the Issuer and any of its Affiliates may publish financial statements that consolidate those of the LLP); (b) it will conduct its business in its own name and not in the name of the Issuer; (c) all of its business correspondence and other communications in connection with the Issuer will be conducted in LLP's own name and the LLP will use its own respective stationery, invoices and checks and will hold itself out as a separate and distinct entity from the Issuer; (d) it will correct any known misunderstanding regarding its separate identity from the Issuer; (e) it will maintain records, books, accounts and minutes for itself separate from those of the Issuer or any other person; (f) it will maintain its assets separately from the assets of the Issuer (including through the maintenance of separate bank accounts) and it will not commingle its assets with those of the Issuer or any other person; (g) it will pay its own obligations as a legal entity separate from the Issuer only from its own funds; (h) it will maintain adequate capital in light of its contemplated business operations; (i) it will not enter into any agreements with the Issuer or any of its Affiliates that are, as a whole, materially more favourable to such persons than agreements that such persons would have been able to enter into at such time on an arm's-length basis with a non-affiliated third party; (j) it will observe all corporate and other organizational formalities required by the LLP Deed and by the laws of England and Wales; and (k) it will not take any actions that would be inconsistent with maintaining its legal identity separate from the Issuer.

Employees

The LLP has no employees.

Significant or Material Change

Since 31 December 2013, there has been (a) no material adverse change in the prospects of the LLP and (b) no significant change in the financial or trading position of the LLP.

Legal Proceedings

The LLP is not nor has it been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the LLP is aware), during the 12 months prior to the date hereof, which may have, or have had in the recent past a significant effect on the financial position or profitability of the LLP.

Auditors

The annual financial statements of the LLP for the two years ended 31 December 2012 and 31 December 2013 have been audited without qualification by PricewaterhouseCoopers of Southwark Towers, 32 London Bridge Street, London SE1 9SY, chartered accountants and registered auditors (authorised and regulated by the Financial Services Authority for designated investment business), who are members of the Institute of Chartered Accountants of England and Wales.

DESCRIPTION OF THE SELLERS

Barclays Bank PLC

Please refer to the disclosure relating to the Issuer, which is relevant to Barclays Bank PLC in its capacity as Seller under the applicable Repurchase Agreement.

Barclays Capital Securities Limited

Barclays Capital Securities Limited is a company incorporated in United Kingdom and registered in England (registered number 1929333), whose registered office is situate at 1 Churchill Place, London E14 5HP ("**BCSL**"). BCSL is a wholly owned subsidiary of Barclays Bank PLC and its ultimate parent is Barclays PLC.

The principal activities of BCSL include providing prime services and equity derivatives, cash equities, convertible bond trading and agency execution services.

BCSL was incorporated on 9 July 1985. It is regulated by the FCA and PRA in the United Kingdom and its permissions are set out in the Financial Services Register (http://www.fsa.gov.uk/register/firmPermissions.do?sid=61059). Permissions include:

- Acting as trustee or depositary of an unauthorised AIF
- Advising on investments (except on Pension Transfers and Pension Opt Outs)
- Agreeing to carry on a regulated activity
- Arranging (bringing about) deals in investments
- Arranging safeguarding and administration of assets
- Causing dematerialised instructions to be sent
- Dealing in investments as agent
- Dealing in investments as principal
- Making arrangements with a view to transactions in investments
- Managing investments
- Safeguarding and administration of assets (without arranging)
- Sending dematerialised instructions

BCSL has branch registrations in Australia, China and Korea.

Barclays Capital Inc.

Barclays Capital Inc. (sometimes referred to as "**BCI**" or, in this section, the "**Firm**") provides a full array of services in equity and fixed income sales, trading and research, investment banking, asset management, private investment management and private equity. BCI is a Connecticut corporation with a registered office in Hartford, Connecticut. The Firm is a registered securities broker-dealer and investment advisor with the SEC, a futures commission merchant, swap firm, commodity pool operator, commodity trading advisor registered with the CFTC and municipal advisor with the SEC and the Municipal Securities Rulemaking Board. BCI is headquartered in New York, with registered domestic branch offices in Atlanta, Boston, Chicago, Dallas, Houston, Los Angeles, Media,

Menlo Park, Miami, New York, Palm Beach, Philadelphia, San Juan, San Francisco, Seattle, Washington, DC and Wells, ME.

BCI is a market-maker in all major equity and fixed income products. To facilitate its market-making activities, BCI is a member of all principal securities and commodities exchanges in the United States, as well as FINRA (the Financial Industry Regulatory Authority, formed in 2007 by the consolidation of NASD, Inc. and the member regulation, enforcement and arbitration functions of the New York Stock Exchange, Inc.), and BCI holds memberships or associate memberships on several principal international securities and commodities exchanges, including the London, Tokyo, Hong Kong, Frankfurt, Paris, Milan, Singapore and Australian stock exchanges.

BCI does not make publicly available its consolidated financial statements, and is not currently required to file its financial statements publicly with the SEC or any other Governmental Authority. BCI does prepare, on a semi-annual basis, a Statement of Financial Condition, which is a limited subset of financial information relating to it. As of the date of this Base Prospectus, the Statement of Financial Condition is currently available via BCI's website at http://investmentbank.barclays.com/disclosures/barclays-capital-inc-financial-reporting.html. This website URL is an inactive textual reference only and none of the information on BCI's website is incorporated by reference herein. Prospective purchasers of the Global Collateralised Medium Term Notes that wish to review the Statement of Financial Condition are cautioned that it is not, and is not intended to be, a complete set of financial statements prepared in accordance with generally accepted accounting principles in the United States; is not presented in a form that conforms to the requirement of an annual report and presents only selected financial information; was not prepared in connection with the Programme or the marketing of the Global Collateralised Medium Term Notes and therefore may not reflect all the information that a prospective purchaser of the Notes would consider important; and are reminded that all Statements of Financial Condition prepared to date other that those prepared in respect of the year ending 31 December 2014 have been prepared on a consolidated, not a standalone, basis. The Statement of Financial Condition is historical in nature, and is audited annually. Semi-annual statements are unaudited and therefore information presented therein may be subject to correction, adjustment or removal as part of the annual audit.

Finally, prospective purchasers of the Global Collateralised Medium Term Notes may review the Forms 20-F referenced in "*Information incorporated by reference*" above for information about the business and risks of Barclays Capital, however, any such review should be predicated on an understanding that such information includes or references companies other than BCI, including the Barclays Capital group.

SUMMARY OF THE TRANSACTION DOCUMENTS

*The following summaries describe certain provisions of the Programme Documents and GCMTN Series Documents (together, the "**Transaction Documents**") and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the detailed information appearing elsewhere herein and in the Transaction Documents, copies of which may be obtained from the Administrator at the address set forth on the back cover of this Base Prospectus. When reference is made herein to particular provisions of, or terms used in, a particular Transaction Document, such reference is to the actual document. An "Index of Defined Terms" is included at the end of this Base Prospectus.*

The Intercompany Loan Agreement

Barclays Bank PLC, in its capacities as Issuer and Administrator, entered into an intercompany loan agreement, dated 19 November 2010 (the "**Intercompany Loan Agreement**"), with the LLP, under which the Issuer will, to the extent that it issues any notes of any Series or Class under the Programme, including the Global Collateralised Medium Term Notes, make available to the LLP a revolving loan (the "**Intercompany Loan**"). The Intercompany Loan Agreement is governed by English law. In connection with the Global Collateralised Medium Term Note Series, the Intercompany Loan will be made available in separate advances (each, an "**Advance**"), in an amount equal to 100% of the proceeds of the issuance of each Class of Global Collateralised Medium Term Notes as and when issued and sold by the Issuer from time to time.

If, at any time, it is unlawful for the Issuer to make, fund or allow to remain outstanding the Intercompany Loan (or any portion of it) made or to be made by it under the Intercompany Loan Agreement, then the Issuer will deliver to the LLP and the Administrator a legal opinion to that effect from reputable counsel, and the Issuer may require the LLP to prepay any Advance to the extent that, on any Business Day, funds are available pursuant to the applicable Transaction Documents (including, with respect to the Global Collateralised Medium Term Note Series, the Pre-Acceleration Priority of Payments and the Post-Acceleration Priority of Payments), having given not more than 60 days' and not less than 30 days' (or such shorter period as may be required by any relevant law) prior written notice to the LLP and the Administrator.

An event of default (an "**Intercompany Loan Event of Default**") will occur if and only if the LLP does not pay on the due date with respect to any Advance, or for a period of 90 Business Days after such due date, any amount payable by it under the Intercompany Loan Agreement where available receipts are available pursuant to the applicable Transaction Documents (including, with respect to the Global Collateralised Medium Term Note Series, the Pre-Acceleration Priority of Payments and the Post-Acceleration Priority of Payments) to make the relevant payment. There are no other Intercompany Loan Events of Default. The LLP (or the Administrator on its behalf) will notify the Issuer of any Intercompany Loan Event of Default promptly upon the LLP (or the Administrator, as the case may be) becoming aware of such event.

The Administration Agreement

Barclays Bank PLC (in its capacities as Issuer and Administrator) entered into an administration agreement, dated 19 November 2010 (the "**Administration Agreement**"), with the LLP. The Administration Agreement is governed by New York law.

Services of the Administrator

The Administrator agrees to, among other things: (a) if requested by the LLP, apply for ratings of the Programme and/or each Series or Class and manage ongoing surveillance of such ratings; (b) retain legal counsel for the LLP as necessary; (c) prepare, or cause to be prepared, the LLP's financial statements; (d) arrange for satisfaction of conditions precedent for each new Series or class; (e) direct the auditing staff of the LLP's independent accountants; (f) make certain calculations and determinations and give notices and instructions on behalf of the LLP; (g) maintain (or cause to be maintained) the general ledger of the LLP and proper books of account and records of all transactions of the LLP undertaken or performed by the Administrator; (h) prepare and update the offering document(s) with

respect to any Series; (i) cooperate reasonably with any attempt to liquidate or deliver the Purchased Securities owned by the LLP; (j) establish segregated collateral accounts, as needed, and appropriate bank and depositary accounts for each Series; (k) provide certain information as may be reasonably requested (and available to the Administrator) in connection with each Series; (l) prepare and distribute the class details related to each class, including the Final Terms for any Class of the Global Collateralised Medium Term Notes; (m) take such steps as may be necessary to enable the LLP to perform its duties or exercise its rights under the Transaction Documents; (n) prepare and file all registrations, reports and returns which the LLP is required by law to prepare and file; (o) procure compliance by the LLP with all applicable legal requirements and with the terms of the Transaction Documents to which the LLP is a party; (p) deliver notice to the LLP, the applicable issue and paying agent, the applicable dealers, the applicable collateral administrator and custodian and each Applicable Enforcing Party for any Series of any Issuer Event of Default (or potential Issuer Event of Default), LLP Event of Default (or potential LLP Event of Default) or Repurchase Event of Default; and (q) provide the FSA with information on the Authorised Investments comprised in the assets of the LLP (to the extent required by applicable law). The Administrator may sub-contract or delegate the performance of its duties under the Administration Agreement, but shall remain responsible for the performance thereof.

Conditions to Accession of a New Seller

One or more additional sellers may be added in respect of the Global Collateralised Medium Term Note Series, *provided that* such prospective seller has delivered to the Issuer and the LLP a seller accession letter, substantially in the form exhibited to the Administration Agreement, a new Repurchase Agreement in form and substance satisfactory to the Administrator and any other documents as are required by the LLP and/or the Administrator (each acting reasonably). The Issuer must confirm to such prospective seller its appointment as a seller.

Amendment of Programme Documents

The Administrator may at any time, without the consent or sanction of the Noteholders, consent to any action or amend or otherwise modify any of the terms of any Programme Document for any Series or Class including the Final Terms for any Class of Global Collateralised Medium Term Notes by certifying to each Applicable Enforcing Party with respect to each Series that any that such action or amendment will not adversely affect in any material respect the interests of the Noteholders. To the extent that the Administrator does not make such a certification with respect to any proposed action or amendment, the consent of each Applicable Enforcing Party with respect to each Series will be required. After any such action or amendment becomes effective, it will bind each of the parties to such agreement and each other Noteholder, whether or not notation of such action or amendment is made on any note, instrument, agreement or other document providing for the Secured Obligation of such Noteholder.

Removal or Resignation of Administrator

The Applicable Enforcing Parties for each outstanding Series may, with the consent of the LLP (unless an LLP Event of Default has occurred and is continuing), upon written notice to the Administrator, terminate the Administrator's rights and obligations immediately if any of the following events (each, an "**Administrator Termination Event**") occurs: (a) the Administrator defaults in the performance or observance of any of its covenants and material obligations under the Administration Agreement or any of the other Transaction Documents, which in the opinion of each Applicable Enforcing Party for any outstanding Series is materially prejudicial to the interests of the LLP or the noteholders of such Series from time to time, and such default continues unremedied for a period of twenty (20) Business Days after the Administrator becoming aware of such default; (b) the Administrator becomes subject to an Insolvency Event; or (c) the LLP resolves that the appointment of the Administrator should be terminated and notifies each Applicable Enforcing Party of such.

Such termination of the Administrator will not become effective until such time as the Applicable Enforcing Parties for each outstanding Series will have appointed a replacement Administrator in the manner set forth in the Administration Agreement and such appointment has been accepted. Upon termination of the appointment of Barclays Bank PLC as Administrator under the Administration Agreement, the LLP will use its reasonable efforts to appoint as soon as reasonably possible a replacement Administrator that satisfies the conditions set forth in the Administration Agreement. Neither the LLP nor any Applicable Enforcing Party for any outstanding Series will (a) have any liability to any person in the event that, having used reasonable efforts, they are unable to appoint a

replacement Administrator or, (b) be required to perform any of the duties of the Administrator, notwithstanding any other provision of the Transaction Documents.

The Administrator may resign all of its appointments under the Administration Agreement at any time following the expiry of not less than 60 days' notice of resignation given by the Administrator to the LLP and each Applicable Enforcing Party for any outstanding Series without providing any reason therefor and without being responsible for any liability incurred by reason thereof unless such liability arises as a result of its own gross negligence, willful default or fraud or from any breach by the Administrator of its obligations under the Administration Agreement, (or such shorter time as may be agreed between the Administrator, the LLP and each Applicable Enforcing Party for any outstanding Series) *provided that* (a) a replacement Administrator is appointed (subject to the prior written consent of each Applicable Enforcing Party for any outstanding Series), such appointment to be effective not later than the date of such termination; (b) such replacement Administrator enters into an agreement on substantially the same terms as the relevant provisions of the Administration Agreement and any other Transaction Document to which the Administrator is a party for each outstanding Series, and the Administrator will not be released from its obligations under the relevant provisions of the Administration Agreement until such replacement Administrator has entered into such new agreement and the rights of the LLP under such agreement are pledged to the Applicable Enforcing Party for each outstanding Series; and (c) such replacement Administrator has all licenses, authorizations and qualifications required under applicable law for it to perform the services contemplated by the Administration Agreement.

Repurchase Agreements

The LLP has entered or is expected to enter into Repurchase Agreements with each of the Sellers, under which the parties will from time to time enter into one or more Repurchase Transactions. The Repurchase Agreements are governed either by (x) English law and documented on a standard TBMA/ISMA 2000 Global Master Repurchase Agreement (the "**GMRA**") with modifications on Annex 1 thereto designed to facilitate the use of the GMRA for the Global Collateralised Medium Term Notes. or (y) New York law and documented on a standard Bond Market Association September 1996 Master Repurchase Agreement (the "**MRA**") with modification on various annexes thereto designed to facilitate the use of the MRA for the Global Collateralised Medium Term Note Series.

Purchase of Eligible Securities, Repurchase Date, Price Differential

The Class Collateral for each Class will be comprised of a variety of Eligible Securities, as set forth in the related Final Terms. From time to time the LLP and a Seller will enter into Repurchase Transactions in which such Seller agrees to transfer to the LLP Eligible Securities ("**Purchased Securities**") against the transfer by the LLP of an amount equal to the purchase price for the related Repurchase Transaction (the "**Purchase Price**") to an account of such Seller, with a simultaneous agreement by such Seller to purchase (and the LLP to deliver) such Eligible Securities under Repurchase Agreement governed by the MRA or Eligible Securities equivalent to the Purchased Securities ("**Equivalent Securities**") for Repurchase Agreements governed by the GMRA from the LLP on the Repurchase Date, against the payment by such Seller of an amount equal to the sum of the Purchase Price and the accrued and unpaid Price Differential as of the Repurchase Date (the "**Repurchase Price**"). The "**Repurchase Date**" for each Repurchase Transaction is the date set forth in the applicable Confirmation, which date is intended to match the maturity date for the related Class. If a Class of Global Collateralised Medium Term Notes related to any Repurchase Transaction is subject to an Acceleration Event, the Repurchase Date of such Repurchase Transaction will be the Acceleration Date with respect to such Acceleration Event, and if such Class is subject to a put, call, extension or other modification as to its maturity in accordance with the related Final Terms, the Repurchase Date of such Repurchase Transaction will be adjusted in line with the applicable put, call, extension or other modification of the maturity date for such Class). Notwithstanding the foregoing, for any Class for which the LLP has entered into a Repurchase Transaction(s) under New York law, the maturity of the related Repurchase Transaction(s) may be shorter than the term of such Class. For each of these Classes, the LLP will continue to enter into one or more new Repurchase Transactions in order to cause the related Repurchase Transactions (in the aggregate) to generally match the economic terms of each such Class of Global Collateralised Medium Term Notes. The "**Price Differential**" with respect to any Repurchase Transaction is equal to the aggregate amount obtained by the daily application of the Pricing Rate for such Repurchase Transaction to the Purchase Price for such Repurchase Transaction for the actual number of days during the period from the later of the (i) Purchase Date and (ii) with respect to any Repurchase Transaction for which the related Class of Global Collateralised Medium Term Notes provides for the payment of

interest on any Interest Payment Date prior to the Maturity Date of such Class, the date of each such Interest Payment Date (each such date, a "**Price Differential Payment Date**") to the date of calculation. The "**Pricing Rate**" is the rate set forth on the related Confirmation, and is intended to be equivalent to the discount and/or the interest rate for the related Class on each day.

Upon agreeing to enter into a Repurchase Transaction, the applicable Seller will deliver (i) to the applicable Custodian (with a copy to the Issue and Paying Agent, the Administrator and the Collateral Administrator), a Trade Instruction (which may be comprised of one or more sets of matching instructions delivered electronically or the Final Terms for the related Class) with respect to such Repurchase Transaction, and (ii) to the LLP (with a copy to the Administrator, the applicable Custodian and the Collateral Administrator) a written confirmation of such Repurchase Transaction (a "**Confirmation**") (which may be comprised of one or more sets of matching instructions delivered electronically or the Final Terms for the related Class) recording the details thereof. Each Repurchase Transaction must, together with any other Repurchase Transaction, be executed on terms that are substantially similar to the terms of the Final Terms for the related Class of Global Collateralised Medium Term Notes. Any Confirmation sent with respect to a Repurchase Transaction will be binding on the LLP unless the LLP (or the Administrator on its behalf) specifically objects, in writing, within one Business Day of the receipt thereof. If the Collateral Administrator provides the applicable Seller with written notice that it has determined that the terms of the Confirmation for any Repurchase Transaction are inconsistent with the terms of the related Class of Global Collateralised Medium Term Notes (when taken together with any other Repurchase Transaction related to such Class), the terms of such Confirmation will be amended by the Administrator to cure any inconsistency identified by the Collateral Administrator, and sent by electronic transmission to such Seller for redelivery to the LLP (with a copy to the Administrator, the relevant Custodian and the Collateral Administrator). Such Seller will agree to the amendments made by the Administrator absent manifest error by the Administrator in making such determination. If such manifest error occurs, such Seller and the Administrator will use reasonable efforts to cooperate to finalise the terms of the related Confirmation as necessary to provide for consistency between the terms of such Confirmation and the terms of the related Class of Global Collateralised Medium Term Notes. Any resubmitted Confirmation sent by the applicable Seller with respect to a Repurchase Transaction pursuant to the two preceding sentences will be binding on the LLP.

On the Purchase Date for any Transaction, the LLP (or the applicable Custodian on its behalf) will pay the applicable Seller in immediately available funds, from amounts available in accordance with the Pre-Acceleration Priority of Payment for the related Class of Global Collateralised Medium Term Notes, an amount equal to the Purchase Price for such Transaction. On the Repurchase Date for any Transaction, the Seller (or the applicable Custodian on its behalf) will pay the LLP in immediately available funds, the Repurchase Price by 10:00 a.m. (London time) on such Repurchase Date to the Series Operating Account for the Global Collateralised Medium Term Note Series. With respect to any Transaction for which the related Class of Global Collateralised Medium Term Notes provides for the payment of interest on any Interest Payment Date prior to the Maturity Date of such Class, the Seller (or the applicable Custodian on its behalf) will pay to the Series Operating Account an amount equal to the accrued and unpaid Price Differential for such Transaction not later than 10:00 a.m. (London time) on each applicable Price Differential Payment Date; *provided that* if such Transaction has a Pricing Rate that includes both an interest and a discount component, the Price Differential on the related Repurchase Date will include the related accreted discount. If the LLP pays the Seller the Purchase Price for any Repurchase Transaction related to a Class of Global Collateralised Medium Term Notes from amounts advanced to the LLP by the Issue and Paying Agent, and the issuance and purchase of such Class is not consummated pursuant to the Agency Agreement on the Purchase Date or the immediately following Business Day, the Repurchase Date for such Repurchase Transaction will be accelerated to the second Business Day following the related Purchase Date.

Margin Deficit and Margin Excess

Each GMRA provides that the Transaction Exposures, if any, will be determined by utilising the standard GMRA definition of "**Transaction Exposure**", and each GMRA provides that the Transaction Exposure will be calculated with respect to each Repurchase Transaction separately. The formula for Transaction Exposure includes the Repurchase Price at the time of the relevant calculation, which includes only the portion of Price Differential that has accrued but has not been paid through such day (and not the full amount of Price Differential that would accrue through the Repurchase Date). Although each applicable GMRA does not use the terms "margin deficit" or "margin excess," for purposes of the Programme, a Transaction Exposure of the LLP to the applicable Seller is a "**Margin**

Deficit" and a Transaction Exposure of the applicable Seller to the LLP is a "**Margin Excess**". In determining the Transaction Exposure, any amounts not denominated in the Base Currency are converted into the Base Currency at the Spot Rate. The "**Base Currency**" is the currency in which the Purchase Price is denominated on the Confirmation, and the "**Spot Rate**" means the spot rate of exchange quoted by Barclays Bank PLC in the London inter-bank market for the sale by it of a second currency against a purchase by it of a first currency. If a party to the applicable GMRA has an unsatisfied Transaction Exposure to the other party, such party may by notice require the transfer (such transfer, a "**Margin Transfer**") of cash or Eligible Securities (such securities, "**Margin Securities**") and any securities equivalent to such Margin Securities, "**Equivalent Margin Securities**") in order to eliminate such Transaction Exposure. If notice is given of an obligation to make a Margin Transfer at or before the 10:00 a.m. London time on any Business Day (the "**Margin Notice Deadline**"), then the party receiving such notice must make a Margin Transfer by no later than close of business in the relevant market on such Business Day. If such notice is received after the Margin Notice Deadline, the party receiving such notice must make a Margin Transfer by no later than close of business in the relevant market on the next Business Day. In addition, prior to the occurrence of a Repurchase Event of Default, the applicable Custodian will have the right to allocate Purchased Securities, Margin Securities and Equivalent Margin Securities in accordance with the applicable Custodial Agreement, and the determination of whether a Transaction Exposure exists with respect to any Transaction will occur after the Custodian has reallocated the Purchased Securities (including any Margin Securities and Equivalent Margin Securities) in accordance with the applicable Custodial Agreement. Furthermore, prior to a Repurchase Event of Default, the LLP may apply part or all of any Margin Transfer it is required to make to the applicable Seller in respect of one Transaction against part or all of any Margin Transfer the applicable Seller is required to make to the LLP in respect of another Transaction. Finally, each Seller has agreed that it may exercise its rights to make margin calls under its GMRA only where it has a Transaction Exposure that exceeds $100,000 or the Base Currency equivalent thereof converted at the Spot Rate.

The applicable Custodian for the related Transaction in respect of any GMRA will undertake many of the practical actions connected with marking collateral, determining Transaction Exposures and effecting Margin Transfers. See "*Summary of the Transaction Documents—The Custodial Agreements.*

With respect to any MRA, the applicable Custodian will determine whether the Margin Value of any Repurchase Transaction under the applicable MRA, as of any date of determination, is less than the Purchase Price of the related Repurchase Transaction plus the accrued and unpaid Price Differential as of such date (such amount, a "**MRA Margin Deficit**") or exceeds the Purchase Price of the related Repurchase Transaction plus the accrued and unpaid Price Differential as of such date (such amount, a "**MRA Margin Excess**"). The "**MRA Margin Value**" is obtained, as of any date of determination, by dividing the sum of the Market Value of each Purchased Security by the applicable margin percentage for such Purchased Security; *provided* that the Market Value of any Purchased Security that is not an Eligible Security will be deemed to be zero. The margin percentage for each type of Eligible Security with respect to the applicable MRA will be listed in the related Schedule of Eligible Securities. The applicable Seller is obligated to cure any MRA Margin Deficit that exists related to any Repurchase Transaction by transferring (or causing the transfer of) cash or additional Eligible Securities to the related Collateral Account, which assets will automatically be subject to the security interest granted by the LLP to the Collateral Agent for the benefit of the applicable US System Secured Creditors. The LLP is obligated to cure any MRA Margin Excess that exists related to any Repurchase Transaction by transferring (or causing the transfer of) Purchased Securities to the applicable Seller from the related Collateral Account or to transfer cash to the applicable Seller in accordance with the Pre-Acceleration Priority of Payments no later than the close of business in the relevant market on such day; *provided*, *however*, that, prior to a Repurchase Event of Default, neither the LLP nor the applicable Custodian will return any MRA Margin Excess with respect to any Repurchase Transaction to such Seller if an MRA Margin Deficit exists with respect to another Repurchase Transaction; such amounts instead being applied toward curing each such MRA Margin Deficit.

Representations and Warranties of the Sellers

Pursuant to the applicable Repurchase Agreement, each Seller and the LLP have made certain representations and warranties. Such representations and warranties include, among other things, that (a) it is duly authorised to execute and deliver the applicable Repurchase Agreement, to enter into Repurchase Transactions contemplated thereunder and to perform its obligations thereunder, and has taken all necessary action to authorise such execution, delivery and performance; (b) it will engage in such Repurchase Transactions as principal (or, if agreed in writing in advance

of any Repurchase Transaction by the LLP, as agent for a disclosed principal); (c) the person signing the applicable Repurchase Agreement on its behalf is duly authorised to do so on its behalf (or on behalf of any such disclosed principal); (d) it has obtained all authorizations of any governmental body required in connection with the applicable Repurchase Agreement and the Repurchase Transactions thereunder and such authorisations are in full force and effect; (e) the execution, delivery and performance of the applicable Repurchase Agreement and the Repurchase Transactions thereunder will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected; (f) it has satisfied itself and it will continue to satisfy itself as to the tax implications of the Repurchase Transactions contemplated under the relevant Repurchase Agreement, (g) at the time of a transfer of Securities to the other party, it will have the unqualified right to make such transfer of Securities and the other party will receive all rights, title and interest in those Securities free and clear of any lien, security interest, charge, encumbrance or other adverse claim, except such as may exist in favour of the other party.

On the Purchase Date for any Repurchase Transaction or as of each such delivery, as the case may be, the applicable Seller will be deemed to repeat all the foregoing representations made by it. Such Seller further represents and warrants, with respect to each Purchased Security, Margin Security or New Purchased Security, that: (a) information set forth in the Confirmation relating to the sale of such Purchased Security, Margin Security or New Purchased Security is true and correct in all material respects; and (b) such Purchased Security, Margin Security or New Purchased Security is an Eligible Security for the related Repurchase Transaction.

Repurchase Events of Default

If a Repurchase Event of Default (as described in "*Summary of Terms—Summary of the Global Collateralised Medium Term Note Series —Repurchase Events of Default*" above) occurs and is continuing, the Repurchase Date for each Repurchase Transaction under the applicable Repurchase Agreement will be deemed immediately to occur. As the rights of the LLP have been secured to the Applicable Enforcing Party for the benefit of the related Secured Creditors pursuant to the applicable Security Agreement, the Applicable Enforcing Party will exercise any rights of the LLP as the non-defaulting party. In addition, the resulting rights and obligations of the applicable Seller and the LLP will be determined separately for each outstanding Repurchase Transaction under the applicable Repurchase Agreement, and such obligations may only be netted against each other to the extent that more than one such Repurchase Transaction relates to a single Class of Global Collateralised Medium Term Notes. The Default Market Values (determined using the standard GMRA definition therefor, and the applicable standard GMRA remedial rights) of the Equivalent Securities and any Equivalent Margin Securities to be transferred, the amount of any Cash Margin to be transferred and the Repurchase Prices to be paid by each party under the applicable GMRA will be established by the non-defaulting Party for all related Repurchase Transactions as at the Repurchase Date. On the basis of the sums so established, an account will be taken (as at the Repurchase Date) of what is due from each party to the other under the related GMRA (on the basis that each party's claim against the other in respect of the transfer to it of Equivalent Securities or Equivalent Margin Securities under such GMRA equals the Default Market Value therefor and including applicable indemnification amounts) and the sums due from one party will be set off against the sums due from the other and only the balance of the account will be payable (by the party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be due and payable on the next following Business Day; provided that, sums due with respect to a Repurchase Transaction may only be set off against sums due with respect to another Repurchase Transaction to the extent those Repurchase Transactions relate to a single Class of Global Collateralised Medium Term Note Series. For purposes of this calculation, all sums not denominated in the Base Currency will be converted into the Base Currency at the Spot Rate.

The defaulting party will be liable to the non-defaulting party for the amount of all reasonable legal or other professional expenses incurred by the non-defaulting party in connection with or as a result of a Repurchase Event of Default, and interest on any amounts owing by the defaulting party under the applicable GMRA.

If the defaulting party under a Repurchase Event of Default is a Seller other than Barclays Bank PLC or BCSL, the LLP's right to accelerate is limited during the Election Period, in order to allow the Issuer to make an Issuer Collateral Posting Election. If the Issuer makes the Issuer Collateral Posting Election pursuant to the Credit Support Deed, the non-defaulting party will be deemed to have exercised the option to declare a Repurchase Event of Default, and the Repurchase Date for each Repurchase Transaction under the applicable GMRA will, if it has not already occurred, be deemed immediately to occur. Pursuant to the relevant Custodial Agreement, the relevant

Custodian will determine the Margin Amount for each Repurchase Transaction. The applicable Custodian (on behalf of the LLP) will return Cash Margin or Purchased Securities in an amount equal to any positive Margin Amount for each Repurchase Transaction in accordance with the relevant Custodial Agreement, upon the Issuer's delivery of the initial posting under the related Credit Support Deed. See "*Summary of the Transaction Documents—The Credit Support Deed*".

The failure of a Seller to make any payment or delivery in respect of any Repurchase Transaction will not be a Repurchase Event of Default if such failure arises solely by reason of an error or omission of an administrative or operational nature made by the Seller or the applicable Custodian, unless (i) such failure continues for more than one Business Day after notice of such failure is given to the applicable Seller (unless, in the case of a delivery of Securities or other property, the Seller pays Cash Margin to the LLP in an amount at least equal to the Transaction Exposure in respect of such Transaction), (ii) with respect to payments of Repurchase Price or deliveries of Purchased Securities, the related Class of the Global Collateralised Medium Term Note Series having a Maturity Date on the related Repurchase Date was paid its principal amount outstanding and accrued and unpaid interest on the Maturity Date, and (iii) funds, securities or property (assuming the timely delivery of securities or other property required to be delivered to such Seller for settlement on or prior to the related date for payment or delivery under and with respect to such Repurchase Transaction) were available to such Seller to enable it to make the relevant payment or delivery when due (or with respect to the LLP and the payment of the Purchase Price, would have been available except for a delay in receipt of the issuance proceeds from the related Class of Global Collateralised Medium Term Note Series).

If a Repurchase Event of Default (as described in "*Summary of Terms—Summary of the Global Collateralised Medium Term Notes—Repurchase Events of Default*" above) occurs, all of the Repurchase Transactions under the MRA will, at the nondefaulting party's option (which option will be deemed to have been exercised immediately upon the occurrence of an Insolvency Event), be accelerated. The nondefaulting party may then either: (a) where the nondefaulting party is the LLP, (i) require that the applicable Seller immediately repurchase the Purchased Securities at the previously determined Repurchase Price; (ii) where the nondefaulting party is the LLP, sell the Purchased Securities to one or more third parties on the applicable markets, and apply the proceeds to the aggregate unpaid Repurchase Price and any other amounts owing by the applicable Seller; and (iii) where the nondefaulting party is the LLP, give the applicable Seller credit for such Purchased Securities in an amount equal to the price therefor on such date, obtained from a generally recognised source or the most recent closing bid quotation from such a source, against the unpaid Repurchase Price of the related Repurchase Transaction and any other amounts owing by the applicable Seller under the MRA with respect to such Repurchase Transaction; and (b) where the defaulting party is the LLP, (i) immediately purchase, in a recognised market (or otherwise in a commercially reasonable manner) at such price or prices as the nondefaulting party may reasonably deem satisfactory, securities ("**Replacement Securities**") of the same class and amount as any Purchased Securities that are not delivered by the defaulting party to the nondefaulting party as required under the MRA or (ii) in its sole discretion elect, in lieu of purchasing Replacement Securities, to be deemed to have purchased Replacement Securities at the price therefor on such date, obtained from a generally recognised source or the most recent closing offer quotation from such a source, and in each case such price will reduce the Repurchase Price of the related Repurchase Transaction and any other amounts owing by the defaulting party under the MRA with respect to such Repurchase Transaction and, if applicable, be liable to the nondefaulting party for any excess of the price paid (or deemed paid) by the nondefaulting party for Replacement Securities over the Repurchase Price for the Purchased Securities replaced thereby and for any amounts payable by the defaulting party under the MRA; *provided*, *however*, that the LLP will make such payments solely to the extent it has funds available with respect to such Class in accordance with the Post-Acceleration Priority of Payments. If the proceeds received by the LLP and the amounts retained in relation to (a) above exceed the aggregate Repurchase Price and other amounts due and payable by the applicable Seller to the LLP, the LLP will pay such excess to the applicable Seller in accordance with the Post-Acceleration Priority of Payments.

As the rights of the LLP have been pledged to the Collateral Agent for the benefit of the Secured Creditors pursuant to the Security Agreement, the Collateral Agent will, in accordance with the terms of the Security Agreement, exercise the rights of the LLP as nondefaulting party under the MRA. In addition, as the parties have structured each Repurchase Transaction under the MRA to be separate and distinct obligations between the applicable Seller and the LLP and as the LLP has pledged its rights in the Purchased Securities to the Collateral Agent for the benefit of the related Secured Creditors, if the nondefaulting party exercises or is deemed to have exercised the option to declare a

Repurchase Event of Default, the resulting rights and obligations of the applicable Seller and the LLP will be determined separately for each outstanding Repurchase Transaction and such obligations may only be netted against each other to the extent that more than one Repurchase Transaction relates to a single Class of Notes.

Upon a Repurchase Event of Default where the applicable Seller is the defaulting party, the applicable Seller will be liable to the LLP for (i) the amount of all reasonable legal or other expenses incurred by the LLP in connection with or as a result of a Repurchase Event of Default, (ii) damages in an amount equal to the cost (including all fees, expenses and commissions) of entering into replacement transactions and entering into or terminating hedge transactions in connection with or as a result of a Repurchase Event of Default, (iii) any other loss, damage, cost or expense directly arising or resulting from the occurrence of a Repurchase Event of Default in respect of a Repurchase Transaction, and (iv) interest on any amounts owing by the applicable Seller under the MRA.

If a Repurchase Event of Default occurs with the applicable Seller as the defaulting party and provided no Acceleration Event has occurred, the nondefaulting party may not make any election to declare a Repurchase Event of Default or pursue any remedies under the MRA during the Election Period triggered by such Repurchase Event of Default. If the Issuer makes the Issuer Collateral Posting Election pursuant to the Credit Support Deed, the nondefaulting party will be deemed to have exercised the option to declare a Repurchase Event of Default, and the Repurchase Date for each Repurchase Transaction under the MRA will, if it has not already occurred, be deemed immediately to occur. Pursuant to the Collateral Administration Agreement, the Collateral Administrator will (or will cause the Custodian to) determine the Margin Amount, if any, for each Repurchase Transaction under such Repurchase Agreement and report such amount to the Issuer and the Administrator. For each Repurchase Transaction for which there is Margin Amount, the Custodian (on behalf of the LLP) will pay or return Purchased Securities in an amount equal to such Margin Amount for each Repurchase Transaction in accordance with the relevant Custodial Agreement, upon the Issuer's delivery of the initial posting under the Credit Support Deed.

The failure of the applicable Seller to make any payment or delivery referred to in the MRA in respect of any Repurchase Transaction will not be a Repurchase Event of Default if such failure arises solely by reason of an error or omission of an administrative or operational nature made by the applicable Seller or the Custodian, subject to the satisfaction of certain conditions.

Other provisions

A Repurchase Transaction may at any time between the Purchase Date and the Repurchase Date be varied by the transfer by the Buyer to the applicable Seller of Securities equivalent to the Purchased Securities, or to such Purchased Securities as shall be agreed, in exchange for the transfer by the applicable Seller to the Buyer of other Eligible Securities having a Market Value at the date of the variation at least equal to the Market Value of the Equivalent Securities ("**New Purchased Securities**") having a Market Value at the date of the variation at least equal to the Market Value of the Equivalent Securities transferred; provided that, such variation does not cause a Transaction Exposure of Buyer to the applicable Seller.

The applicable Seller will be entitled to receive from the LLP an amount, with respect to any Purchased Securities (including Margin Securities) at any time, equal to all interest, dividends or other distributions thereon, including distributions which are a payment or repayment of principal in respect of the relevant securities ("**Income**") paid or distributed on or in respect of such securities. The LLP (or the applicable Custodian on its behalf) will, on the date such Income is paid or distributed, transfer to or credit to the account of such Seller such Income with respect to any Purchased Securities (including Margin Securities). Neither the LLP nor such Custodian will be obligated to take any action pursuant to the preceding sentence (i) to the extent that such action would result in the creation of a Transaction Exposure with respect to the related Repurchase Transaction, unless prior thereto or simultaneously therewith the applicable Seller transfers to the LLP cash or Margin Securities sufficient to eliminate such Transaction Exposure, or (ii) if a Repurchase Event of Default with respect to such Seller has occurred as of the time such Income is paid or distributed.

Custodial Agreements

Each Custodial Agreement that will be entered into with respect to the Collateralised Medium Term Note Series will be comprised of either (a) a tri-party agreement between the applicable Seller, the Buyer and the applicable Custodian or (b) a set of two related agreements: one between the applicable Seller (as collateral provider or collateral giver) and the applicable Custodian, and one between the LLP (as collateral receiver) and the Custodian. With respect to JPMorgan Chase Bank, N.A., as Custodian, the LLP and the Custodian entered into (i) a tri-party, custodial undertaking with BCI, as Seller dated on or about the Amendment Closing Date, in connection with the BCI MRA and (ii) a tri-party, custodial undertaking with Barclays, as Seller dated as of the Amendment Closing Date, in connection with the Barclays MRA (each, a "**Custodial Arrangement**"), in connection with the Programme. With respect to Clearstream Banking, société anonyme, as Custodian, the Bank executed a collateral management service agreement, dated 6 November 2006, as collateral giver, as amended by the Undertaking and Side Agreement dated as of 4 June 2013 and the LLP executed a collateral management service agreement dated as of the Series Closing Date, as collateral receiver as amended by the Amendment and Restatement to the Undertaking and Side Agreement dated as of 4 June 2013 (collectively, the "**CMSA**"). The Bank of New York Mellon, as Custodian, executed (a) a Collateral Management Master Agreement, dated as of 19 April 2007, with BCSL as collateral provider, (b) a Collateral Management Master Agreement, dated as of 19 April 2007, with the Bank as collateral provider, and (c) a Collateral Management Master Agreement, dated as of 4 June 2013, with the LLP as collateral receiver, each as supplemented and otherwise amended by the side letter, dated 4 June 2013, between the Bank, BCSL, The Bank of New York Mellon and the LLP (collectively, the "**CMMA**"). Additionally, The Bank of New York Mellon, as Custodian, executed (a) a Custodial Undertaking, dated as of 19 November 2010, as amended and restated on 21 October 2011, with BCI as a seller and the LLP as buyer, and (b) a Custodial Undertaking, dated on or about the Amendment Closing Date, with the Bank as a seller and the LLP as buyer (each, a "**Custodial Undertaking**" and together with each Custodial Arrangement, the CMSA and the CMMA, the "**Custodial Agreements**" and each a "**Custodial Agreement**"). Additional Custodial Agreements may be executed in the future in connection with the Global Collateralised Medium Term Note Series, or another Series.

The Custodial Agreements may be governed by laws of various jurisdictions, including England and Wales, Luxembourg and New York. Each Custodial Agreement is generally in the standard form utilised by the applicable Custodian in respect of its triparty repurchase business.

Each Custodian's responsibilities generally include, among other things: (a) maintaining an account for cash and securities for the benefit of the applicable Seller (collectively and with respect to such Seller, such Seller's account) and following only such Seller's instructions with respect such Seller's account; (b) maintaining an account for cash and securities for the benefit of the LLP in one or more Collateral Accounts, and following the LLP's instructions (or the instructions of the Administrator, Collateral Administrator or Applicable Enforcing Party on behalf of the LLP) with respect to the Buyer's account; (c) on each Business Day, with respect to each applicable Repurchase Transaction, determining the then Margin Value of all Purchased Securities held in the Buyer's account in respect such Repurchase Transaction; (d) upon receipt of the applicable Seller's instructions with respect to specific Repurchase Transactions, transferring or directing transfer of amounts and Purchased Securities between the Buyer's account and such Seller's account; and (e) crediting to the applicable Seller's account all Income received by such Custodian, except in the event such Custodian receives a notice of a Repurchase Event of Default, in which event such amounts will be credited to the Buyer's account. The terms "Seller's account" and "Buyer's account" are not used in the Custodial Agreements, and are used here as generic descriptors because the defined terms in the actual Custodial Agreements are not consistent with each other.

The Buyer's account, although generally expressed as a single account in the related Custodial Agreements, may be comprised of multiple accounts established by the related Custodian, each such account constituting the Collateral Account for the related Repurchase Transaction and Class of Global Collateralised Medium Term Notes. In the case of The Bank of New York Mellon as Custodian, separate, segregated accounts are expected to be created in order to establish each Collateral Account for which it is the Custodian. In the case of Clearstream Banking, société anonyme, as Custodian, the Buyer's account will be maintained as a single account and the segregation of the Class Collateral will be achieved by Clearstream Banking, société anonyme, maintaining books and records that reflect the allocation of assets to each applicable Repurchase Transaction to which a Class is related, similar to the manner in which sub-accounts are customarily established and maintained.

The Custodial Agreement with Clearstream Banking, société anonyme, is supplemented by a Transaction Bank Relationship Management Agreement, dated on or about the Series Closing Date, and the related letter agreement, dated 4 June 2013 (collectively, the "**Transaction Bank Agreement**"), among Clearstream Banking, société anonyme, the LLP, and The Bank of New York Mellon. Under the Transaction Bank Agreement, Clearstream Banking, société anonyme, will maintain a cash account (the "**TB Source Account**") in which it holds only assets entrusted to The Bank of New York Mellon SA/NV as custodian (the "**Transaction Bank**") for the LLP. The relationship between The Bank of New York Mellon (London Branch) and the LLP with respect to the TB Source Account is governed by a Custody Agreement (the "**Custody Agreement**"), between The Bank of New York Mellon (London Branch), as custodian, the LLP, as security provider, and The Bank of New York Mellon, as security trustee, dated the Series Closing Date. Under the Custody Agreement, The Bank of New York Mellon (London Branch) is appointed by the LLP as custodian of the cash deposited with it by the LLP, agrees to maintain a cash account, on behalf of the LLP, and held in accordance with the Transaction Bank Agreement and agrees to make transfers of cash and securities pursuant to instructions received by the LLP or an authorised person. Any time after an Acceleration Event, the Transaction Bank shall act only at the direction of The Bank of New York Mellon, as security trustee.

For the execution of each Repurchase Transaction, the applicable Seller or the Administrator on behalf of the Seller will deliver to the applicable Custodian (with a copy to the Administrator) an electronic instruction, substantially in the form of an exhibit to the applicable Repurchase Agreement, in connection with such Repurchase Transaction (the "**Trade Instruction**"). Unless specified to the contrary in the Trade Instruction for any Repurchase Transaction, such Seller will, by delivery thereof, instruct such Custodian, pursuant to the applicable Custodial Agreement, to identify Eligible Securities in such Seller's account to be transferred to the Buyer's account for purposes of such Repurchase Transaction. Under the Custodial Agreements, the electronic instructions from Seller must be confirmed by matching instructions from the LLP. With respect to Clearstream Banking, société anonyme, as Custodian, if it determines that there are any material discrepancies between the instructions sent by the applicable Seller and the LLP, it will give notice of such discrepancy to such Seller and the LLP and will not effect the proposed Repurchase Transaction pending receipt of matching instructions. With respect to The Bank of New York Mellon as Custodian, if either the applicable Seller or the LLP, respectively, does not have sufficient available Eligible Securities or cash in its account, the Custodian will notify such Seller and the LLP and await the receipt of the requisite cash or Eligible Securities. If sufficient cash or Eligible Securities are not available by the applicable clearing deadline, the Custodian will settle as follows: if the Buyer's account has insufficient cash to meet the applicable Purchase Price, the available cash will be deemed to be the Purchase Price, the amount of Eligible Securities to be debited from the Seller's account will be reduced accordingly, the remaining terms of the Repurchase Transaction will be determined in accordance with the Trade Instruction, and the Seller and the LLP will provide the Custodian with further matching instructions for a recalculated Purchase Price for such Repurchase Transaction. If the Seller has insufficient available Eligible Securities, the Custodian will transfer cash in an amount equal to the aggregate Margin Value of such Eligible Securities, and the difference between the amount credited to the Buyer's account and the Purchase Price will be held in the Buyer's account and designated as cash held in substitution for Eligible Collateral.

The Custodians will also process requests for substitutions, and deliver notices regarding Margin Deficits and Margin Excesses, if any, following their daily valuation of the Purchased Securities held by them respectively under their Custodial Agreement. The Custodial Agreements do not specify the exact methodology or pricing services to be used by each Custodian in valuing securities, and accordingly each Custodian is expected to use, in respect of the Programme, the same methodologies and processes as are used by them in their triparty custodial business generally.

The Collateral Administration Agreement

Barclays Bank PLC (in its capacities as Issuer and Administrator) has entered into a collateral administration agreement, dated the Series Closing Date as amended and restated on the Amended Closing Date, as the same may be further amended, modified, extended or renewed from time to time (the "**Collateral Administration Agreement**"), with The Bank of New York Mellon (acting through its London Branch), as the Collateral Administrator, and the LLP.

Pursuant to the terms of the Collateral Administration Agreement, the Collateral Administrator agrees to take any and all action, whether in conjunction with each applicable Custodian or otherwise, to: (i) administer the acquisition

and administration of Purchased Securities and other investments on behalf of the LLP under each applicable Repurchase Agreement, (ii) administer the allocation of Purchased Securities to each Class of the Global Collateralised Medium Term Notes, (iii) maintain records for each Class of the Global Collateralised Medium Term Notes, (iv) administer the Pre-Acceleration Priority of Payments for each Class of Global Collateralised Medium Term Notes on behalf of the LLP, (v) provide certain other administration and management services to the LLP with respect to the Global Collateralised Medium Term Notes on terms and subject to the conditions contained in the Collateral Administration Agreement and (vi) exercise its respective rights, powers and discretions, and deliver any instructions or notices or provide any services necessary to enable to the LLP to perform its duties under and in relation to each applicable Custodial Agreement, each applicable Repurchase Agreement and the other Transaction Documents related to the Global Collateralised Medium Term Notes.

Certain of the obligations of the Collateral Administrator may be performed by the applicable Custodian in accordance with the terms of the applicable Custodial Agreement.

Allocation of Class Collateral

The Collateral Administrator, on a daily basis, will provide any instructions to each applicable Custodian on behalf of the LLP as may be necessary for such Custodian to allocate the Purchased Securities transferred under each applicable Repurchase Transaction to a related Class of the Global Collateralised Medium Term Notes, and to deposit such Purchased Securities into the Collateral Account established for such Class pursuant to the Security Agreement. Such Collateral Account may be segregated for each Class for each Repurchase Transaction related to such Class for which the related Collateral is held with the relevant Custodian or be a single Collateral Account for all Repurchase Transactions related to the Global Collateralised Medium Term Notes for which related Collateral is held with the relevant Custodian, so long as such Custodian maintains separate books and records for each such applicable Class. The Collateral Administrator will provide any instructions to each applicable Custodian on behalf of the LLP as may be necessary for each such Custodian to allocate Purchased Securities to the Collateral Account related to any Class in accordance with the Final Terms for such Class and in a manner such that no Margin Deficit shall remain unsatisfied in accordance with the terms of the related Repurchase Agreement. To the extent that such Custodian has specified an allocation pursuant to instructions given pursuant to such Custodial Agreement, and such allocation is consistent with the preceding sentence, the Collateral Administrator will adopt and provide any instructions to the applicable Custodian on behalf of the LLP as may be necessary for such Custodian to implement such allocation.

To the extent that there is a Margin Deficit or Margin Excess with respect to any Repurchase Transaction and no Repurchase Event of Default has occurred, the Collateral Administrator will provide any instructions to the applicable Custodian on behalf of the LLP as may be necessary for such Custodian to effect a Margin Transfer into or out of, as applicable, the Collateral Account for the Class related to such Repurchase Transaction in order to eliminate the Margin Deficit or Margin Excess for such Repurchase Transaction. In addition, following the occurrence of an Issuer Collateral Posting Election (if applicable) and the distribution of cash and Purchased Securities in the amount of any Margin Amount to the applicable Seller as described under "*Summary of the Transaction Documents—The Credit Support Deed*", the Collateral Administrator will thereafter calculate any Margin Deficit or Margin Excess for each Repurchase Transaction on each Business Day.

In the event that insufficient Eligible Securities are available to the applicable Custodian to effect one or more Repurchase Transactions using the funds available to the LLP, the Collateral Administrator, at the written direction of the Administrator, will purchase overnight money market funds having ratings from no less than two Rating Agencies in one of the top three ratings categories (including, but not limited to, any such investment for which the Collateral Administrator or any of its affiliates serves as investment manager or advisor) ("**Authorised Investments**") using funds on deposit in the Series Operating Account for the Global Collateralised Medium Term Note Series and direct that all such Authorised Investments are credited to the Collateral Account related to the Class to which such funds relate; *provided*, *however*, that if the Collateral Administrator is not reasonably able to purchase such Authorised Investments or has not received proper instructions from the Administrator, the Collateral Administrator will direct that such funds are deposited in the Collateral Account related to such Class and held uninvested therein.

The Collateral Administrator will direct that each Custodian maintains accounts and records for the Purchased Securities and other assets on deposit in each Collateral Account. The Collateral will at all times remain the property of the LLP, subject only to the extent of the security interest and rights therein of the Applicable Enforcing Party pursuant to the related Security Agreement. The Collateral Administrator will direct that the Custodians jointly receive and hold in the Collateral Accounts related to the Global Collateralised Medium Term Note Series, all Purchased Securities segregated and maintained therein pursuant to the terms of the applicable Custodial Agreement and the Collateral Administration Agreement.

Conditions to Entering Into a Repurchase Transaction

In no event will the Collateral Administrator knowingly cause (or, to the extent it is within its control, permit any Custodian to cause) the LLP to acquire any Purchased Security under any proposed Repurchase Transaction under any Repurchase Agreement on any day if: (a) the acquisition of such Purchased Security would cause the Global Collateralised Medium Term Notes issued with respect thereto to become subject to a requirement to make a public offering thereof under any applicable securities laws; (b) such Purchased Security is not an Eligible Security pursuant to the applicable Repurchase Transaction on such day; (c) an Issuer Event of Default (or potential Issuer Event of Default) has been declared or deemed declared and is continuing; (d) an LLP Event of Default (or potential LLP Event of Default) has been declared or deemed declared and is continuing with respect to the Global Collateralised Medium Term Note Series; (e) a Repurchase Event of Default has occurred under such Repurchase Agreement; (f) after giving effect to the LLP's purchase of the related Purchased Securities and the payment of all or any portion of the related Purchase Price to the applicable Seller pursuant to the applicable Repurchase Agreement, a Margin Deficit exists on such day under the related Repurchase Transaction that has not been cured; (g) the LLP does not have sufficient funds available (after giving effect to all payments expected to be received on such date) to pay the portion of the applicable Purchase Price therefor required to be paid to the applicable Seller on such day, pursuant to the applicable Repurchase Agreement; or (h) any other condition set forth in such Repurchase Agreement is not satisfied.

Reports

On each Business Day, the Collateral Administrator, using information provided by the applicable Custodian, will prepare and deliver or make available (via a password protected internet website or otherwise) to each of the holders of such Class a report (the "**Daily Noteholder Allocation Report**") setting forth certain information with respect to the Class Collateral related to such Class (in each case as of the close of business on the immediately preceding Business Day), including but not limited to the credit rating (to the extent applicable), maturity, coupon rate, notional value and market value of the Purchased Securities related thereto. The actual form of the Daily Noteholder Allocation Report may change from time to time.

Collateral Accounts

The Collateral Administrator will direct that the following amounts (collectively, the "**Available Receipts**" with respect to such Class) are deposited into the Collateral Account for the applicable Class of the Global Collateralised Medium Term Note Series: (a) any amounts from the applicable Seller to be payable to the LLP pursuant to the terms of the related Repurchase Transaction, including, following a Repurchase Event of Default, all income received with respect to the related Purchased Securities; (b) the Advances under the Intercompany Loan in connection with the issuance of Global Collateralised Medium Term Notes of the related Class of the Global Collateralised Medium Term Note Series; (c) any Authorised Investments acquired by the Collateral Administrator on behalf of the LLP pursuant to the Collateral Administration Agreement; (d) in accordance with the Security Agreement, following a Repurchase Event of Default and related Issuer Collateral Posting Election pursuant to the relevant Credit Support Deed (if any), any posted securities delivered by the Issuer with respect to such Class thereunder; and (e) any other amounts whatsoever received by or on behalf of the LLP with respect to such Class. Such Collateral Account may be a segregated account for the applicable Class or be a single Collateral Account for all Repurchase Transactions related to the Global Collateralised Medium Term Notes for which related Collateral is held with the relevant Custodian, so long as such Custodian maintains separate books and records for each such applicable Class. Each of the deposits into any of the Collateral Accounts related to the Global Collateralised Medium Term Note Series will be made promptly upon receipt by the LLP, the applicable Custodian or the Collateral Administrator, as the case may be, of the amount or property in question.

Pre-Acceleration Priority of Payments

On each Business Day prior to the occurrence of an Acceleration Event with respect to a given Class, the Collateral Administrator will apply (or will direct the applicable Custodian to apply) all Available Receipts related to such Class, to make the following payments with respect to such Class in the following order of priority (the "**Pre-Acceleration Priority of Payments**" with respect to such Class) (in each case only if and to the extent that payments of a higher priority have been made in full):

(a) *first*, any amounts due and payable by the LLP with respect to such Class under the LLP Undertaking related to the Global Collateralised Medium Term Note Series to the extent not already paid, including but not limited to the interest, if any, with respect to such Class when due and payable in accordance with the terms of such Class (for the avoidance of doubt, the amounts owed by the LLP to the Issuer under the Intercompany Loan will be reduced *pro tanto* by any amounts paid or provided for by the LLP with respect to such Class under the terms of the LLP Undertaking related to the Global Collateralised Medium Term Note Series);

(b) *second*, in or towards payment, to or at the direction of the Issuer, of any amounts due or to become due and payable, if any, under the Intercompany Loan with respect to the Advance related to such Class of the Global Collateralised Medium Term Notes;

(c) *third*, to the applicable Seller any amounts due and payable by the LLP to such Seller with respect to any Repurchase Transaction related to such Class of the Global Collateralised Medium Term Notes; and

(d) *fourth*, to the LLP Master Account, to be applied on the next succeeding Business Day in accordance with the LLP Deed;

provided, however, that no Available Receipts will be paid from the Collateral Account for such Class pursuant to clauses (b) through (d) above until such Class has been repaid in full. In addition, the Collateral Administrator may make (or may direct the applicable Custodian to make) withdrawals from the Collateral Accounts to correct certain unintentional overpayments, or to refund rejected payments.

Removal or Resignation of Collateral Administrator

The Administrator may, upon written notice to the Collateral Administrator, terminate the Collateral Administrator's rights and obligations immediately if any of the following events (each, a "**Collateral Administrator Termination Event**") occurs: (a) the Collateral Administrator fails to pay any amount due and payable by it or in the performance of its obligations with respect to payments or cash management and such failure is not remedied for a period of two (2) Business Days after the Collateral Administrator becoming aware of such default; (b) the Collateral Administrator defaults in the performance or observance of any of its other covenants and material obligations under the Collateral Administration Agreement or any of the other Transaction Documents, which in the opinion of the Administrator (acting on behalf of the LLP) is materially prejudicial to the interests of the LLP or the Noteholders of the Global Collateralised Medium Term Note Series from time to time, and such default continues unremedied for a period of twenty (20) Business Days after the Collateral Administrator becoming aware of such default; (c) the Collateral Administrator becomes subject to an Insolvency Event; or (d) the LLP (or the Administrator) resolves that the appointment of the Collateral Administrator should be terminated. For purposes of the foregoing, "**Insolvency Event"** means, with respect to any person (i) such person is unable or admits its inability to pay its debts as they fall due, or suspends making payments on any of its debts; or (ii) the value of the assets of such person is less than the amount of its liabilities, taking into account its contingent and prospective liabilities; or (iii) a moratorium is declared with respect to any indebtedness of such person; or (iv) the commencement of negotiations with one or more creditors of such person with a view to rescheduling any indebtedness of such person; or (v) any corporate action, legal proceedings or other procedure or step is taken in relation to (1) the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official in relation to such person or in relation to the whole or any part of the undertaking or assets of such person; or (2) an encumbrancer (excluding, in relation to the Applicable Enforcing Party for any Series) taking possession of all or substantially all of the undertaking or assets of such person; or (3) the making of an arrangement, composition, or compromise, (whether by way of voluntary arrangement, scheme of arrangement or otherwise) with any creditor of such person,

a reorganization of such person, a conveyance to or assignment for the creditors of such person generally or the making of an application to a court of competent jurisdiction for protection from the creditors of such person generally; or (4) any distress, execution, attachment or other process being levied or enforced or imposed upon or against all or substantially all of the undertaking or assets of such person (excluding, in relation to the Issuer, by any receiver); or (vi) such person is not Solvent; or (vii) any procedure or step is taken, or any event occurs, analogous to those set forth in (i) to (vi) of this definition, in any jurisdiction;

Such termination of the Collateral Administrator will not become effective until such time as the LLP will have appointed a replacement Collateral Administrator in the manner set forth in the Collateral Administration Agreement and such appointment has been accepted. Upon termination of the appointment of the Collateral Administrator as collateral administrator under the Collateral Administration Agreement, the Administrator will use its reasonable efforts to appoint as soon as reasonably possible a replacement collateral administrator that satisfies the conditions set forth below. The Collateral Administrator may resign all of its appointments under the Collateral Administration Agreement at any time following the expiry of not less than 60 days' notice of resignation given by the Collateral Administrator to the LLP, the Administrator and the Applicable Enforcing Party without providing any reason therefor and without being responsible for any liability incurred by reason thereof unless such liability arises as a result of its own gross negligence, willful default or fraud (or such shorter time as may be agreed between the Collateral Administrator, the LLP and the Administrator) *provided* that: (a) a replacement collateral administrator has been appointed (subject to the prior written consent of the Administrator), such appointment to be effective not later than the date of such termination; (b) such replacement collateral administrator enters into an agreement on substantially the same terms as the relevant provisions of the Collateral Administration Agreement, and the Collateral Administrator is not released from its obligations under the relevant provisions of the Collateral Administration Agreement until such replacement collateral administrator has entered into such new agreement and the rights of the LLP under such agreement are pledged in favour of the Applicable Enforcing Party on terms satisfactory to the Applicable Enforcing Party; (c) such replacement collateral administrator has all licenses, authorizations and qualifications required under applicable law for it to perform the services contemplated by the Collateral Administration Agreement; and (d) if no replacement collateral administrator shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the Collateral Administrator may petition any court of competent jurisdiction for the appointment of a replacement.

In addition, The Bank of New York Mellon (London Branch) has the right to resign as Collateral Administrator, without regard to any notice requirement set forth in the Collateral Administration Agreement but subject to the appointment of a successor Collateral Administrator and the satisfaction of certain other conditions, if its appointment as a Custodian is terminated.

Amendment of GCMTN Series Documents

Subject to the below, the Administrator may at any time, without the consent or sanction of the Secured Creditors related to the affected Classe(es) of Global Collateralised Medium Term Notes, consent to any action or amend or otherwise modify any of the terms of the Collateral Administration Agreement or any other GCMTN Series Document governed by English law (each, an "**Amendment**"); *provided that* the Security Trustee, Collateral Administrator, and Issue and Paying Agent, as applicable, have received a written officer's certificate from the Administrator that such Amendment will not adversely affect in any material respect the interests of any Secured Creditor related to the affected Class(es) of Global Collateralised Medium Term Notes (an "**MAE Certificate**"). Any such Amendment may be made on such terms and subject to such conditions, if any, as the Administrator may reasonably determine necessary or appropriate. To the extent that the Administrator does not deliver an MAE Certificate with respect to any proposed Amendment, such proposed Amendment may proceed and, *provided that* the Issuer has given not less than five (5) Business Days' written notice of the substance of the Amendment (in an amendment or supplement to, or reissuance of, this Base Prospectus for the Global Collateralised Medium Term Notes) to each Holder or prospective purchaser of Global Collateralised Medium Term Notes, will become effective upon either: (a) the date upon which all the Global Collateralised Medium Term Notes that were outstanding on the date that the notice above was first given shall have been paid in full or, if any such Global Collateralised Medium Term Notes remain outstanding, the Administrator has provided the Security Trustee with the prior written consent of each Holder of such outstanding Notes, as set forth in the Series Register maintained by the Collateral Administrator; or (b) if the nature of the Amendment is, in the reasonable opinion of the Administrator, such that it can become effective with respect to the Global Collateralised Medium Term Notes as they are issued (but not take

effect as against the Global Collateralised Medium Term Notes that remain outstanding), the date designated by the Administrator in the notice above, but solely with effect for all Global Collateralised Medium Term Notes with an Issue Date falling on or after such date and not with respect to any Global Collateralised Medium Term Notes that remain outstanding.

In determining whether the applicable Amendment conditions have been met, the Security Trustee, Collateral Administrator, and Issue and Paying Agent, as applicable, shall be entitled to rely on a certificate of the Administrator and an opinion of counsel. A certification will become effective on the date prescribed therein or immediately on execution, if no date is prescribed. After an Amendment becomes effective, it shall bind each of the parties to the GCMTN Series Document in question, and each Secured Creditor related to the affected Class(es) of Global Collateralised Medium Term Notes, whether or not notation of that Amendment is made on any note, instrument, agreement or other document providing for the Secured Obligation of such Secured Creditor.

The Security Trustee, Collateral Administrator and Issue and Paying Agent will not be obligated to execute or consent to any Amendment of a GCMTN Series Document to which it is a party which adversely affects its rights, immunities and indemnities under such GCMTN Series Document.

The LLP Undertakings

The LLP entered into an English law undertaking, dated as of the Series Closing Date, in respect of the Collateral relating to the Security Agreement (English Law) (the "**LLP Undertaking (English Law)**"), in favor of the Security Trustee. The LLP entered into a New York law undertaking, dated as of the Amendment Closing Date, in respect of the Collateral relating to the Security Agreement (New York Law) (the "**LLP Undertaking (New York Law)**" and together, with the LLP Undertaking (English Law), the "**LLP Undertakings**"), in favor of the Collateral Agent.

The obligations of the LLP under the LLP Undertakings for the applicable Class of Notes are limited recourse obligations that are limited to the Collateral expressed in the applicable Security Agreement to such Class and the proceeds thereof, and any payments with respect to such Class under the LLP Undertaking are limited by and subject to the priorities of payments related to such Class of the Global Collateralised Medium Term Notes. Therefore, in the event the amount realised upon any liquidation or distribution of Collateral applicable to any Class following an Acceleration Event is less than the Payment Amount with respect thereto, no holder of the Global Collateralised Medium Term Notes of such Class will have any recourse to any other Collateral, including without limitation, any Class Collateral of any other Class, or any excess proceeds derived from the liquidation or distribution of the Class Collateral applicable to any other Class, nor will it have recourse to any of the LLP's other assets or its contributed capital.

Subject to the limited recourse nature of the LLP's obligations in respect of the LLP Undertakings discussed in the immediately preceding paragraph, the LLP, as primary obligor and not merely as surety, has promised to make full and prompt payment, when a Class is Due for Payment and at all times thereafter, of the Issuer's obligations with respect to each such Class of the Global Collateralised Medium Term Note Series to pay all Payment Amounts with respect to each such Class of the Global Collateralised Medium Term Note Series, as the same may be amended, modified, extended or renewed from time to time. Delivery or receipt of an Acceleration Notice will not be a condition to the foregoing obligations of the LLP, nor will non-receipt of an Acceleration Notice or defects therein constitute an excuse to avoid or delay such payment. Payment Amount means, with respect to any Global Collateralised Medium Term Note Series (x) issued on a discount basis, the face amount thereof, *provided that* if such Global Collateralised Medium Term Note is accelerated on a date prior to its maturity date, the Payment Amount for such Global Collateralised Medium Term Note will be the sum of the amount paid by the related original Holder to the Issuer for such Global Collateralised Medium Term Note, plus an amount equal to the portion of the discount accreted through the Acceleration Date, and (y) issued on an interest-bearing basis, the outstanding principal amount thereof plus the accrued but unpaid interest; *provided that* if such Global Collateralised Medium Term Note is accelerated on a date prior to its maturity date, the Payment Amount for such Global Collateralised Medium Term Note will be the outstanding principal amount thereof plus the accrued but unpaid interest thereon only through the Acceleration Date; *provided further* the foregoing clauses (x) or (y) will not include any amount representing an additional amount owed, owing or to be paid to any holder of any Class by either Issuer on account of or in respect of any deduction or withholding for tax.

Should any payment in respect of the Global Collateralised Medium Term Notes, whether by the LLP under the LLP Undertaking or by the Issuer, be made subject to any deduction or withholding on account of any Taxes, the LLP will not be obliged to pay any additional amounts in respect of any sum deducted or withheld.

The Security Agreement (English Law)

Pursuant to the Security Agreement (English Law):

(a) the LLP transfers and agrees to transfer by way of absolute assignment to the Security Trustee to hold on trust for the Relevant Secured Creditors that are European System Secured Creditors all of the LLP's legal and beneficial rights in, to and under (a) the European System Class Collateral and European System Intangible Collateral relating to each Class with a related European System Secured Creditor (except for the Clearstream Rights and Collateral); and (b) the European System Unallocated Collateral (except for the Clearstream Rights and Collateral) relating to the Global Collateralised Medium Term Notes Series with a related European System Secured Creditor, in each case to the extent such Collateral or rights constitute Financial Collateral;

(b) any Collateral and rights falling within Clause (a) above which are held by the LLP on the date of the Security Agreement shall be immediately and automatically transferred to the Security Trustee on the date of the Security Agreement; and

(c) any Collateral and rights falling within Clause (a) which are transferred to the LLP, or to which the LLP shall otherwise become entitled, after the date of the Security Agreement shall be transferred pursuant to Clause (a) immediately and automatically upon that transfer to the LLP occurring or that entitlement arising.

For purposes of this section, the defined terms have the following meanings:

"European System Class Collateral" means in relation to any Class:

(a) each Collateral Account related to such Class and the credit balances on, and indebtedness represented by, them and including all securities, cash or other property from time to time credited thereto, or carried therein in each case insofar as related to the Class, and with respect to any single Collateral Account relating to more than one Class, in each case, as allocated to such Class on the applicable Custodian's books and records;

(b) the Escrow Account and the credit balances on, and indebtedness represented by, it and including all securities, cash or other property from time to time credited thereto or carried therein in each case insofar as related to the Class, in each case, as allocated to such Class on the Security Trustee's books and records;

(c) the Series Operating Account and the credit balances on, and indebtedness represented by, it in each case insofar as related to such Class; and

(d) the cash and Eligible Securities transferred by the Issuer as additional Securities Collateral for such Class, in accordance with any Credit Support Deed.

"Financial Collateral" has the meaning given to the term "financial collateral" in the Financial Collateral Arrangements (No. 2) Regulations 2003, except that any Collateral which (by reason of a prohibition on assignment or transfer or otherwise) the LLP is not entitled to transfer shall not constitute Financial Collateral for the purposes of this Security Agreement.

"European System Intangible Collateral" means in relation to any Class:

(a) each Repurchase Agreement related to that Class and each of the other Transaction Documents related to the Global Collateralised Medium Term Notes Series insofar as it relates to that Class; and

(b) all supporting obligations and proceeds of the foregoing.

"Relevant Secured Creditor" in relation to any Class means:

(a) in relation to any Class Collateral or Intangible Collateral for that Class, the Holders of Notes of that Class, the Issuer and the related Seller or Sellers; and

(b) in relation to the Unallocated Collateral, the Holders of Notes of each Class to which the Unallocated Collateral relates, the Issuer and the related Sellers.

"European System Securities Collateral" means the Collateral Accounts and Escrow Account and the credit balances on, and indebtedness represented by, them and including all Eligible Securities and other securities, cash and property from time to time credited thereto or carried therein.

"European System Unallocated Collateral" means the funds from time to time credited to or carried in the Series Operating Account that are for any reason not identifiable as being related to any particular Class, or any Securities Collateral that for any reason is not identifiable as being related to any particular Class, together with all supporting obligations and all proceeds of the foregoing.

The security interests in the European System Class Collateral created pursuant to the Security Agreement (English Law) secure, and the European System Class Collateral is security for, the prompt and complete payment or performance in full when due of all monies from time to time due or owing, including all Payment Amounts and all obligations and other actual or contingent liabilities from time to time incurred, by the LLP to any Secured Creditor under the Transaction Documents that the LLP is a party to in relation to the Global Collateralised Medium Term Notes which are referred to in, and may in any circumstances become payable pursuant to, the Security Agreement (English Law) (with respect to the related Class, the "**Secured Obligations**"). The security interests in the European System Intangible Collateral and the Unallocated Collateral created pursuant to the Security Agreement (English Law) secure, and the European System Intangible Collateral and Unallocated Collateral is additional security for the Secured Obligations of all Classes owing by the LLP to the European System Secured Creditors.

Each transfer of Collateral or rights effected by the transfer described above and any return of transferred Collateral described below, (i) shall vest absolute beneficial and (to the extent the transferor holds the legal title and subject to any notifications and other formal steps necessary to transfer legal title) legal title to the transferred Collateral and rights in the transferee, free of any liens (other than any lien routinely imposed on all securities in the relevant clearance system) but subject in the case of the Security Trustee to the trust declared by it in this Security Agreement (English Law) in favour of the European System Secured Creditors; and (ii) shall result in the transferor having no proprietary interest of any kind in the Collateral and rights transferred (except, to the extent the transferor holds the legal title and if and for so long as only beneficial title to any transferred Collateral or rights has transferred, for bare legal title to that transferred Collateral or those transferred rights). Additionally, each transfer of Collateral held with Clearstream Banking, société anonyme, effected in Luxembourg is intended for the purposes of Luxembourg law to constitute a transfer of title by way of security.

To the extent any Collateral and rights to be transferred to the Security Trustee as described above are not transferred to the Security Trustee, as security for the payment and discharge of the relevant obligations, the LLP with full title guarantee assigns absolutely to the Security Trustee on trust for the relevant European System Secured Creditors all of its legal and beneficial rights in, to and under the European System Class Collateral and/or European System Intangible Collateral for each relevant Class and the Unallocated Collateral to the relevant European System Secured Creditors.

By its purchase of a Global Collateralised Medium Term Note, each Noteholder will be deemed to have agreed and acknowledged that: (a) the European System Class Collateral will be allocated and credited to each Collateral Account related to the related Class pursuant to the related Repurchase Transactions, the related Custodial Agreement and the Collateral Administration Agreement, and may be moved from each Collateral Account related to such Class to the Escrow Account related to such Class as described in the Security Agreement (English Law); (b) such allocation of the European System Class Collateral will constitute the preferential right of the Noteholders of the related Class in such European System Class Collateral to be paid with or from the proceeds of such European

System Class Collateral pursuant to the Security Agreement (English Law), and in accordance with the applicable Priority of Payments for such Class; (c) the establishment of a Collateral Account and an Escrow Account for the applicable portion for each Class and the allocation of the European System Class Collateral thereto pursuant to the related Repurchase Transactions, the related Custodial Agreement and the Collateral Administration Agreement, shall not impair the validity or perfection of the title transfer in the Security Agreement (English Law); and (d) the rights to repayment or satisfaction of amounts due to the Noteholders of such Class with respect to the LLP Undertaking, will be satisfied solely from the European System Class Collateral for such Class and not from the European System Class Collateral allocated to any other Classes.

Establishment of Accounts

Within two (2) Business Days of its receipt of notice from the Administrator that the Issuer is proposing to issue a new Class (for the avoidance of doubt, not being a Class identified as one to which the Security Agreement (New York Law) applies to the exclusion of the Security Agreement (English law)) of the Global Collateralised Medium Term Notes, then as applicable: (i) the LLP shall procure the establishment by the Collateral Administrator on its behalf with Clearstream Banking, société anonyme, in accordance with the terms of the Transaction Bank Relationship Management Agreement, the CMSA and the Custody Agreement, and thereafter maintain; and/or (ii) the LLP shall establish with BNYM Custodian, and thereafter maintain a segregated, non-interest bearing securities account (each a "**Collateral Account (English)**" for such Class). References to the Collateral Account shall be to the Collateral Account (English) or the Collateral Account (New York) as the context requires.

Each such Collateral Account shall be assigned a unique account number and titled in the following format: "Global Collateralised Medium Term Notes Series, Collateral Account [*number or other information identifying Class*])" or such similar designation as shall be appropriate to clearly identify the particular Class to which each such Collateral Account relates and the applicable Custodian that established such Collateral Account. In the context of the Custodial Agreement with Clearstream Banking, société anonyme, each Collateral Account shall be comprised of the "TB Source Account" and the "Collateral Receiver's Account" for such Class. In the context of the Custodial Agreement with BNYM Custodian, each Collateral Account shall be the "Collateral Receiver's Account" for such Class (together with any account created in lieu thereof pursuant to the Security Agreement (English Law)). In the context of any other Custodial Agreement, each Collateral Account shall be the account utilised by the related Custodian for effecting transactions pursuant to the instructions of the LLP and on its behalf, however described therein, for such Class (together with any account created in lieu thereof pursuant to the Security Agreement (English Law)). In the event that a Credit Support Deed is in effect and the Issuer makes an Issuer Collateral Posting Election pursuant to it, the LLP shall establish with BNYM Custodian, and thereafter maintain, a segregated custodial account in respect of the collateral so posted relating to each Class. To the extent that the LLP establishes any such account with respect to any Class, such account shall thereafter also be deemed to be part of the "Collateral Account" with respect to such Class in addition to the account established for such Class pursuant to the Security Agreement (English Law). Each such account shall be identified in a manner consistent with the Security Agreement (English Law). All cash and Eligible Securities relating to any Class shall be maintained in the related Collateral Account at all times prior to an Acceleration Event for such Class.

At any time the Security Trustee so requires, the LLP will establish with the Security Trustee, and thereafter maintain, a segregated, non-interest bearing trust account with the Security Trustee in respect of all Classes which have a Collateral Account with BNYM Custodian (the "**Escrow Account (English)**"). References to the Escrow Account shall be to the Escrow Account (English) or the Escrow Account (New York) as the context requires. The Security Trustee will move any European System Class Collateral from each related Collateral Account to the Escrow Account, at such times, in such amounts and by such methods as it may deem appropriate, necessary or conducive to the exercise of its powers and discharge of its duties under the Security Agreement. The Escrow Account shall be assigned a unique account number and titled in the following format: "Global Collateralised Medium Term Notes Series, Escrow Account".

Concurrently with the execution and delivery of the Security Agreement (English Law), the LLP will establish with the Security Trustee, and thereafter maintain, a non-interest bearing corporate trust account in respect of the Global Collateralised Medium Term Notes (the "**Series Operating Account (English)**"). References to the Series Operating Account shall be to the Series Operating Account (English) or the Series Operating Account (New York), if any, as the context requires. The Series Operating Account will be used to deposit any amounts relating to the

Repurchase Price, Price Differential and other amounts on behalf of the Global Collateralised Medium Term Note Series.

Concurrently with the execution and delivery of the Security Agreement (English Law), the LLP will establish with the Account Bank, and thereafter maintain for the benefit of the Issuer, a note payment account in respect of the Global Collateralised Medium Term Notes (the "**Note Payment Account (English)**"). References to the Note Payment Account shall be to the Note Payment Account (English) or the Note Payment Account (New York) as the context requires.

The Bank of New York Mellon, acting through its London Branch, will maintain the Series Operating Account, the Escrow Account and the Note Payment Account on behalf of the LLP.

Prior to the occurrence of any Acceleration Event, withdrawals from each Collateral Account related to a Class of Global Collateralised Medium Term Notes shall be made in accordance with the Pre-Acceleration Priority of Payments for such Class, to the extent applicable, pursuant to the Collateral Administration Agreement or for other permitted circumstances described in the Security Agreement (English Law). Following the occurrence of any Acceleration Event, the related Purchased Securities and other European System Class Collateral on deposit in a Collateral Account related to each Class or the Escrow Account insofar as related to each Class will be applied in accordance with the European System Post-Acceleration Priority of Payments for such Class set out in the Security Agreement (English Law).

Permitted Dispositions

The LLP undertakes that it will not dispose of (or agree to dispose of) or permit a security interest to subsist over all or any part of the Collateral that the LLP has assigned or granted a fixed or floating charge over, except: (a) prior to the occurrence of an Acceleration Event, the sale and repurchase of European System Securities Collateral for a Class consisting of Purchased Securities and Income, and/or the return of Additional Purchased Securities and Income to the relevant Seller, pursuant to and in accordance with the related Repurchase Transactions, the applicable Custodial Agreement and the Collateral Administration Agreement; (b) prior to the occurrence of an Acceleration Event, substitutions of the related European System Securities Collateral pursuant to and in accordance with the related Repurchase Transactions, the applicable Custodial Agreement and the Collateral Administration Agreement; (c) prior to the occurrence of an Acceleration Event, if a Credit Support Deed has been entered into and an Issuer Collateral Posting Election has been made, the return of the related Posted Collateral and Income to the Issuer in accordance with the Credit Support Deed, and, upon repayment of the related Class, delivery of any remaining European System Class Collateral to the Issuer in repayment of the Advance under the Intercompany Loan related to such Class; and (d) prior to the occurrence of an Acceleration Event with respect to the applicable Repurchase Agreement (clauses (a) through (d), each a "Permitted Dealing"), the reallocation of Purchased Securities and Margin Securities from the Collateral Account for one Class to the Collateral Account for another Class pursuant to the Collateral Administration Agreement, the Repurchase Agreements, the Custodial Agreements, the Custody Agreement, any Credit Support Deed and the Transaction Bank Relationship Management Agreement. The excess, if any, of (i) the cash received in connection with such disposition over (ii) the sum of (A) the reasonable and customary out-of-pocket expenses incurred by the party effecting such disposition, and (B) sales, use, transfer, value-added, documentary, recording or other taxes or fees reasonably estimated to be actually payable or actually paid in connection therewith (the "**European System Net Cash Proceeds**"), will be remitted to the Collateral Account for the related Class and applied in accordance with the European System Pre-Acceleration Priority of Payments or the European System Post-Acceleration Priority of Payments for such Class by the applicable Custodian, as applicable.

Returning Transferred Collateral

The Security Trustee will transfer or direct the applicable Custodian to transfer to the LLP, Equivalent Securities that are held through the triparty custodial system in Europe (the "**European System Eligible Securities**"), in the following circumstances:

(a) prior to the occurrence of an Acceleration Event, the sale and repurchase of European System Securities Collateral for a Class consisting of Purchased Securities, and/or the return of Additional Purchased Securities and Income to the relevant Seller, pursuant to and in accordance with the related Series Collateral Documents, provided that any amounts payable by the relevant Seller in respect of the Permitted Dealing are paid and the proceeds are applied in or towards satisfaction of Payment Amounts due to the Holders of the relevant Class pursuant to the LLP Undertaking or paid into the applicable Collateral Account as European System Class Collateral to be applied in accordance with the applicable Priority of Payments;

(b) prior to the occurrence of an Acceleration Event, substitutions of the related European System Securities Collateral pursuant to and in accordance with the related Series Collateral Documents, provided that the replacement European System Securities Collateral is placed in the applicable Collateral Account as the replaced European System Class Collateral;

(c) (i) prior to the occurrence of an Acceleration Event, if a Credit Support Deed has been entered into and an Issuer Collateral Posting Election has been made under it, the return of the related Posted Securities and Income to the Issuer in accordance with any Credit Support Deed; or (ii) prior to the occurrence of an Acceleration Event, upon repayment of a Class of Global Collateralised Medium Term Notes, delivery of any remaining European System Class Collateral to the Issuer in repayment of the Advance under the Intercompany Loan related to such Class; and

(d) prior to the occurrence of a Repurchase Event of Default with respect to the applicable Repurchase Agreement related to any Global Collateralised Medium Term Notes, the reallocation of Purchased Securities and Additional Purchased Securities from the Collateral Account for one Class to the Collateral Account for another Class pursuant to the related Series Collateral Documents, provided that in the case of each Class the replacement European System Securities Collateral are placed in the applicable Collateral Account as European System Class Collateral.

On the date on which all of the Secured Obligations in relation to a Class due or owing to the relevant European System Secured Creditors insofar as they related to that Class have been unconditionally and irrevocably paid or discharged in full (the "**Discharge Date**" for that Class), the Security Trustee shall return to the LLP Equivalent Securities in respect of any European System Class Collateral still held by the Security Trustee at the direction of the LLP.

Enforcement following Acceleration Event

The Security Trustee shall as promptly as possible upon receiving written notice or otherwise having actual knowledge of the occurrence of an Acceleration Event: (i) give notice in writing to the Issuer and the LLP (a "**European System Acceleration Notice**") that a European System Acceleration Event has occurred; and (ii) provide a copy of that European System Acceleration Notice to the Administrator, each Custodian, the Collateral Administrator and each Noteholder in accordance with the provisions for providing notice set out in this Security Agreement (English Law). Upon the occurrence of such European System Acceleration Event, each applicable Class of Global Collateralised Medium Term Notes is and each Class will thereupon immediately become, due and repayable in an amount equal to its principal amount outstanding plus accrued interest and/or accreted discount through the Acceleration Date.

During the continuance of an Acceleration Event in relation to a Class, the Security Trustee may appoint a qualified receiver, receiver and manager or administrative receiver (any such appointee, a "**Receiver**") and/or itself proceed to enforce all or any of its rights under the Security Agreement (English Law), in particular, it may without further notice to the LLP exercise, with respect to the Collateral: (i) the power of sale and all other powers conferred on mortgagees by the LPA 1925 (or otherwise by law) or on an administrative receiver by the Insolvency Act, in either case as extended or otherwise amended; or (ii) (without first appointing a Receiver) any or all of the rights which are conferred by this Security Agreement (English Law) (whether expressly or by implication) on a Receiver.

All of the protection to purchasers contained in the Law of Property Act 1925 and the Insolvency Act 1986 shall apply to any person purchasing from or dealing with the Security Trustee or any Receiver with respect to the Collateral as if the Secured Obligations had become due and the statutory powers of sale and of appointing a Receiver in relation to the Security Interest Collateral had arisen on the date of the Security Agreement (English Law).

In connection with the exercise of rights with respect to any European System Class Collateral pursuant to the Security Agreement (English Law), the Security Trustee shall (x) seek that all European System Class Collateral then in the Series Operating Account be identified as European System Class Collateral and allocated to the Escrow Account for disposition in accordance with the terms thereof, and (y) be permitted to: (i) move any European System Class Collateral from each related Collateral Account to the Escrow Account, at such times, in such amounts and by such methods as it may deem appropriate, necessary or conducive to the exercise of its powers and discharge of its duties under the Security Agreement (English Law); and (ii) retain (at its own cost and not in duplication of liquidation expenses) and rely upon advisory services provided by the Collateral Administrator, provided that such retention and reliance shall not relieve the Security Trustee from the performance of its duties and obligations as set forth in the Security Agreement (English Law) and the Transaction Documents to which it is a party.

Except as directed by a Directing Investor Class, the Security Trustee shall not be obligated to conduct any sale of Collateral regardless of notice of sale having been given. The LLP hereby waives any claims against the Security Trustee arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale, even if the Security Trustee accepts the first offer received and does not offer such Collateral to more than one offeree.

By reason of certain prohibitions contained under applicable law, the Security Trustee may be compelled, with respect to any sale of all or any part of the Collateral conducted without prior registration or qualification of such Collateral under such securities laws, to limit purchasers to those who will agree, among other things, to acquire the Collateral for their own account, for investment and not with a view to the distribution or resale thereof and meet any applicable selling restrictions under any applicable law with respect thereto. Any such private sale may be at prices and on terms less favourable than those obtainable through a public sale without such restrictions (including a public offering made pursuant to a registration statement, prospectus, or similar document under applicable securities laws) and, notwithstanding such circumstances, any such private sale will be deemed to have been made in a commercially reasonable manner and the Security Trustee will have no obligation to engage in public sales and no obligation to delay the sale of any Collateral for the period of time necessary to permit the issuer thereof to register it for a form of public sale requiring registration under applicable securities laws, even if such issuer would, or should, agree to so register it.

Except as required by applicable law, any sale of Collateral by the Security Trustee and its agents may be made without assuming any credit risk. The Security Trustee, in connection with any exercise of any of its rights or remedies, may exercise the same without demand of performance or of any of its rights or remedies, may exercise the same without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law) to or upon the LLP or any other person (all and each of which demands, presentment, protect, advertisements or notices will be waived). The Security Trustee and its agents may sell Collateral in one or more lots, and to one or more purchasers. The Security Trustee and its agents will conduct any sale on a "where is, as is" basis, without any representations and warranties relating to title, possession, quiet enjoyment or the like, express or implied. Any process undertaken by the Security Trustee in accordance with the terms of the Security Agreement (English Law) (to the extent permitted by applicable law) is deemed "reasonable." In addition, any timing requirements in connection with any Collateral, sale or bid process will be extended to the extent necessary or appropriate to comply with applicable law or otherwise operationally or administratively necessary.

Only the Security Trustee may pursue the remedies available under the general law or under the Security Agreement (English Law) to enforce the title transfer effected or the security interests granted set forth therein with respect to any Collateral and no other party nor any of the Holders of the Global Collateralised Medium Term Notes will be entitled to proceed directly against the LLP to enforce any such security interest.

Qualified Directing Investors

A "**European System Qualified Directing Investor**" means, as of any date of determination, a Noteholder that provides a European System Directing Investor Notice pursuant to the Security Agreement (English Law) to the Security Trustee, with respect to a European System Directing Investor Class as to which its is acting, for itself or on behalf of an Affiliate which has so authorised it to act. Any Class which is wholly owned by a Noteholder or one or more of its Affiliates, or by a Noteholder in conjunction with one or more of its Affiliates, and (if it is not the Noteholder with respect to such Class or if such Class is wholly owned by the Noteholder in conjunction with one or more of its Affiliates)as to which such Noteholder has provided evidence satisfactory to the Security Trustee that it has authorisation from the Affiliate that is the sole Noteholder (or, with whom, such Class is wholly owned by such Noteholder) to give instructions to the Security Trustee as a European System Qualified Directing Investor, will be a "**European System Directing Investor Class**", and be eligible for certain remedies following an Acceleration Event different from those of Classes that are not European System Directing Investor Classes, as set forth below.

Each Noteholder of a European System Qualified Directing Investor Class , or an authorized Affiliate thereof, may, no later than 6:00 p.m. (London time) on the fifth (5^{th}) Business Day after an Acceleration Event, provide to the Security Trustee by facsimile, overnight courier service, telecopier, certified or registered post, by hand or by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Security Trustee, a duly completed and executed European System Directing Investor Notice (the "**European System Directing Investor Notice**"), substantially in the form of the corresponding exhibit attached to the Security Agreement (English Law). The form may be obtained from the Administrator or the Security Trustee.

With respect to each Class which is a European System Directing Investor Class, the related European System Qualified Directing Investor will be entitled to give instructions that comply with the provisions set forth below (such instructions, "**European System Qualified Instructions**") to the Security Trustee with respect to the disposition of the related European System Class Collateral, and the Security Trustee, subject to the terms of the Security Agreement (English Law) will accept and promptly act upon all European System Qualified Instructions with respect to the disposition of the European System Class Collateral related to each such Class.

Following an Acceleration Event in relation to a European System Directing Investor Class, subject to the immediately succeeding paragraph, European System Qualified Directing Investors may give the Security Trustee any or all of the following disposition instructions with respect to the European System Class Collateral for each related European System Directing Investor Class in respect of which they are acting: (a) that some or all of the European System Class Collateral be sold by the Security Trustee pursuant to collateral sales conducted in accordance with the Security Agreement (English Law) for the best price offered to the Security Trustee for such European System Class Collateral, with or without instructions as to the specific timing of such sales, or the markets or processes to be employed; (b) that some or all of the European System Class Collateral be sold to named purchasers, with or without instructions as to the purchase price therefor; (c) that some or all of the European System Class Collateral be delivered to the European System Qualified Directing Investor or its nominee Affiliate in kind, *provided that* the Qualified Directing Investor must comply with all applicable securities laws and ensure (and satisfy the Security Trustee) that any such delivery will be in compliance therewith; and/or (d) that some or all of the European System Class Collateral be maintained by the Security Trustee in the Escrow Account pending further instructions, subject to the limitations set forth below.

European System Qualified Directing Investors may give the Security Trustee instructions on any Business Day following an Acceleration Event, but may not submit instructions that: (a) if implemented, would cause or result in a violation of the Security Agreement (English Law), any other Transaction Document, or any applicable laws or any rules or regulations, including without limitation the terms of any permissive or mandatory stay imposed by a governmental authority that applies to the European System Class Collateral; (b) if implemented, would result in such European System Qualified Directing Investor receiving an aggregate amount of cash and/or value (calculated as described above) in excess of the sum of the Payment Amounts due to such Qualified Directing Investor in respect of all its European System Directing Investor Classes; (c) do not adequately describe the European System Class Collateral the subject of such instruction, are lacking sufficient clarity, completeness or detail, or otherwise are too vague for the Security Trustee to understand and comply with such instructions; (d) are commercially unreasonable, whether as to timing, method, requirements, the administrative burden such instructions would place on the Security Trustee, or for any other reason; (e) involve fraudulent action, including without limitation,

transactions at an undervalue, or which involve round-trip or undisclosed consideration or which are not conducted for consideration which is fully disclosed to the Security Trustee and which is equal to the price for the related European System Class Collateral that could be obtained from a generally recognised source or the most recent closing bid quotation from such a source; (f) would require the Security Trustee to incur liquidation costs that cannot be recouped from the cash proceeds of sale, unless such costs are borne by the European System Qualified Directing Investor or otherwise assured to the Security Trustee in its reasonable discretion; or (g) unless otherwise agreed by the Security Trustee in writing, are submitted by a method other than through the notification features of the clearing systems utilised by the Issue and Paying Agent for the issuance and settlement of the Global Collateralised Medium Term Notes.

If a European System Qualified Directing Investor that has previously delivered a European System Directing Investor Notice (x) fails to submit Qualified Instructions as to the applicable European System Class Collateral for a period of thirty (30) days, or (y) by the date thirty (30) days following the Acceleration Date (with such period tolled for any period that a permissive or mandatory stay prevents a disposition), fails to direct the Security Trustee to dispose of sufficient European System Class Collateral to generate Net Cash Proceeds, and/or to deliver to the applicable Seller Purchased Securities, in an aggregate amount equal to the amount due and payable from the LLP to such Seller pursuant to the relevant Repurchase Agreement with respect to the Repurchase Transactions related to each European System Directing Investor Class in respect of which such European System Qualified Directing Investor is acting, the related Class will thereafter be deemed not to be a European System Directing Investor Class, and such European System Class Collateral will be sold by the Security Trustee in accordance with the Security Agreement (English Law), and the Net Cash Proceeds applied in accordance with the Post-Acceleration Priority of Payments for Classes other than European System Directing Investor Classes. If a Qualified Directing Investor submits Qualified Instructions, but such Qualified Instructions do not instruct the Security Trustee to dispose of such applicable European System Class Collateral within six (6) months after the Acceleration Date (with such period tolled for any period that a permissive or mandatory stay prevents such disposition), then, subject to clause (b) in the immediately preceding paragraph, such European System Qualified Directing Investor must either: (i) submit a Qualified Instruction that the remaining European System Class Collateral for each European System Directing Investor Class as to which the European System Qualified Directing Investor is acting be delivered to such European System Qualified Directing Investor or its nominee Affiliate in kind, or (ii) agree with the Security Trustee in an arrangement that comports with the paragraph immediately below. In the absence of compliance with (i) or (ii) above, the related Class will thereafter be deemed not to be a European System Directing Investor Class, and such European System Class Collateral will be sold by the Security Trustee in accordance with the Security Agreement (English Law), and the Net Cash Proceeds applied in accordance with the Post-Acceleration Priority of Payments for Classes other than European System Directing Investor Classes.

At any time after an Acceleration Event and subject to compliance with all applicable securities laws and the applicable European System Qualified Directing Investor instructing the Security Trustee to give such European System Qualified Directing Investor an aggregate amount of cash and/or value in excess of the sum of the Payment Amounts due to such European System Qualified Directing Investor, a European System Qualified Directing Investor and the Security Trustee may enter into an arrangement between themselves, with or without their Affiliates, as to removal of the related European System Class Collateral as to which the European System Qualified Directing Investor is acting from the Escrow Account insofar as it relates to such Class and the removal of each related European System Directing Investor Class from the book entry systems on which such interests are represented. Any such arrangement will be treated as a delivery in kind of the related European System Class Collateral to the European System Qualified Directing Investor, with the result that the Security Trustee will reduce the Payment Amounts due to the holder of each related Class in accordance with the valuation method described above.

European System Post-Acceleration Priority of Payments

Beginning on the date on which any Acceleration Event occurs in relation to a Class with European System Securities Collateral (the "**European System Acceleration Date**") and on each Business Day thereafter, the Security Trustee shall on any Business Day apply the Net Cash Proceeds of any disposal of related European System Class Collateral pursuant to the Security Agreement (English Law), any other net recoveries from the exercise of its rights, as referred to in the Security Agreement (English Law) insofar as referable to the relevant Class; and the net proceeds of any enforcement of the security interests created in the Security Agreement (English Law) insofar as

referable to the relevant Class, in the following order of priority, with no applications to be made under the Security Agreement (English Law) until all actual or contingent liabilities under the LLP Undertaking of the LLP to the Holders of such Class in respect of Payment Amounts have been satisfied in full (the "**European System Post-Acceleration Priority of Payments**"): *first*, pro rata according to the respective amounts thereof, in or towards satisfaction of the Payment Amounts due to the Holders of each such Class pursuant to the LLP Undertaking; *second*, (i) if the Issuer has secured additional Collateral with respect to such Class pursuant to a Credit Support Deed after making an Issuer Collateral Posting Election pursuant to it, to the Issuer in an amount up to the aggregate market value (calculated in accordance with the Repurchase Agreement to which such European System Class Collateral relates) of such additional Collateral (such Market Value determined as of the day preceding the Acceleration Date for such Class); or (ii) after giving effect to any payments under the Security Agreement (English Law), to pay each related Seller any amounts due and payable by the LLP to each such Seller pursuant to the Repurchase Transactions related to such Class; and *third*, the remaining amount, if any, to the LLP Master Account.

In connection with any disposal of some or all of the European System Class Collateral for a European System Directing Investor Class: (i) to the extent such disposal is for cash, the Security Trustee shall apply the Net Cash Proceeds arising from such disposal in the order of priority set out in the Security Agreement (English Law); and (ii) to the extent such disposal is not for cash, the Security Trustee shall reduce the Payment Amounts due to the Holder of each related Class pursuant to the LLP Undertaking by an amount equal to the Market Value of the portion of the European System Class Collateral that is the subject of such disposal, such Market Value to be as determined by the applicable Custodian as of the close of business on the Business Day prior to such disposal; provided that, to the extent that (x) such Market Value of the portion of the European System Class Collateral that is the subject of such disposal exceeds (y) the Payment Amounts due to the Holder of each related Class pursuant to the LLP Undertaking, the Security Trustee will require such Holder to remit to the Security Trustee (for application under and in accordance with the Security Agreement (English Law)) an amount in immediately available funds equal to such difference prior to delivery of such European System Class Collateral.

The parties intend that any amounts or assets realised as a result of the title transfer under the Security Agreement (English Law) or the security interests created in the Security Agreement (English Law) of or over the European System Intangible Collateral shall support the realisation or recovery of the relevant European System Class Collateral rather than being separately allocated. Accordingly for the purposes of the Security Agreement (English Law) such amounts or assets shall be treated by the Security Trustee as realisations from and in respect of the relevant European System Class Collateral.

If adequate records have not been maintained in order to identify (including by tracing and application of equitable principles) to the Security Trustee's satisfaction the Collateral Accounts and/or Escrow Account to which funds in the Series Operating Account should be allocated then, in connection with the allocation of proceeds pursuant to the Security Agreement (English Law), the affected European System Secured Creditors (being the European System Secured Creditors in respect of the potentially relevant Classes) will be deemed to have directed the Security Trustee to allocate all funds then on deposit in the applicable Series Operating Account to the Escrow Account for each potentially relevant Class, pro rata according to the respective amounts owed to such Classes pursuant to the LLP Undertaking, and thereafter to treat the same as European System Class Collateral.

Application of European System Class Collateral following a Repurchase Event of Default of LLP

With respect to each Class of the Global Collateralised Medium Term Note Series as to which a Repurchase Event of Default has occurred where the LLP is the defaulting party, following the exercise of remedies by the related Seller, the Security Trustee will be permitted to return the European System Class Collateral to such Seller against payment by such Seller of the associated Repurchase Price in immediately available funds (which funds will be deposited by the Security Trustee into each related Collateral Account and/or the Escrow Account for each such Class). On each date that amounts become due to the Noteholders of each such Class pursuant to the LLP Undertaking, the Security Trustee will withdraw or direct the withdrawal of the applicable funds representing the European System Class Collateral from each Collateral Account for such Class and/or the Escrow Account, and apply the funds to make the following payments in the following order of priority, with no application to be made to the LLP Master Account under sub-clause (b) below until all actual or contingent liabilities under the LLP Undertaking to the Holders of such Class in respect of Payment Amounts have been satisfied in full: (a) *first*, *pro rata* according to the respective amounts thereof, in or towards satisfaction of any amounts due to the Noteholders of

each such Class pursuant to the LLP Undertaking; and (b) *second*, the remaining amount, if any, to the LLP Master Account.

Removal or Resignation of Security Trustee

The Security Trustee may resign upon 90 days' prior written notice to the LLP and the Administrator. A notice of resignation will only take effect upon the appointment of a successor Security Trustee in accordance with the terms of the Security Agreement (English Law). The Security Trustee may be removed for any of the following causes upon at least 90 days' prior written notice by the LLP or the Administrator: (a) a material adverse change in the business and operations of the Security Trustee has occurred and is continuing, such that as a result of such change, the Security Trustee no longer has the capacity or the competence to perform its obligations as Security Trustee; (b) the Security Trustee wilfully violates or wilfully breaches any provision of any of the Transaction Documents applicable to the Security Trustee; (c) the Security Trustee breaches in any material respect any provision of any of the Transaction Documents applicable to the Security Trustee, which breach if capable of being cured, is not cured within 30 days of the Security Trustee becoming aware of, or receiving notice from the LLP or the Administrator of, such breach; (d) the failure of any representation, warranty, certification or statement made or delivered by the Security Trustee in or pursuant to any of the Transaction Documents to be correct in any material respect when made and no correction is made for a period of 45 days after the Security Trustee becoming aware of, or its receipt of notice from the LLP or the Administrator of, such failure; (e) the Security Trustee is wound up or dissolved or there is appointed over it or a substantial part of its assets a receiver, administrator, administrative receiver, trustee or similar officer; or the Security Trustee (i) ceases to be able to, or admits in writing its inability to, pay its debts as they become due and payable, or makes a general assignment for the benefit of, or enters into any composition or arrangement with, its creditors generally; (ii) applies for or consents (by admission of material allegations of a petition or otherwise) to the appointment of a receiver, trustee, assignee, custodian, liquidator or sequestrator (or other similar official) of the Security Trustee or of any substantial part of its properties or assets, or authorises such an application or consent, or proceedings seeking such appointment are commenced without such authorisation, consent or application against the Security Trustee and continue undismissed for 60 days or any such appointment is ordered by a court or regulatory body having jurisdiction; (iii) authorises or files a voluntary petition in bankruptcy, or applies for or consents (by admission of material allegations of a petition or otherwise) to the application of any bankruptcy, reorganisation, arrangement, readjustment of debt, insolvency, dissolution, or similar law, or authorises such application or consent, or proceedings to such end are instituted against the Security Trustee without such authorization, application or consent and remain undismissed for 60 days or result in adjudication of bankruptcy or insolvency or the issuance of an order for relief; or (iv) permits or suffers all or any substantial part of its properties or assets to be sequestered or attached by court order and the order (if contested in good faith) remains undismissed for 60 days; or (f) the criminal indictment of the Security Trustee for the occurrence of an act by the Security Trustee that constitutes fraud or criminal activity in the performance of its obligations under any of the Transaction Documents applicable to the Security Trustee, as determined by a final adjudication by a court of competent jurisdiction or the indictment for criminal prosecution of any senior officer of the Security Trustee for a criminal offense materially related to its obligations under the Security Agreement (English Law). Such removal will only take effect upon the appointment and acceptance of a successor Security Trustee in accordance with the terms of the Security Agreement (English Law).

No institution will be eligible to serve as a successor Security Trustee unless it: (a) is not an affiliate of the outgoing Security Trustee; (b) is legally qualified and has the capacity to act as Security Trustee under the Security Agreement (English Law) and under the terms of the other Transaction Documents; and (c) has a combined capital and surplus of at least US $200,000,000, a short term debt rated at least "P-1" by Moody's and at least "A-1" by S&P and a long term debt rated at least "Baa1" by Moody's and at least "BBB+" by S&P.

In addition, The Bank of New York Mellon has the right to resign, although it is not required to, as Security Trustee, without regard to any notice requirement set forth in the Security Agreement (English Law) but subject to the appointment of a successor Security Trustee and the satisfaction of certain other conditions, if its appointment as a Custodian is terminated.

Governing Law

The Security Agreement (English Law) shall be governed by English law. Notwithstanding the submission to the jurisdiction of the English courts contained in the Security Agreement (English Law), nothing prevents the Security Trustee from commencing proceedings in any other court of competent jurisdiction.

The Security Agreement (New York Law)

Pursuant to the Security Agreement (New York Law), the LLP, as grantor, grants to the Collateral Agent:

(a) for the benefit of the US System Secured Creditors, a lien on and security interest in all the LLP's right, title and interest in, to and under the following personal property owned by the LLP, whether now owned or existing or hereafter acquired or arising and located in a United States triparty system (all of which being hereinafter collectively referred to as the "**US System Class Collateral**" with respect to such Class): (i) each Collateral Account related to such Class and the Escrow Account, including all securities, cash or other property from time to time credited thereto or carried therein (the "**US System Securities Collateral**" for such Class); (ii) the funds from time to time credited to or carried in the Series Operating Account that are related to such Class and relate to US System Securities Collateral; (iii) the cash and Eligible Securities transferred by the Issuer as additional US System Securities Collateral for such Class, in accordance with any Credit Support Deed; and (iv) all supporting obligations and all proceeds of the foregoing.

(b) for the benefit of each of the Holders of each Class a lien on and security interest in all the LLP's right, title and interest in, to and under the following personal property owned by the LLP, whether now owned or existing or hereafter acquired or arising and located in the United States (all of which being hereinafter collectively referred to as the "**US System Intangible Collateral**" with respect to the Global Collateralised Medium Term Notes): (i) the rights of the LLP that are related to such Class in respect of US System Class Collateral and US System Securities Collateral, under the applicable Repurchase Agreement and each of the other Transaction Documents to the extent related to the Global Collateralised Medium Term Notes ; and (ii) all supporting obligations and all proceeds of the foregoing that are related to such Class.

(c) for the benefit of each of the Holders of each Class in respect of whom funds are being carried in or credited to the Series Operating Account, but which funds are not identifiable as relating to any particular such Class (the "**US System Secured Creditors**") related to the Global Collateralised Medium Term Notes, a lien on and security interest in all the LLP's right, title and interest in, to and under the funds from time to time credited to or carried in the Series Operating Account or the Note Payment Account that are not identifiable as being related to any particular Class, or any Collateral Accounts or the Escrow Account that for any reason are not identifiable as being related to any particular Class, together with all supporting obligations and all proceeds of the foregoing, whether now owned or existing or hereafter acquired or arising and wherever located (all of which being hereinafter collectively referred to as the "**US System Unallocated Collateral**", and together with the US System Class Collateral and the US System Intangible Collateral, the "**US System Collateral**", with respect to the Global Collateralised Medium Term Notes).

The security interests in the US System Class Collateral created pursuant to the Security Agreement (New York Law) secure, and the US System Class Collateral is collateral security for, the prompt and complete payment or performance in full when due of all Payment Amounts owing by the LLP to the US System Secured Creditors, arising under the LLP Undertaking (with respect to the related Class, the "**US System Secured Obligations**"). The security interests in the US System Intangible Collateral created pursuant to the Security Agreement (New York Law) secure, and the US System Intangible Collateral is additional collateral security for, all Secured Obligations owing by the LLP to the US System Secured Creditors.

By its purchase of a Note, each Noteholder will be deemed to have agreed and acknowledged that: (a) the US System Class Collateral will be allocated and credited to each Collateral Account related to the related Class pursuant to the related Repurchase Transactions, the related Custodial Agreements and the Collateral Administration Agreement, and may be moved from each Collateral Account related to such Class to the Escrow Account related to such Class following an Acceleration Event; (b) such allocation of the US System Class Collateral will constitute the

preferential right of the Noteholders of the related Class in such US System Class Collateral to be paid with or from the proceeds of such US System Class Collateral pursuant to the Security Agreement (New York Law), and in accordance with the applicable Priority of Payments for such Class; (c) the establishment of a Collateral Account for each Class and the Escrow Account and the allocation of the US System Class Collateral thereto pursuant to the related Repurchase Transactions, the related Custodial Agreements and the Collateral Administration Agreement, will not impair the validity or perfection of the security interest granted to the Collateral Agent by the Security Agreement (New York Law); (d) the rights to repayment or satisfaction of amounts due to the Noteholders of such Class with respect to the LLP Undertaking, will be satisfied solely from the US System Class Collateral for such Class and not from the US System Class Collateral allocated to any other Classes; and (e) although the benefit of the US System Unallocated Collateral is to be shared by the US System Secured Creditors without distinction as to Class, all property realised as proceeds of the granted security interests in the US System Class Collateral and US System Intangible Collateral will be allocated by the Collateral Agent as US System Class Collateral segregated for the benefit of the US System Secured Creditors of each applicable Class, and not as a general pool for all US System Secured Creditors.

The Collateral Agent will maintain records and allocate funds in the Series Operating Account to each applicable Collateral Account and/or Escrow Account. If the Collateral Agent does not maintain a method of tracing, including application of equitable principles, that is permitted under law other than Article 9 of the Uniform Commercial Code for the State of New York, with respect to commingled property of the type credited to or carried in the Series Operating Account, then in connection with the exercise of remedies pursuant to the Security Agreement (New York Law), the Affected Secured Creditors will be deemed to have directed the Collateral Agent to allocate all funds then on deposit in the Series Operating Account to the Escrow Account for each related Class, *pro rata* according to the respective amounts owed to such Classes pursuant to the LLP Undertaking, and thereafter treat such funds as US System Class Collateral segregated for the benefit of the US System Secured Creditors of each applicable Class.

Establishment of Accounts

Within two (2) Business Days of its receipt of notice from the Administrator that the Issuer is proposing to issue a new Class pursuant to the Administration Agreement, the LLP will establish with the Collateral Agent (in respect of the applicable Custodial Agreement with The Bank of New York Mellon), or with the applicable Custodian (in respect of any other Custodial Agreement) in accordance with the terms of the applicable Securities Account Control Agreement (as defined below), and thereafter maintain, one or more segregated, non-interest bearing securities account (the "**Collateral Account (New York)**" for such Class). US System Securities Collateral will be maintained by the Collateral Agent in the Collateral Account of the related Class at all times prior to an Acceleration Event for such Class. At any time the Collateral Agent so requests, the LLP will establish with the Collateral Agent, and thereafter maintain, a segregated, non-interest bearing trust account in respect of all Classes which have a Collateral Account (New York) with BNYM Custodian (the "**Escrow Account (New York)**"). The US System Class Collateral may be deposited therein in accordance with the Security Agreement (New York Law) to facilitate dispositions thereof. Each Collateral Account (New York) and the Escrow Account (New York) will, upon its establishment, be subject to (a) the securities account control agreement entered into by the LLP, the Collateral Agent and The Bank of New York Mellon, as securities intermediary, dated on or about the Amendment Closing Date, (b) the control and custody agreement entered into by the LLP, The Bank of New York Mellon, as secured party, and JPMorgan Chase Bank, National Association, as custodian, dated on or about the Amendment Closing Date (with respect to BCI as a Seller) and (c) the control and custody agreement entered into by the LLP, The Bank of New York Mellon, as secured party, and JPMorgan Chase Bank, National Association, as custodian, dated on or about the Amendment Closing Date (with respect to Barlays as a Seller) (each, a "**Securities Account Control Agreement**"). The designation of any Collateral Account (New York) or the Escrow Account (New York) will be altered as directed by the LLP, if and to the extent that such alteration is necessary to clearly identify the particular Class to which each such Collateral Account (New York) or the Escrow Account (New York) relates.

In the event that the Issuer makes an Issuer Collateral Posting Election pursuant to the terms of the applicable Credit Support Deed, the LLP will establish with the Collateral Agent, and thereafter maintain, a segregated custodial account in respect of each Class, and such account, in addition to the account established for such Class as described in the immediately preceding paragraph, shall thereafter also be deemed to be part of the "Collateral Account" with respect to such Class. See "*Summary of the Transaction Documents—The Credit Support Deed*".

Permitted Dispositions

Subject to the terms of the Security Agreement (English Law), neither the LLP nor any of its agents will dispose, sell, transfer, assign, pledge or otherwise convey all or any part of the Collateral, except: (a) the pledge to the Collateral Agent under the Security Agreement (New York Law); (b) prior to the occurrence of an Acceleration Event, the sale and repurchase of US System Securities Collateral for such Class consisting of Purchased Securities, and/or the return of Additional Purchased Securities and Income to the applicable Seller, pursuant to and in accordance with the related Repurchase Transactions, the related Custodial Agreements and the Collateral Administration Agreement, *provided that*, if such transfers of Purchased Securities, Additional Purchased Securities, and/or Income occur as a result of the acceleration and early close-out of the Repurchase Transactions following the occurrence of a Repurchase Event of Default as to which the LLP is the defaulting party, the Collateral Agent will direct the applicable Custodian to hold the resulting cash proceeds in each applicable Collateral Account as US System Class Collateral for each related Class, and distribute the same in accordance with the priority of payments set forth in "*—Application of US System Class Collateral following a Repurchase Event of Default of LLP*" below; (c) prior to the occurrence of an Acceleration Event, substitutions of the related US System Securities Collateral pursuant to and in accordance with the related Repurchase Transactions, the related Custodial Agreements and the Collateral Administration Agreement; (d) prior to the occurrence of an Acceleration Event, if a Credit Support Deed has been entered into and an Issuer Collateral Posting Election has been made, the return of the related Posted Collateral and Income to the Issuer in accordance with the applicable Credit Support Deed, and, upon repayment of the related Class, delivery of any remaining US System Class Collateral to the Issuer in repayment of the Advance under the Intercompany Loan related to such Class; and (e) prior to the occurrence of a Repurchase Event of Default with respect to the Applicable Repurchase Agreement, the reallocation of Purchased Securities and Additional Purchased Securities from the Collateral Account for one Class to the Collateral Account for another Class pursuant to the related Repurchase Transactions, the related Custodial Agreements and the Collateral Administration Agreement. The excess, if any, of (i) the cash received in connection with such disposition over (ii) the sum of (A) the reasonable and customary out-of-pocket expenses incurred by the party effecting such disposition, and (B) sales, use, transfer, value-added, documentary, recording or other taxes or fees reasonably estimated to be actually payable or actually paid in connection therewith (the "**US System Net Cash Proceeds**"), will be remitted to the Collateral Account for the related Class and applied in accordance with the US System Pre-Acceleration Priority of Payments or the US System Post-Acceleration Priority of Payments for such Class, as applicable.

Enforcement following Acceleration Event

Upon the occurrence of an Acceleration Event with respect to a Class, the Collateral Agent will, on the Acceleration Date with respect to such Acceleration Event, to the extent that the Collateral Agent has received written notice or has actual knowledge thereof, give notice in writing to the Issuer and the LLP (an "**US System Acceleration Notice**") that an Acceleration Event has occurred. Upon the occurrence of such Acceleration Event, each applicable Class of Notes is and each Class will thereupon immediately become, due and repayable in an amount equal to its principal amount outstanding plus accrued interest and/or accreted discount through the Acceleration Date. The Collateral Agent will, on the Acceleration Date with respect to any Acceleration Event of which the Collateral Agent has received written notice or has actual knowledge, provide a copy of the related US System Acceleration Notice to the Administrator, each Custodian, the Collateral Administrator, and each Noteholder. Certain Noteholders may benefit from remedies in addition to or different from those set forth below. See "*—US System Qualified Directing Investors*" below. During the continuance of an Acceleration Event, the Collateral Agent may exercise in respect of the US System Class Collateral with respect to each related Class, in addition to all other rights and remedies provided for in the Security Agreement (New York Law) or otherwise available to it at law or in equity, all the rights and remedies of a secured creditor under the Uniform Commercial Code, as it is in effect from time to time in the State of New York (the "**UCC**"), (whether or not the UCC applies to the affected US System Class Collateral) to collect, enforce or satisfy any Secured Obligations related to such Class then owing, whether by acceleration or otherwise, and also may, without notice except as specified below or under the UCC or other applicable law, following delivery of the notice required pursuant to the Security Agreement (New York Law), sell or assign such US System Class Collateral or any part thereof in one or more parcels at public or private sale, at all or any part of the Collateral Agent's offices or elsewhere, for cash, at such time or times and at such price or prices and upon such other terms as the Collateral Agent may deem commercially reasonable, and in respect of the US System Intangible Collateral, in addition to all other rights and remedies provided for in the Security Agreement (New York Law) or otherwise available to it at law or in equity, all the rights and remedies of a

secured creditor under the UCC (whether or not the UCC applies to the US System Intangible Collateral) to collect, enforce or satisfy any Secured Obligations then owing, whether by acceleration or otherwise.

Any Secured Creditor may be the purchaser of all or any part of the Collateral at any public or private sale in accordance with the UCC and other applicable law and, with prior notice to the Collateral Agent, any such Secured Creditor will be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of such Collateral sold at any such sale made in accordance with the UCC, to use and apply its proportionate share any of the Secured Obligations (which may be limited, with respect to such Secured Creditor, to related Secured Obligations) as a credit on account of the purchase price for any such Collateral payable by such Secured Creditor at such sale. Each purchaser at any such sale will hold the property sold absolutely free from any claim or right on the part of the LLP, and the LLP has waived (to the extent permitted by applicable law) all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. The Collateral Agent will not be obligated to conduct any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. The LLP waives any claims against the Collateral Agent arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale, even if the Collateral Agent accepts the first offer received and does not offer such Collateral to more than one offeree. If the proceeds of any sale or other disposition of the Collateral are insufficient to pay all the Secured Obligations related to the applicable Class, the LLP will not be liable for the deficiency. In connection with any public or private sale of Collateral, the Collateral Agent may appoint one or more brokers, investment bankers, consultants, legal advisors, affiliates, liquidation agents or other professionals and the costs and expenses of any such brokers, investment bankers, affiliates, consultants, legal advisors, liquidation agents and other professionals will be paid from the proceeds of the sale of such Collateral. Any such appointment by the Collateral Agent will be conclusive and binding on all US System Secured Creditors, but will not relieve the Collateral Agent of its obligations to fulfil its duties under the Security Agreement (New York Law).

In connection with the exercise of remedies with respect to any US System Class Collateral pursuant to the Security Agreement (New York Law), the Collateral Agent will seek that all US System Class Collateral then in the Series Operating Account or the Note Payment Account be identified as US System Class Collateral and allocated to the related Escrow Account for disposition in accordance with the Security Agreement (New York Law), and be permitted to move any US System Class Collateral from the related Collateral Account to the related Escrow Account, at such times, in such amounts and by such methods as it may deem appropriate, necessary or conducive to the exercise of its powers and discharge of its duties under the Security Agreement (New York Law); and retain (at its own cost and not in duplication of liquidation expenses) and rely upon advisory services provided by the Collateral Administrator, *provided that* such retention and reliance will not relieve the Collateral Agent from the performance of its duties and obligations as set forth in the Security Agreement (New York Law) and the other Transaction Documents.

By reason of certain prohibitions contained under applicable law, the Collateral Agent may be compelled, with respect to any sale of all or any part of the Collateral conducted without prior registration or qualification of such Collateral under such securities laws, to limit purchasers to those who will agree, among other things, to acquire the Collateral for their own account, for investment and not with a view to the distribution or resale thereof and meet any applicable selling restrictions under any applicable law with respect thereto. Any such private sale may be at prices and on terms less favourable than those obtainable through a public sale without such restrictions (including a public offering made pursuant to a registration statement, prospectus, or similar document under applicable securities laws) and, notwithstanding such circumstances, any such private sale will be deemed to have been made in a commercially reasonable manner and the Collateral Agent will have no obligation to engage in public sales and no obligation to delay the sale of any Collateral for the period of time necessary to permit the issuer thereof to register it for a form of public sale requiring registration under applicable securities laws, even if such issuer would, or should, agree to so register it.

The Collateral Agent and its agents will conduct any sale under the Security Agreement (New York Law) in accordance with the procedures set forth in the Security Agreement (New York Law), and in the case of a public sale the UCC. Except as required by applicable law, any sale of Collateral by the Collateral Agent and its agents

may be made without assuming any credit risk. The Collateral Agent, in connection with any exercise of any of its rights or remedies, may exercise the same without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law) to or upon the LLP or any other person (all and each of which demands, presentment, protect, advertisements or notices are hereby waived). The Collateral Agent and its agents may sell Collateral in one or more lots, and to one or more purchasers. The Collateral Agent and its agents will conduct any sale on a "where is, as is" basis, without any representations and warranties relating to title, possession, quiet enjoyment or the like, express or implied. Any process undertaken by the Collateral Agent in accordance with the terms of the Security Agreement (New York Law) (to the extent permitted by applicable law) is deemed "reasonable." In addition, any timing requirements in connection with any Collateral, sale or bid process will be extended to the extent necessary or appropriate to comply with applicable law or otherwise operationally or administratively necessary.

Only the Collateral Agent may pursue the remedies available under the general law or under the Security Agreement (New York Law) to enforce the security interest set forth therein with respect to any Collateral and no other party nor any of the Noteholders will be entitled to proceed directly against the LLP to enforce any such security interest.

US System Qualified Directing Investors

A "**US System Qualified Directing Investor**" means, as of any date of determination, a Noteholder that is a US System Secured Creditor and that provides a US System Directing Investor Notice pursuant to the Security Agreement (New York Law) to the Collateral Agent, with respect to a US System Directing Investor Class as to which it is acting, for itself or on behalf of an Affiliate which has so authorised it to act. Any Class of Notes Secured by US System Collateral which is wholly owned by a Noteholder or one or more of its Affiliates, and (if it is not the Noteholder with respect to such Class or if such Class is wholly owned by the Noteholder in conjunction with one or more of its Affilaites) as to which such Noteholder has provided evidence satisfactory to the Collateral Agent that it has authorisation from the Affiliate that is the sole Noteholder (or, with whom, such Class is wholly owned by such Noteholder) to give instructions to the Collateral Agent as a US System Qualified Directing Investor, will be an "**US System Directing Investor Class**", and be eligible for certain remedies following an Acceleration Event different from those of Classes that are not US System Directing Investor Classes, as set forth below.

Each Noteholder of a US System Directing Investor Class, or an authorised Affiliate thereof, may, no later than 6:00 p.m. (New York time) on the fifth (5^{th}) Business Day after an Acceleration Event, provide to the Collateral Agent by facsimile, overnight courier service, telecopier, certified or registered post, by hand or by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Collateral Agent, a duly completed and executed US System Directing Investor Notice (the "**US System Directing Investor Notice**"), substantially in the form of the corresponding exhibit attached to the Security Agreement (New York Law). The form may be obtained from the Administrator or the Collateral Agent.

With respect to each Class which is a US System Directing Investor Class, the related US System Qualified Directing Investor will be entitled to give instructions that comply with the provisions set forth below (such instructions, "**US System Qualified Instructions**") to the Collateral Agent with respect to the disposition of the related US System Class Collateral, and the Collateral Agent will accept and promptly act upon all US System Qualified Instructions with respect to the disposition of the US System Class Collateral related to each such Class.

After the occurrence of an Acceleration Event and delivery of a satisfactory US System Directing Investor Notice, subject to the immediately succeeding paragraph, US System Qualified Directing Investors may give the Collateral Agent any or all of the following disposition instructions with respect to the US System Class Collateral for each related US System Directing Investor Class in respect of which they are acting: (a) that some or all of the US System Class Collateral be sold by the Collateral Agent pursuant to collateral sales conducted in accordance with the Security Agreement (New York Law) for the best price offered to the Collateral Agent for such US System Class Collateral, with or without instructions as to the specific timing of such sales, or the markets or processes to be employed; (b) that some or all of the US System Class Collateral be sold to named purchasers, with or without instructions as to the purchase price therefor; (c) that some or all of the US System Class Collateral be delivered to the US System Qualified Directing Investor or its nominee Affiliate in kind, *provided that* the US System Qualified Directing Investor must comply with all applicable securities laws and ensure (and satisfy the Collateral Agent) that any such delivery will be in compliance therewith; and/or (d) that some or all of the US System Class Collateral be

maintained by the Collateral Agent in the related Escrow Account(s) pending further instructions, subject to the limitations set forth below.

US System Qualified Directing Investors may give the Collateral Agent instructions on any Business Day, but may not submit instructions that: (a) if implemented, would cause or result in a violation of the Security Agreement (New York Law), any other Transaction Document, or any applicable laws or any rules or regulations, including without limitation the terms of any permissive or mandatory stay imposed by a governmental authority that applies to the US System Class Collateral; (b) if implemented, would result in such US System Qualified Directing Investor receiving an aggregate amount of cash and/or value (calculated as described above) in excess of the sum of the Payment Amounts due to such US System Qualified Directing Investor in respect of all its US System Directing Investor Classes; (c) do not adequately describe the US System Class Collateral the subject of such instruction, are lacking sufficient clarity, completeness or detail, or otherwise are too vague for the Collateral Agent to understand and comply with such instructions; (d) are commercially unreasonable, whether as to timing, method, requirements, the administrative burden such instructions would place on the Collateral Agent, or for any other reason; (e) involve fraudulent action, including without limitation, transactions at an undervalue, or which involve round-trip or undisclosed consideration or which are not conducted for consideration which is fully disclosed to the Collateral Agent and which is equal to the price for the related US System Class Collateral that could be obtained from a generally recognised source or the most recent closing bid quotation from such a source; (f) would require the Collateral Agent to incur liquidation costs that cannot be recouped from the cash proceeds of sale, unless such costs are borne by the US System Qualified Directing Investor or otherwise assured to the Collateral Agent in its reasonable discretion; or (g) unless otherwise agreed by the Collateral Agent in writing, are submitted by a method other than through the notification features of the clearing systems utilized by the Issue and Paying Agent for the issuance and settlement of the Global Collateralised Medium Term Notes.

If a US System Qualified Directing Investor that has previously delivered a US System Directing Investor Notice (x) fails to submit US System Qualified Instructions as to the applicable US System Class Collateral for a period of thirty (30) days, or (y) by the date thirty (30) days following the Acceleration Date (with such period tolled for any period that a permissive or mandatory stay prevents a disposition), fails to direct the Collateral Agent to dispose of sufficient US System Class Collateral to generate sufficient US System Net Cash Proceeds, and/or to direct the Collateral Agent to deliver to the Seller Purchased Securities, in an aggregate amount equal to the amount due and payable from the LLP to the applicable Seller pursuant to the Applicable Repurchase Agreement with respect to the Repurchase Transactions related to each US System Directing Investor Class in respect of which such US System Qualified Directing Investor is acting, the related Class will thereafter be deemed not to be a US System Directing Investor Class, and such US System Class Collateral will be sold by the Collateral Agent in accordance with the Security Agreement (New York Law), and the US System Net Cash Proceeds applied in accordance with the US System Post-Acceleration Priority of Payments for Classes other than US System Directing Investor Classes. If a US System Qualified Directing Investor submits US System Qualified Instructions, but such US System Qualified Instructions do not instruct the Collateral Agent to dispose of such applicable US System Class Collateral within six (6) months after the Acceleration Date (with such period tolled for any period that a permissive or mandatory stay prevents such disposition), then, subject to clause (b) in the immediately preceding paragraph, such US System Qualified Directing Investor must either: (i) submit a Qualified Instruction that the remaining US System Class Collateral for each US System Directing Investor Class as to which the US System Qualified Directing Investor is acting be delivered to such US System Qualified Directing Investor or its nominee Affiliate in kind, or (ii) agree with the Collateral Agent in an arrangement that comports with the paragraph immediately below. In the absence of compliance with (i) or (ii) above, the related Class will thereafter be deemed not to be a US System Directing Investor Class, and such US System Class Collateral will be sold by the Collateral Agent in accordance with the Security Agreement (New York Law), and the US System Net Cash Proceeds applied in accordance with the US System Post-Acceleration Priority of Payments for Classes other than US System Directing Investor Classes.

At any time after an Acceleration Event, a US System Qualified Directing Investor and the Collateral Agent may enter into an arrangement between themselves, with or without their Affiliates, as to removal of the related US System Class Collateral as to which the US System Qualified Directing Investor is acting from the related Escrow Accounts and the removal of each related US System Directing Investor Class from the book-entry systems on which such interests are represented. Any such arrangement will be treated as a delivery in kind of the related US System Class Collateral to the US System Qualified Directing Investor, with the result that the Collateral Agent will

reduce the Payment Amounts due to the holder of each related Class in accordance with the valuation method described above.

US System Post-Acceleration Priority of Payments

Subject to compliance with any mandatory stay imposed by any governmental authority under applicable law, beginning on the date on which any Acceleration Event occurs and on each Business Day thereafter, the Collateral Agent will exercise remedies in accordance with the Security Agreement (New York Law), including without limitation, on the first Business Day following the Acceleration Date, undertaking the following actions with respect to the US System Class Collateral, and making the following payments (the "**US System Post-Acceleration Priority of Payments**"):

(a) Classes Other Than US System Directing Investor Classes. With respect to each related Class which is not a US System Directing Investor Class, the Collateral Agent will withdraw all US System Class Collateral related to each such Class from each Collateral Account and/or the Escrow Account for such Class, sell all US System Class Collateral related to each such Class in accordance with the Security Agreement (New York Law), and apply the US System Net Cash Proceeds for each related Class to make the following payments in the following order of priority:

(i) *first*, *pro rata* according to the respective amounts thereof, in or towards satisfaction of the Payment Amounts due to the Noteholders of each such Class pursuant to the LLP Undertaking;

(ii) *second*,

(A) if the Issuer has pledged Collateral with respect to such Class after making an Issuer Collateral Posting Election, to the Issuer in an amount up to the aggregate Market Value of such pledged Collateral (such Market Value determined as of the day preceding the Acceleration Date for such Class); or

(B) if the Issuer has not made an Issuer Collateral Posting Election, to pay each related Seller any amounts due and payable by the LLP to the Seller pursuant to the Repurchase Transactions related to such Class; and

(iii) *third*, the remaining amount, if any, to the LLP Master Account.

(b) US System Directing Investor Classes. The Collateral Agent will accept and promptly act upon all US System Qualified Instructions received from each applicable US System Qualified Directing Investor, with respect to the disposition of the US System Class Collateral related to each affected Class unless and until all Payment Amounts due to the Holder of each related Class pursuant to the LLP Undertaking have been satisfied. In connection with any disposition of some or all of the US System Class Collateral for a US System Directing Investor Class:

(i) to the extent such disposition is for cash, the Collateral Agent will apply the US System Net Cash Proceeds arising from such disposition in or towards satisfaction of the Payment Amounts due to the Noteholder of each related Class pursuant to the LLP Undertaking; and

(ii) to the extent such disposition is not for cash, the Collateral Agent will reduce the Payment Amounts due to the Holder of each related Class pursuant to the LLP Undertaking by an amount equal to the Market Value of the portion of the US System Class Collateral that is the subject of such disposition, such Market Value to be as determined by the Custodian as of the close of business on the Business Day prior to such disposition; *provided that*, to the extent that (x) the Market Value of the portion of the US System Class Collateral that is the subject of such disposition exceeds (y) the Payment Amounts due to the Holder of each related Class pursuant to the LLP Undertaking, the Collateral Agent will require such Holder to remit to the Collateral Agent an amount in immediately available funds equal to such difference prior to delivery of such US System Class Collateral.

If any US System Class Collateral remains after satisfaction of the Payment Amount due to the Noteholder of a US System Directing Investor Class, the remaining portion of such US System Class Collateral will be sold by the Collateral Agent in accordance with the Security Agreement (New York Law) and the US System Net Cash Proceeds thereof will be applied in the following order: (A) if the Issuer has pledged Collateral with respect to such Class after making an Issuer Collateral Posting Election, to the Issuer in an amount up to the aggregate Market Value of such pledged Collateral (such Market Value determined as of the day preceding the Acceleration Date for such Class), or if the Issuer has not made an Issuer Collateral Posting Election, to pay the Seller any amounts due and payable by the LLP to the applicable Seller pursuant to the Repurchase Transactions related to such Class; and (B) the remaining amount, if any, to the LLP Master Account.

Application of US System Class Collateral following a Repurchase Event of Default of LLP

With respect to each Class of the Global Collateralised Medium Term Notes as to which a Repurchase Event of Default has occurred where the LLP is the defaulting party, following the exercise of remedies by the Seller, the Collateral Agent will be permitted to return the US System Class Collateral to the Seller against payment by the Seller of the associated Repurchase Price in immediately available funds (which funds will be deposited by the Collateral Agent into each related Collateral Account and/or the Escrow Account for each such Class). On each date that amounts become due to the Holders of each such Class pursuant to the LLP Undertaking, the Collateral Agent will withdraw (or where applicable, direct the relevant Custodian to do so) the applicable funds representing the US System Class Collateral from each Collateral Account for such Class and/or the Escrow Account for such Class, and apply the funds to make the following payments in the following order of priority, with no application to be made until all actual or contingent liabilities under the applicable LLP Undertaking to the Holders of such Class in respect of Payment Amounts have been satisfied in full: (a) *first*, *pro rata* according to the respective amounts thereof, in or towards satisfaction of any amounts due to the Noteholders of each such Class pursuant to the applicable LLP Undertaking; and (b) *second*, the remaining amount, if any, to the LLP Master Account.

Removal or Resignation of Collateral Agent

The Collateral Agent may resign upon 90 days' prior written notice to the LLP and the Administrator. The Collateral Agent may be removed for any of the following causes upon at least 90 days' prior written notice by the LLP or the Administrator: (a) a material adverse change in the business and operations of the Collateral Agent has occurred and is continuing, such that as a result of such change, the Collateral Agent no longer has the capacity or the competence to perform its obligations as Collateral Agent; (b) the Collateral Agent wilfully violates or wilfully breaches any provision of any of the Transaction Documents applicable to the Collateral Agent; (c) the Collateral Agent breaches in any material respect any provision of any of the Transaction Documents applicable to the Collateral Agent, which breach if capable of being cured, is not cured within 30 days of the Collateral Agent becoming aware of, or receiving notice from the LLP or the Administrator of, such breach; (d) the failure of any representation, warranty, certification or statement made or delivered by the Collateral Agent in or pursuant to any of the Transaction Documents to be correct in any material respect when made and no correction is made for a period of 45 days after the Collateral Agent becoming aware of, or its receipt of notice from the LLP or the Administrator of, such failure; (e) the Collateral Agent is wound up or dissolved or there is appointed over it or a substantial part of its assets a receiver, administrator, administrative receiver, trustee or similar officer; or the Collateral Agent (i) ceases to be able to, or admits in writing its inability to, pay its debts as they become due and payable, or makes a general assignment for the benefit of, or enters into any composition or arrangement with, its creditors generally; (ii) applies for or consents (by admission of material allegations of a petition or otherwise) to the appointment of a receiver, trustee, assignee, custodian, liquidator or sequestrator (or other similar official) of the Collateral Agent or of any substantial part of its properties or assets, or authorises such an application or consent, or proceedings seeking such appointment are commenced without such authorization, consent or application against the Collateral Agent and continue undismissed for 60 days or any such appointment is ordered by a court or regulatory body having jurisdiction; (iii) authorises or files a voluntary petition in bankruptcy, or applies for or consents (by admission of material allegations of a petition or otherwise) to the application of any bankruptcy, reorganization, arrangement, readjustment of debt, insolvency, dissolution, or similar law, or authorises such application or consent, or proceedings to such end are instituted against the Collateral Agent without such authorization, application or consent and remain undismissed for 60 days or result in adjudication of bankruptcy or insolvency or the issuance of an order for relief; or (iv) permits or suffers all or any substantial part of its properties or assets to be sequestered or attached by court order and the order (if contested in good faith) remains undismissed

for 60 days; or (f) the criminal indictment of the Collateral Agent for the occurrence of an act by the Collateral Agent that constitutes fraud or criminal activity in the performance of its obligations under any of the Transaction Documents applicable to the Collateral Agent, as determined by a final adjudication by a court of competent jurisdiction or the indictment for criminal prosecution of any senior officer of the Collateral Agent for a criminal offense materially related to its obligations under the Security Agreement (New York Law).

No institution will be eligible to serve as a successor Collateral Agent unless it: (a) is not an affiliate of the outgoing Collateral Agent; (b) is legally qualified and has the capacity to act as Collateral Agent under the Security Agreement (New York Law) and under the terms of the other Transaction Documents; and (c) has a combined capital and surplus of at least US $200,000,000, a short term debt rated at least "P-1" by Moody's and at least "A-1" by S&P and a long term debt rated at least "Baa1" by Moody's and at least "BBB+" by S&P.

In addition, if The Bank of New York Mellon is appointed as Collateral Agent, it has the right to resign as Collateral Agent, without regard to any notice requirement set forth in the Security Agreement (New York Law) but subject to the appointment of a successor Collateral Agent and the satisfaction of certain other conditions, if its appointment as the Custodian is terminated.

Amendment of GCMTN Series Documents

Subject to the below, the Administrator may at any time, without the consent or sanction of the Secured Creditors related to the affected Classe(es) of Global Collateralised Medium Term Notes, consent to any action or amend or otherwise modify any of the terms of the Security Agreement (New York Law) or any other GCMTN Series Documents that is governed by New York law (a "**New York Law Amendment**"); *provided that* the Collateral Agent has received a written officer's certificate from the Administrator that such New York Law Amendment will not adversely affect in any material respect the interests of any Secured Creditor related to the affected Class(es) of Global Collateralised Medium Term Notes (an "**MAE Certificate**"). Any such New York Law Amendment may be made on such terms and subject to such conditions, if any, as the Administrator may reasonably determine necessary or appropriate. To the extent that the Administrator does not deliver an MAE Certificate with respect to any proposed New York Law Amendment, such proposed New York Law Amendment may proceed and, *provided that* the Issuer has given not less than five (5) Business Days' written notice of the substance of the New York Law Amendment (in an amendment or supplement to, or reissuance of, this Base Prospectus for the Global Collateralised Medium Term Notes) to each Holder or prospective purchaser of Global Collateralised Medium Term Notes, will become effective upon either: (a) the date upon which all the Global Collateralised Medium Term Notes that were outstanding on the date that the notice above was first given shall have been paid in full or, if any such Global Collateralised Medium Term Notes remain outstanding, the Administrator has provided the Collateral Agent with the prior written consent of each Holder of such outstanding Notes, as set forth in the Series Register maintained by the Collateral Administrator; or (b) if the nature of the New York Law Amendment is, in the reasonable opinion of the Administrator, such that it can become effective with respect to the Global Collateralised Medium Term Notes as they are issued (but not take effect as against the Global Collateralised Medium Term Notes that remain outstanding), the date designated by the Administrator in the notice above, but solely with effect for all Global Collateralised Medium Term Notes with an Issue Date falling on or after such date and not with respect to any Global Collateralised Medium Term Notes that remain outstanding.

In determining whether the applicable New York Law Amendment conditions have been met, the Collateral Agent shall be entitled to rely on a certificate of the Administrator and an opinion of counsel. A certification will become effective on the date prescribed therein or immediately on execution, if no date is prescribed. After a New York Law Amendment becomes effective, it shall bind each of the parties to the GCMTN Series Document in question, and each Secured Creditor related to the affected Class(es) of Global Collateralised Medium Term Notes, whether or not notation of that New York Law Amendment is made on any note, instrument, agreement or other document providing for the Secured Obligation of such Secured Creditor.

The Collateral Agent will not be obligated to execute or consent to any New York Law Amendment of a GCMTN Series Document to which it is a party which adversely affects its rights, immunities and indemnities under such GCMTN Series Document.

The Credit Support Deed

To allow the Issuer to avoid an Acceleration Event under any Class following a Repurchase Event of Default where a related Seller (other than the Issuer or BCSL) is the defaulting party, the Issuer may enter into one ore more Credit Support Deeds (each, a "**Credit Support Deed**"), with the LLP. The Credit Support Deeds will be governed by English law.

Each Credit Support Deed will generally state that, following the occurrence of any Repurchase Event of Default where the applicable Seller (other than the Issuer or BCSL) to which the Issuer Collateral Posting Election relates is the defaulting party under one or more Repurchase Agreements related to the Global Collateralised Medium Term Note Series, the Issuer may (if no Acceleration Event has occurred and is continuing as of such time), no later than 11:00 a.m. (London time) on the Business Day following the occurrence of such Repurchase Event of Default (such period, the "**Election Period**"), provide written notice to each Applicable Enforcing Party, the Collateral Administrator and each applicable Custodian that it exercises the Issuer Collateral Posting Election with respect to such Seller and such Repurchase Agreement. Following an Issuer Collateral Posting Election, the Issuer will perform its obligations under such Credit Support Deed as though no Repurchase Event of Default under the related Repurchase Agreement had occurred with respect to such Seller, and without regard to any actual early termination, early settlement or early close-out of any Repurchase Transaction that has occurred or that may occur as a result of such Repurchase Event of Default.

Subject to the Issuer having made the Issuer Collateral Posting Election, no later than the close of business in London on the Business Day following the occurrence of a Repurchase Event of Default where any Seller (other than the Issuer) to which the Issuer Collateral Posting Election relates is the defaulting party under one or more Repurchase Agreements related to the Global Collateralised Medium Term Note Series, as set forth in each applicable Repurchase Agreement and in each related Custodial Agreement, the Margin Amount for each Repurchase Transaction thereunder in effect on such date shall be returned by the applicable Custodian to such Seller against a Margin Transfer by the Issuer equal to any Margin Deficit (after giving effect to return of such Margin Amount to such Seller) in effect under all Repurchase Transactions under each applicable Repurchase Agreement with such Seller on such date. The "**Margin Amount**" means, with respect to any Repurchase Transaction under a Repurchase Agreement that is the subject of such Issuer Collateral Posting Election, the portion of the Margin Value of the Purchased Securities, Margin Securities and/or Cash Margin that is in excess of the Purchase Price for such Repurchase Transaction.

On each Business Day after making the Issuer Collateral Posting Election, the Issuer will transfer cash or Eligible Securities with a Margin Value equal to any Margin Deficit that arises from time to time under all Repurchase Transactions entered into under the applicable Repurchase Agreement. To effectuate these transfer and postings, the Issuer, the LLP and The Bank of New York Mellon, as custodian, may enter into one or more ICPE Collateral Account Agreements (each, an "**ICPE Collateral Account Agreement**"). The Issuer will also be deemed to have rights to effect substitutions of posted securities equivalent to the rights of substitution available to the applicable Seller with respect to Margin Securities under the related Repurchase Transaction, subject to the terms and conditions of the applicable Repurchase Agreement with respect to such substitutions.

Prior to the occurrence of an Acceleration Event, the LLP will transfer, or direct the applicable Custodian to transfer, to the Issuer all Income on the relevant posted securities, in the same amounts, subject to the same conditions, and at the same times the applicable Seller would be entitled to the same pursuant to each applicable Repurchase Transaction the subject of the Issuer Collateral Posting Election, as though such posted securities were Margin Securities delivered by such Seller pursuant to such Repurchase Transaction. In the event that the Issuer repays the Class related to any such Repurchase Transaction in full when such Class is Due for Payment, the Issuer will be entitled to exercise all rights and remedies available to such Seller under the applicable Repurchase Agreement with respect to such Repurchase Transaction as would be available to such Seller if such Seller had paid the related Repurchase Price in full on the related Repurchase Date and there were no Repurchase Events of Default under the related Repurchase Agreement. After the occurrence of an Acceleration Event, the Applicable Enforcing Party will transfer amounts representing Income on the posted securities to the Issuer, in the form and amounts to which the Issuer is entitled to the same pursuant to the Security Agreement including, without limitation, pursuant to the Post-Acceleration Priority of Payments.

ELIGIBLE SECURITIES

The Final Terms for any Class will set forth (i) the applicable form of collateral eligibility statement issued by the Custodian, each as set forth in Annex A to this Base Prospectus ("**Collateral Eligibility Statement**") and (ii) the principal characteristics of the categories of securities that are permitted to be Purchased Securities with respect to such Class (such permitted securities for any Class, the "**Eligible Securities**"), including Margin Securities, under any applicable Repurchase Transaction related to each Class. The identifying information set forth in the Final Terms will be extracted from the applicable Collateral Eligibility Statement for the purpose of enabling investors to make an informed assessment of the Eligible Securities. The information regarding the Eligible Securities set forth in the Final Terms will include, as applicable, such items as the category of issuer(s) (such as type of issuer, geographic location, etc.); the type of security (such as bonds, equity, convertible bonds, structured securities etc.) and maturity or denomination restrictions; limitations related to security ratings; exclusions relating to any specific issuers or securities; requirements relating to the exchanges on which the securities (or their underlying securities) are listed, or the indices of which they are a component; concentration limits; and requirements relating to the collateral posted by the applicable Seller. For each Repurchase Transaction, the completed collateral eligibility statement for such Repurchase Transaction will be consistent with the description of the Eligible Securities set forth in the related Final Terms for the related Class.

The Eligible Securities for each Class will typically include sovereign debt obligations, corporate debt and equity securities and other fixed income securities. The agreements setting forth the Eligible Securities for each Class will typically be governed by the law of the location of the applicable obligor or issuer, and may or may not be listed on any applicable stock exchange. The Eligible Securities for any Class may be equity securities, and therefore have no specific maturity date, or have maturity dates that are materially shorter or longer than the related Class of Global Collateralised Medium Term Notes.

Under the applicable Repurchase Agreement(s) for any Class, the related Seller will be required to maintain margin causing the aggregate market value, as adjusted for the haircuts included in the schedule of Eligible Securities for such Class, to at least equal the Purchase Price and accrued price differential under the related Repurchase Transaction. As set forth in the section entitled "Summary of the Transaction Documents – Repurchase Agreements", the Repurchase Transaction(s) related to any Class of Global Collateralised Medium Term Notes will be structured to have economic terms (in the aggregate) consistent with the terms of the related Class of Notes, as set forth in the Final Terms. Therefore, so long as the related Seller(s) maintain margin on the related Repurchase Transactions in accordance with the terms of the related Repurchase Agreement, the aggregate market value of the Eligible Securities securing any Class shall not be less than the Redemption Amount and accrued interest or accreted discount of the related Class.

Prospective investors in any Class of Global Collateralised Medium Term Notes should carefully review the related Final Terms for such Class and the description of Eligible Securities set forth therein.

DESCRIPTION OF THE NOTEHOLDER ALLOCATION REPORTS

On each Business Day on which any Class is outstanding, the Collateral Administrator shall prepare, using information provided by each applicable Custodian, and deliver or make available to each of the Holders of such Class, no later than 10:00 a.m. London time, a Daily Noteholder Allocation Report containing information as of the close of business on the immediately preceding Business Day and substantially in the form of Exhibit A to the Collateral Administration Agreement.

The Daily Noteholder Allocation Report will generally contain the following information with respect to the Class Collateral:

(a) Type

(b) Rating

(c) Maturity Date, if applicable

(d) Coupon Rate, if applicable

(e) Currency

(f) Notional Quantity

(g) Factor

(h) Price

(i) Market Value

(j) Accrued Interest

(k) Market Value plus Accrued Interest

(l) Margin

PRO FORMA FINAL TERMS FOR GLOBAL COLLATERALISED MEDIUM TERM NOTES

Final Terms

BARCLAYS BANK PLC
(Incorporated with limited liability in England and Wales)

$10,000,000,000

GLOBAL COLLATERALISED MEDIUM TERM NOTE SERIES

supported by a limited recourse undertaking by Barclays CCP Funding LLP

Series Number [●]

[Classes]

Issue Price: [*issue price*] [of Aggregate Nominal Amount]

This document constitutes the final terms of the Class of Global Collateralised Medium Term Notes (the "**Final Terms**") [described herein for the purposes of Article 5.4 of Directive 2003/71/EC, as amended (the "**Prospectus Directive**")] and is prepared in connection with the $10,000,000,000 Global Collateralised Medium Term Note Series established by Barclays Bank PLC (the "**Bank**" or the "**Issuer**") and should be read in conjunction with the Base Prospectus dated 11 June 2015[, as supplemented by the Base Prospectus supplement dated [●]] (the "**Base Prospectus**")[, which constitutes a base prospectus for the purpose of the Prospectus Directive].[5] Full information on the Issuer and the offer of the Global Collateralised Medium Term Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available electronically at www.centralbank.ie. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issuer and Paying Agent for the time being in London, and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information.

Investors should refer to the sections headed "Risk Factors" in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Global Collateralised Medium Term Notes.

The distribution of this document and the offer of the Global Collateralised Medium Term Notes in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in "Clearance, Settlement and Transfer Restrictions" and "Purchase and Sale" in the Base Prospectus. In particular, the Global Collateralised Medium Term Notes have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements.

Barclays

Final Terms dated [*Issue Date*]

[5] Delete bracketed text in the case of unlisted securities.

Part A

Terms and Conditions of the Global Collateralised Medium Term Notes

[Rule 144A Global Notes (as defined below) may be deposited in DTC, Euroclear and Clearstream. Notwithstanding anything to the contrary contained in the Base Prospectus, Registered Notes of each Class sold to qualified institutional buyers within the meaning of Rule 144A under the Securities Act may initially be represented by a global restricted note (each a "**Rule 144A Global Note**") without interest coupons, which will be deposited with a common depositary on behalf of DTC, Clearstream and Euroclear.]

Parties

Issuer:	Barclays Bank PLC
Administrator:	Barclays Bank PLC
Issue and Paying Agent:	[The Bank of New York Mellon, acting through its London branch] [●]
Registrar:	[The Bank of New York Mellon] [The Bank of New York Mellon (Luxembourg) S.A.] [N/A]
Paying Agents:	[The Bank of New York Mellon] [The Bank of New York (Luxembourg S.A.)] [Other (specify)] [N/A]
Calculation Agent:	[The Bank of New York Mellon, acting through its London branch] [●]
Additional Agents:	[●] [N/A]

Provisions relating to the Global Collateralised Medium Term Notes

1.	Class(es):	[●]
2.	Currency:	[●]
3.	Class details:	
	(i) Aggregate Nominal Amount as at the Issue Date:	[Up to][●]
	(ii) Specified Denomination:	[●] *[N.B. The minimum denomination of each Note admitted to trading on a regulated exchange in the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which would*

		otherwise require the publication of a prospectus under the Prospectus Directive is €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant specified currency.]
	(iii) Calculation Amount:	[ ] *[If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. NB: There must be a common factor in the case of two or more Specified Denominations.]*
	(iv) Seller	[●]
	(v) Custodian(s)	[●]
	(vi) Security Agreement	[●]
4.	Form:	
	(i) Global/Uncertificated and dematerialised:	[Global Bearer Notes:] [Temporary Global Note Exchangeable for Permanent Global Note] [Permanent Global Note] [Global Registered Notes:] [Regulation S Global Note; and/or Rule 144A Global Note available on the Issue Date] [Definitive Registered Securities:] [CREST Securities are issued in dematerialised uncertificated registered form] [*Where the Global Collateralised Medium Term Notes issued in NGN Form are intended to be held in a manner which would allow Eurosystem eligibility, add the following wording, as applicable:* delivered to a common safekeeper for Euroclear and Clearstream] [*Where the Global Collateralised Medium Term Notes issued in registered form and held under NSS are intended to be held in a manner which would allow Eurosystem eligibility, add the following wording, as applicable*: delivered to, and registered in the name of, a nominee for a common safekeeper for Euroclear and Clearstream]
	(ii) NGN Form:	[Applicable] [N/A]
	(iii) Held under the NSS:	[Applicable] [N/A]
	(iv) CGN Form:	[Applicable] [N/A]
	(v) CDIs:	[Applicable]

		[N/A]
5.	Trade Date:	[●]
6.	Issue Date:	[●]
7.	Maturity Date:	[●]
8.	Issue Price:	[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*in the case of fungible issues only, if applicable*)
9.	Relevant Stock Exchange[s]:	[Irish Stock Exchange] [[●] (*specify exchange*)] [N/A]

Provisions relating to interest (if any) payable on the Global Collateralised Medium Term Notes

10.	Interest:	[Applicable] [N/A]
11.	Interest Amount/Broken Amount:	Interest Amount: [The Interest Amount is [●]] [N/A] [As per Conditions 3 and 22 of the Conditions of the Global Collateralised Medium Term Notes] Broken Amount: [The Broken Amount is [●]] [N/A] [As per Conditions 3 and 22 of the Conditions of the Global Collateralised Medium Term Notes]
12.	Interest Rate[s]:	
	(i) Fixed Rate:	[●] per cent. per annum [N/A]
	(ii) Floating Rate:	[ISDA Determination] [Screen Rate Determination] [Bank of England Base Rate Determination] [N/A]
	(iii) Variable Rate:	[N/A]
	(iv) Zero Coupon:	[N/A] [Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(a) Accrual Yield:	[[●] per cent. per annum]
	(b) Reference Price:	[●]
	(c) Day Count Fraction in relation to Optional Redemption Amounts:	[30/360] [Actual/360] [Actual/365]
	(v) Discount note:	[N/A] [Applicable] *(If not applicable, delete the remaining sub-paragraphs of*

		this paragraph)
	(a) Fixed Rate:	[[●] per cent. per annum] [N/A]
	(b) Floating Rate:	[ISDA Determination] [Screen Rate Determination] [Bank of England Base Rate Determination] [N/A]
	(c) Accrual Yield:	[[●] per cent. per annum]
13.	Screen Rate Determination:	[Applicable] [N/A] (*if not applicable, delete the remaining subparagraphs of this paragraph*)
	(i) Reference Rate:	[EURIBOR] [AUD LIBOR] [CAD LIBOR] [CHF LIBOR] [DKK LIBOR] [EUR LIBOR] [GBP LIBOR] [JPY LIBOR] [NZD LIBOR] [SEK LIBOR] [USD LIBOR] [Constant Maturity Swap Rate]
	(ii) Relevant Screen Page:	[Reuters Screen LIBOR01 Page] [Reuters Screen EURIBOR01 Page] [Reuters Screen [●] Page (*specify relevant page for applicable Reference Rate*)]
14.	ISDA Determination:	[Applicable] [N/A] (*if not applicable, delete the remaining subparagraphs of this paragraph*)
	(i) Floating Rate Option:	[●]
	(ii) Designated Maturity:	[●]
	(iii) Reset Date:	[●]
15.	Margin	[Plus/Minus] [●] [N/A]
16.	Minimum/Maximum Interest Rate:	[Applicable] [N/A] (*if not applicable, delete the remaining subparagraphs of*

		this paragraph)
	(i) Minimum Interest Rate:	[●] per cent. per annum [N/A]
	(ii) Maximum Interest Rate:	[●] per cent. per annum [N/A]
17.	Interest Commencement Date:	[Issue Date] [(*specify date*)] [N/A]
18.	Interest Determination Date:	[As per Conditions 3 and 22 of the Conditions of the Global Collateralised Medium Term Notes] [Arrears Setting applicable] [(*specify date*)]
19.	Interest Calculation Periods:	[As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes] [N/A]
	(i) Interest Period End Dates:	[Each Interest Payment Date] [(*specify date(s)*)] [N/A]
	(ii) Interest calculation method for short or long Interest Calculation Periods:	[Linear Interpolation] [N/A]
20.	Interest Payment Dates:	[[●] in each year] [Maturity Date] [(*specify date*)] [N/A] [*specify whether relevant date(s) are subject to adjustment in accordance with Condition 5.2, which will not normally be the case for Fixed Rate Notes:* The Interest Payment Date(s) are subject to adjustment in accordance with the Business Day Convention set out in item 32 below]
21.	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
22.	Final Redemption Amount:	[●] per Calculation Amount

Optional Redemption

23.	Call Option:	[Applicable] [N/A] (*if not applicable, delete the remaining subparagraphs of this paragraph*)
	(i) Optional Redemption Amount:	[●] [[●] per Calculation Amount per Global Collateralised Medium Term Note as at the Issue Date, subject to Condition 5.3 of the Conditions of the Global Collateralised Medium Term Notes] [N/A]
	(ii) Optional Redemption Date(s):	[As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes] [N/A]
	(iii) Issuer Option Exercise Date(s):	[As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes] [●] [N/A]
	(iv) Issuer Option Exercise Period:	[As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes] [●] [N/A]
	(v) Issuer Notice Period:	[As per Condition 4.3 of the Conditions of the Global Collateralised Medium Term Notes] [(*specify period*)] [N/A] *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which, in the case of Euroclear and Clearstream, Luxembourg, require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements that may apply, for example, as between the Issuer and the Issue and Paying Agent*
24.	Put Option:	[Applicable] [N/A] (*if not applicable, delete the remaining subparagraphs of this paragraph*)
	(i) Optional Redemption Amount:	[●] [[●] per Calculation Amount per Global Collateralised Medium Term Note as at the Issue Date, subject to Condition 5.3 of the Conditions of the Global Collateralised Medium Term Notes]
		[As defined in Condition 22 of the Conditions of the Global

Collateralised Medium Term Notes]

(ii) Optional Redemption Date(s): [As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes]
[(*specify date*)]
[N/A]

(iii) Put Option Exercise Date(s): [As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes]
[(*specify date*)]
[N/A]

(iv) Put Option Exercise Period: [As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes]
[(*specify period*)]
[N/A]

(v) Put Notice Period: [As per Condition 4.2 of the Conditions of the Global Collateralised Medium Term Notes]
[(*specify date*)]
(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which, in the case of Euroclear and Clearstream, Luxembourg, require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements that may apply, for example, as between the Issuer and the Issue and Paying Agent)

25. Extension Option: [Applicable]
[N/A]
(*if not applicable, delete the remaining subparagraphs of this paragraph*)

(i) Minimum Extendible Amount: [●]
[multiple of $1,000 in excess of [●], subject to Condition 4.5 of the Conditions of the Global Collateralised Medium Term Notes]

(ii) Extension Option Notice Period: [(*specify period*)]
[N/A]
[as per Condition 4.5 of the Conditions of the Global Collateralised Medium Term Notes]

(iii) Extension Option Exercise Date(s): [(*specify date*)]
[N/A]
[As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes]

(iv) Extension Option Exercise Period: [(*specify date*)]
[N/A]
[As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes]

(v) Extension Period: [(*specify period*)]

		[N/A]
	(vi) Final Maturity Date	[(*specify date*)] [N/A]
26.	Make-Whole Redemption Option:	[Applicable] [N/A] (*if not applicable, delete the remaining subparagraphs of this paragraph*)
	(i) Make-Whole Redemption Amount:	[●] [[●] per Calculation Amount per Global Collateralised Medium Term Note as at the Issue Date, subject to Condition 5.3 of the Conditions of the Global Collateralised Medium Term Notes] [As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes] [N/A]
	(ii) Make-Whole Redemption Date(s):	[As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes] [N/A]
	(iii) Issuer Make-Whole Redemption Notice Period:	[As per Condition 4.7 of the Conditions of the Global Collateralised Medium Term Notes] [(*specify period*)] [N/A] *(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which, in the case of Euroclear and Clearstream, Luxembourg, require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements that may apply, for example, as between the Issuer and the Issue and Paying Agent*
	(iv) Redemption Margin:	[●]
	(v) Redemption Rate:	[●]
Definitions		
27.	Business Day:	[As defined in Condition 22 of the Conditions of the Global Collateralised Medium Term Notes] [(*specify*)]
28.	Additional Business Centre(s):	[●] [N/A]
		[NB: Items 24 and 25 will be relevant for all Notes issued under the Programme as they relate to "place of presentation" under Condition 6.7]

29.	Early Redemption Amount:		[●]
Selling restrictions and provisions relating to certification			
30.	Non-US Selling Restrictions:		[As described in section "*Purchase and Sale*" of the Base Prospectus] [N/A]
31.	Applicable TEFRA exemption:		[TEFRA: C Rules Applicable] [TEFRA: D Rules Applicable] [N/A]
General			
32.	Business Day Convention:		[Following] [Modified Following] [Nearest] [Preceding] *[See note to item 20 above]*
33.	Relevant Clearing System[s]:		[Euroclear] [Clearstream] [DTC] [(*specify*)] [s*pecify details including address if different*]
34.	(a)	Method of distribution:	[Syndicated/Non-syndicated]
	(b)	If syndicated, names [and addresses] of Dealers [and underwriting commitments]:	[*give names and addresses and underwriting commitments*] [N/A]
	(c)	If non-syndicated, name [and address] of relevant Dealer:	[●] [Not Applicable]
	(d)	US Selling Restrictions:	[Reg. S Compliance Category 2] [Rule 144A] [Rule 144] [Section 4(a)(2)]
35.	Relevant securities codes:		ISIN: [●] Common Code: [●] [Valoren: [●]] [WKN: [●]] [CUSIP: [●]] [(*specify*)]

Part B

Other Information

1. **Listing and Admission to Trading**

(i)	Listing:	[Ireland] [(*specify*] [None]
(ii)	Admission to trading:	[Application has been made to the [Irish Stock Exchange/ Luxembourg Stock Exchange] for the Class of Global Collateralised Medium Term Notes to be admitted to the Official List and trading on its regulated market with effect from [●].] [Application is expected to be made to the [Irish Stock Exchange/ Luxembourg Stock Exchange] for the Class of Global Collateralised Medium Term Notes to be admitted the Official List and trading on its regulated market] on or around the Issue Date.] [N/A]
(iii)	Estimate of total expenses related to admission to trading:	[●]

2. **Ratings**

[The Class of Global Collateralised Medium Term Notes have not been individually rated.]

[Upon issuance, the Class of Global Collateralised Medium Term Notes are expected to be rated:

[S&P: [●]]

[The credit rating[s] referred to above will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies, as amended (the "**CRA Regulation**") as having been issued by [Standard & Poor's Credit Market Services Europe Limited, which is established in the European Union and is registered under the CRA Regulation.]

[[*Insert credit rating agency*]]: [●]]

[The credit rating referred to above will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies, as amended (the "**CRA Regulation**") as having been issued by [[*Insert credit rating agency*]].

[[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended)**.** [As such [*insert the legal name of the relevant credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation].]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended). [*Insert the legal name of the relevant non-EU credit rating agency entity*] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation].]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA**

Regulation"). The ratings [[have been]/[are expected to be]] endorsed by *[insert the legal name of the relevant EU-registered credit rating agency entity]* in accordance with the CRA Regulation. *[Insert the legal name of the relevant EU-registered credit rating agency entity*] is established in the European Union and registered under the CRA Regulation [As such [*insert the legal name of the relevant EU credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]

[*[Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**", but it [is]/[has applied to be] certified in accordance with the CRA Regulation [[[EITHER:] and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation] [[OR:] although notification of the corresponding certification decision has not yet been provided by the relevant competent authority and [*insert the legal name of the relevant non-EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]

[[*Insert the legal name of the relevant credit rating agency entity*] is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority[and [*insert the legal name of the relevant credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation].]

[[*Insert the legal name of the relevant non-EU credit rating agency entity*] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). However, the application for registration under the CRA Regulation of [*insert the legal name of the relevant EU credit rating agency entity that applied for registration*], which is established in the European Union, disclosed the intention to endorse credit ratings of [*insert the legal name of the relevant non-EU credit rating agency entity*][, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority and [*insert the legal name of the relevant EU credit rating agency entity*] is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]

3. **Interests of Natural and Legal Persons involved in the [Issue/Offer]**

[*Need to include a description of any interests, including conflicting ones, that are material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*

Save as discussed in ["Purchase and Sale" of the Base Prospectus], so far as the Issuer is aware, no person involved in the offer of the Global Collateralised Medium Term Notes has an interest material to the offer.

[N/A]

[*(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)*]

4. **Reasons for the Offer**

[See the paragraph entitled "Use of Proceeds" in the "General Information" section of the Base Prospectus] [*specify if other reasons*]

5. **Fixed Rate Securities Only – Yield**

[Indication of yield: [●]

[N/A]
[As set out above, the][The] yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. **Floating Rate Securities Only – Historic Interest Rates**

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

[N/A]

7. **Operational Information**

Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes]
[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common Safekeeper]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

[Note that the designation "yes" simply means that the Global Collateralised Medium Term Notes are intended upon issue to be deposited with one of the International Central Securities Depositaries ("ICSDs") as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] [*include this text for Registered Notes*]] and does not necessarily mean that the Global Collateralised Medium Term Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][*include this text if "yes" selected, in which case the Global Collateralised Medium Term Notes must be issued in NGN Form or be held under the NSS*]

8. **Collateral Eligibility Statement:**

[Clearstream Banking, société anonyme]
[BNYM (European System)]
[BNYM (US System)]
[JPMorgan Chase Bank, N.A.]
[*(specify the form of Collateral Eligibility Statement(s) set forth in Annex A to this Base Prospectus relating to the relevant Custodian and, where applicable, its identification number)]*

9. **Eligible Securities:**

[*NB: For each category of Eligible Securities, specify*

the relevant information using terminology from the applicable Collateral Eligibility Statement(s). Repeat list as necessary for each subsequent category]

The information below is derived from the Collateral Eligibility Statement prepared by the Issuer using the form provided by the applicable Custodian, in each case the form of which is attached as Annex A to the Base Prospectus. For each Repurchase Transaction relating to the Class subject to these Final Terms, the completed Collateral Eligibility Statement for such Repurchase Transaction will be consistent with the principal characteristics of the Eligible Securities as described below. See the section headed *Eligible Securities*.

(i)	Category of issuer(s):	[●] [N/A] (*specify category of eligible issuers as identified in the applicable Collateral Eligibility Statement*)
(ii)	Security/issuer rating:	[●] [N/A]
(iii)	Specific issuer(s) included:	[●] [N/A]
(iv)	Specific issuer(s) excluded	[●] [N/A]
(v)	Eligible security type:	[●] [N/A] (*specify security type using exact terminology set forth in applicable Collateral Eligibility Statement)*
(vi)	Denomination currency	[●] [N/A]
(vii)	Specific security identification number (s) excluded	[●] [N/A]
(viii)	Concentration limits:	[●] [N/A]
(ix)	Maturity range:	[From [●]] [Up to [●]] [N/A]
(x)	Exchanges:	[●] [N/A]
(xi)	Indices/description:	[●] [N/A]
(xii)	Equity indices of underlying stock:	[●] [N/A]
(xiii)	Eligible currencies for cash collateral:	[●] [N/A]
(xiv)	Minimum collateral value:	[●] [N/A]

TERMS AND CONDITIONS OF THE GLOBAL COLLATERALISED MEDIUM TERM NOTES

The following are the Base Conditions that will apply to the Global Collateralised Medium Term Notes. In all cases, the Base Conditions shall be subject to the applicable Final Terms, and will not apply to the extent they are inconsistent with the provisions of such Final Terms. Words and expressions defined or used in the applicable Final Terms shall have the same meanings where used in these Base Conditions unless the context otherwise requires or unless otherwise stated. All capitalised terms that are not defined in Condition 22 or elsewhere in these Base Conditions will have the meanings given to them in the applicable Final Terms. Those definitions will be endorsed on Definitive Notes. References in these Base Conditions to "Global Collateralised Medium Term Notes" are to the Global Collateralised Medium Term Notes of one Class only, not to all Global Collateralised Medium Term Notes that may be issued under the Global Collateralised Medium Term Note Series.

The Global Collateralised Medium Term Notes are issued by Barclays Bank PLC (or any New Bank Issuer substituted in accordance with Condition 14, the "**Bank**"), as specified in the applicable Final Terms, and references to "**Global Collateralised Medium Term Notes**" shall be construed accordingly. The Global Collateralised Medium Term Notes are supported by a limited recourse payment undertaking by Barclays CCP Funding LLP (the "**LLP**") limited only to the Collateral expressed in the relevant Security Agreement as applicable to the Class held by such Noteholder (the "**LLP Undertaking**"). Global Collateralised Medium Term Notes are issued pursuant to the Agency Agreement in respect of the Global Collateralised Medium Term Notes and, other than CREST Notes, with the benefit of a Deed of Covenant dated as of the Series Closing Date, as further amended and/or supplemented and/or restated as at the Issue Date (the "**Deed of Covenant**") executed by the Issuer. The date of execution of the GCMTN Series Documents is referred to herein as the Series Closing Date (the "**Series Closing Date**").

These Base Conditions include summaries of, and are subject to, the provisions of the Agency Agreement. The Noteholders, holders of interest coupons (and, where applicable, talons for further coupons ("**Talons**")) (the "**Coupons**", which term shall be deemed to include Talons) relating to interest bearing Global Collateralised Medium Term Notes in bearer form are entitled to the benefit of, and are deemed to have notice of and are bound by, the provisions of the Agency Agreement (insofar as they relate to the Global Collateralised Medium Term Notes and/or Coupons) and the applicable Final Terms, which are binding on them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the registered office of the Issuer and the specified offices of the Paying Agents, the Transfer Agents and the Registrars. The calculation agent, the issue and paying agent, the registrar, the paying agents, the transfer agents and the CREST agent for the time being are referred to respectively as the "**Calculation Agent**", the "**Issue and Paying Agent**", the "**Registrar**", the "**Paying Agents**", the "**Transfer Agents**" and the "**CREST Agent**".

In respect of any issue of Global Collateralised Medium Term Notes that are not CREST Notes, "**Agents**" means the Calculation Agent and the Issue and Paying Agent together with, in the case of such Global Collateralised Medium Term Notes in bearer form ("**Bearer Notes**"), the other Paying Agents and, in the case of such Global Collateralised Medium Term Notes in registered form ("**Registered Notes**"), the Registrar and the other Transfer Agents, and any other agent or agents appointed from time to time in respect of such Global Collateralised Medium Term Notes.

Unless otherwise specified in the applicable Final Terms, the initial Agents, in respect of Global Collateralised Medium Term Notes other than CREST Notes, shall be as follows:

(a) the initial Calculation Agent shall be The Bank of New York Mellon;

(b) the initial Issue and Paying Agent shall be The Bank of New York Mellon, acting through its London branch;

(c) the initial Registrar in respect of Registered Notes shall be The Bank of New York Mellon (Luxembourg) S.A. (the "**Luxembourg Registrar**") in respect of Global Collateralised Medium Term Notes that are distributed outside the United States of America and shall be The Bank of New York Mellon (acting through its New York branch) in respect of Global Collateralised Medium Term Notes that are distributed within the United States of America (the "**NY Registrar**" and, together with the Luxembourg Registrar, the "**Registrars**" and each a "**Registrar**");

(d) the initial Paying Agents in respect of Bearer Notes shall be the initial Issue and Paying Agent together with The Bank of New York Mellon (Luxembourg) S.A. (the "**Luxembourg Agent**") in respect of Global Collateralised Medium Term Notes that are distributed outside the United States of America and The Bank of New York Mellon (acting through its New York branch) in respect of Global Collateralised Medium Term Notes that are distributed within the United States of America (the "**New York Agent**");

(e) the initial Transfer Agents in respect of Registered Notes shall be the initial Issue and Paying Agent together with the Luxembourg Agent in respect of Global Collateralised Medium Term Notes that are distributed outside the United States of America and the New York Agent in respect of Global Collateralised Medium Term Notes that are distributed within the United States of America; and

(f) the initial Exchange Agent shall be The Bank of New York Mellon (acting through its New York branch) in respect of Cleared Notes for which DTC is the Relevant Clearing System.

In respect of any issue of CREST Notes, "**Agents**" shall mean the agent providing certain issuing, registry and paying agency services to the Issuer (the "**CREST Agent**") together with any other agent or agents appointed from time to time in respect of the CREST Notes (or the then current Successor (whether direct or indirect) of any such Agent).

For the purpose of CREST Notes, any reference in these Base Conditions or the applicable Final Terms to a calculation or determination being made by the Calculation Agent or the Issue and Paying Agent shall be deemed to be a reference to the Issuer making such calculation or determination. These Base Conditions and the applicable Final Terms shall be construed accordingly.

In connection with any issue of Global Collateralised Medium Term Notes, the Issuer may appoint agents other than, or additional to, the Agents specified above. Such other or additional Agents shall be specified in the applicable Final Terms. References in these Base Conditions or the applicable Final Terms to Agents shall be to the initial Agents specified above, as applicable, or as specified in the applicable Final Terms, or the then current Successor (whether direct or indirect) of such Agent appointed in accordance with these Base Conditions, the applicable Final Terms and the Agency Agreement with respect to such Global Collateralised Medium Term Notes.

The Global Collateralised Medium Term Notes of any Class are subject to these Base Conditions, together with the applicable Final Terms. The specific terms of each Class will be set out in the applicable Final Terms.

1. Form, Title and Transfer

1.1 Form

(a) Form of Global Collateralised Medium Term Notes

Global Collateralised Medium Term Notes will be issued in bearer form as Bearer Notes (with or without Coupons) or in registered form as Registered Notes or in dematerialised form as CREST Notes, in each case, as specified in the applicable Final Terms. Bearer Notes may not be exchanged for Registered Notes and vice versa. CREST Notes may not be exchanged for Bearer Notes or Registered Notes and Bearer Notes or Registered Notes may not be exchanged for CREST Notes.

Global Collateralised Medium Term Notes will initially be issued in global form (which in respect of Bearer Notes shall be represented by global bearer securities ("**Global Bearer Notes**") and in respect of Registered Notes shall be represented by global registered securities ("**Global Registered Notes**"), Global Bearer Notes and Global Registered Notes being global securities ("**Global Notes**")), and may only be exchanged for Global Collateralised Medium Term Notes in definitive form (which in respect of Bearer Notes shall be issued as definitive bearer securities ("**Definitive Bearer Notes**"), and in respect of Registered Notes shall be represented by definitive registered securities ("**Definitive Registered Notes**"), Definitive Bearer Notes and Definitive Registered Notes being definitive securities ("**Definitive Notes**"), with the terms and conditions endorsed on such Definitive Notes) if specified in the applicable Final Terms, or an Exchange Event occurs and Global Notes are to be exchanged for Definitive Notes in accordance with the terms of the relevant Global Note. The Issuer will promptly give notice to

Noteholders in accordance with Condition 13 if an Exchange Event occurs. Definitive Notes will not be issued, either initially or in exchange, for any CREST Notes.

CREST Notes will be issued in dematerialised uncertificated registered form and will be held in uncertificated registered form in accordance with the Uncertificated Regulations. As such, CREST Notes will be dematerialised and not constituted by any physical document of title. CREST Notes will be cleared through CREST and will be participating securities for the purposes of the Uncertificated Regulations.

(b) Initial Issue of Global Notes

If "NGN Form" is specified as applicable in the applicable Final Terms with respect to a Global Bearer Note or the applicable Final Terms specify that a Global Registered Note is to be held under the New Safekeeping Structure ("**NSS**"), such Global Bearer Note or Global Registered Note will be delivered on or prior to the original issue date of the Class to a common safekeeper (a "**Common Safekeeper**"). Depositing the Global Bearer Note or the Global Registered Note with the Common Safekeeper does not necessarily mean that the Global Collateralised Medium Term Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

If "CGN Form" is specified in the applicable Final Terms, the Global Note will be delivered on or prior to the original issue date of the Class to a common depositary (a "**Common Depositary**") for the Relevant Clearing System.

If the Global Note is in CGN Form or is a Global Registered Note held under NSS, upon the initial deposit of such Global Note with a Common Depositary or, as the case may be, Common Safekeeper and, in the case of a Global Registered Note, its registration in the name of a nominee for the Common Depositary or, as the case may be, Common Safekeeper, the Relevant Clearing System will credit each subscriber with a nominal amount of Global Collateralised Medium Term Notes equal to the nominal amount thereof for which it has subscribed and paid.

If the Global Note is in NGN Form, the nominal amount of the Global Collateralised Medium Term Notes shall be the relevant aggregate amount from time to time entered in the records of the Relevant Clearing System. For purposes of a Global Note in NGN Form, the records of the Relevant Clearing System shall be conclusive evidence of the nominal amount of Global Collateralised Medium Term Notes, represented by such Global Note and a statement issued by the Relevant Clearing System at any time shall be conclusive evidence of the records of the Relevant Clearing System at that time.

(c) Exchange of Global Notes

Each Class of Bearer Notes issued in compliance with the D Rules will be initially issued in the form of a temporary global security in bearer form (a "**Temporary Global Note**") and will be exchangeable, free of charge to the holder, on and after its Exchange Date, in whole or in part, upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement for interests in a permanent bearer global security (a "**Permanent Global Note**").

Each Class of Bearer Notes issued in compliance with the C Rules or in respect of which TEFRA does not apply will be initially issued in the form of a Permanent Global Note.

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date, in whole but not in part, for Definitive Notes only upon the occurrence of an Exchange Event.

Temporary Global Notes will not be exchangeable for Definitive Notes.

If the Global Note is a CGN, on or after any due date for exchange, the holder of such Global Note may surrender it or, in the case of a partial exchange, present it for endorsement to or to the order of the Issue and Paying Agent. In exchange for any such Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a

Temporary Global Note exchangeable for a Permanent Global Note (other than a Global Bearer Note in NGN Form), deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of the Temporary Global Note that is being exchanged and, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note (other than a Global Bearer Note in NGN form) exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes or (iii) if the Global Note is a Global Bearer Note in NGN Form, the Issuer will procure that details of such exchange be entered pro rata in the records of the Relevant Clearing System. On exchange in full of each Permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

(d) Registered Notes

Registered Notes of each Class which are sold in an "offshore transaction" within the meaning of Regulation S under the Securities Act ("**Unrestricted Notes**") will be represented by interests in a Regulation S Global Note, without Coupons, deposited with, and registered in the name of, a Common Depositary or a Common Safekeeper on behalf of the Relevant Clearing System on its issue date.

Registered Notes of each Class resold pursuant to Rule 144A of the Securities Act ("**Restricted Notes**") will be represented by a Rule 144A Global Note, without Coupons, deposited with either (i) a custodian for, and registered in the name of a nominee of, DTC or (ii) a Common Depositary or a Common Safekeeper on behalf of the Relevant Clearing System on its issue date.

1.2 Denomination

The applicable Final Terms will specify, among other things, the denomination or denominations (each a "**Specified Denomination**") in which such Global Collateralised Medium Term Notes are issued, the Aggregate Nominal Amount, the Issue Price per Global Collateralised Medium Term Note, the relevant Currency and the Calculation Amount per Global Collateralised Medium Term Note as at the Issue Date. All Registered Notes of a Class shall have the same Specified Denomination.

All CREST Notes of a Class shall have the same Specified Denomination as at the Issue Date.

1.3 Title

(a) General

Title to Bearer Notes and any Coupons passes by delivery and title to Registered Notes passes by registration in the Register that the Issuer shall procure is kept by the Registrar in accordance with the provisions of the Agency Agreement.

The Issuer and the relevant Agents shall (except as otherwise required by law or ordered by a court of competent jurisdiction) deem and treat the holder (as defined below) of any Bearer Note, Coupon or Registered Note as its absolute owner for all purposes (whether or not such Global Collateralised Medium Term Note is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it (or on the Global Note representing it) or its theft or loss) and no person shall be liable for so treating the holder.

In these Base Conditions, except in respect of CREST Notes, "Noteholder" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered, and "holder" means, in relation to a Bearer Note or Coupon, the bearer of such Bearer Note or Coupon and, in relation to a Registered Note, the person in whose name such Registered Note is registered.

(b) CREST Notes

Title to CREST Notes is recorded on the relevant Operator register of corporate securities. The CREST Agent on behalf of the Issuer shall maintain a record of uncertificated corporate securities (the "**Record**") in relation

to CREST Notes and shall procure that the Record is regularly updated to reflect the Operator register of corporate securities in accordance with the rules of the Operator.

Subject to this requirement and to Condition 1.4(i), (i) each person who is for the time being shown in the Record as the holder of a particular nominal amount of CREST Notes shall be treated by the Issuer and the Agents as the holder of such nominal amount of CREST Notes for all purposes (and the expressions "**Noteholder**" and "**holder of CREST Notes**" and related expressions shall be construed accordingly for the purpose of the Conditions) and (ii) none of the Issuer or any Agent shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the CREST Agent maintains are in accordance with particulars entered in the Operator register of corporate securities relating to the CREST Notes.

No provision of these Base Conditions shall (notwithstanding anything to the contrary therein) apply or have effect to the extent that it is in any respect inconsistent with (I) the holding of title to CREST Notes in uncertificated form, (II) the transfer of title to CREST Notes by means of a relevant system or (III) the Uncertificated Regulations. Without prejudice to the generality of the preceding sentence and notwithstanding anything contained in the Conditions for a Series of CREST Notes, so long as the CREST Notes are participating securities, (A) the Operator register of corporate securities relating to the CREST Notes shall be maintained at all times in the United Kingdom, (B) the CREST Notes may be issued in uncertificated form in accordance with and subject as provided in the Uncertificated Regulations and (C) for the avoidance of doubt, the Conditions in relation to any CREST Notes shall remain applicable notwithstanding that they are not endorsed on any certificate or document of title for such CREST Notes.

As used in these Base Conditions, each of "**Operator**", "**Operator register of corporate securities**", "**participating security**", "**record of uncertificated corporate securities**" and "**relevant system**" is as defined in the Uncertificated Regulations and the relevant Operator (as such term is defined and used in the Uncertificated Regulations) is Euroclear UK & Ireland Limited or any additional or alternative Operator from time to time and notified to the holders of CREST Notes in accordance with Condition 13.

(c) CREST Depository Interests

Where CDIs are specified in the applicable Final Terms for a Class of Global Collateralised Medium Term Notes, investors may hold CREST Depository Interests ("**CDIs**") constituted and issued by the CREST Depository and representing indirect interests in such Global Collateralised Medium Term Notes. CDIs will be issued and settled through CREST.

Neither the Global Collateralised Medium Term Notes nor any rights with respect thereto will be issued, held, transferred or settled within CREST otherwise than through the issue, holding, transfer and settlement of CDIs. Holders of CDIs will not be entitled to deal directly in the Global Collateralised Medium Term Notes to which such CDIs relate (the "**Underlying Notes**"). Accordingly, all dealings in Global Collateralised Medium Term Notes represented by a holding of CDIs will be effected through CREST.

CDIs will be constituted and governed by the terms of the CREST Deed Poll. Holders of CDIs will have no rights against the Issuer, any Dealer or any Agent in respect of the Underlying Notes, interests therein or the CDIs representing them.

1.4 Transfers

(a) Transfer of Bearer Notes

Subject to Condition 1.4(c), Bearer Notes and Coupons will be transferred by delivery.

(b) Transfer of Registered Notes

Subject to Condition 1.4(c), Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the relevant Definitive Registered Note or Global Registered Note (provided such Global Collateralised Medium Term Note is not a Cleared Note) representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Definitive Registered Note or Global Registered Note (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by a single Definitive Registered Note or Global Registered Note (provided such Global Collateralised Medium Term Note is not a Cleared Note), a new Definitive Registered Note shall be issued to the transferee in respect of the part transferred and a further new Definitive Registered Note or Global Registered Note in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Global Collateralised Medium Term Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Global Collateralised Medium Term Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and each Noteholder. A copy of the current regulations will be made available by the Registrar, to the extent provided to it, to any Noteholder upon request. For the avoidance of doubt, if Registered Notes are Cleared Notes, then all (and not some only) of the Registered Notes of the same Class shall be Cleared Notes.

Investors in the Global Collateralised Medium Term Notes are referred to the Sections in the Base Prospectus headed "Purchase and Sale" and "Clearance, Settlement and Transfer Restrictions".

(c) Transfer of Cleared Notes

Notwithstanding Conditions 1.4(a) and (b), transfers of beneficial interests in Cleared Notes may only be effected in accordance with the Relevant Rules.

If the applicable Final Terms specify that the Global Collateralised Medium Term Notes are to be represented by a Permanent Global Note on issue, the following will apply in respect of transfers of Cleared Notes. These provisions will not prevent the trading of interests in the Global Collateralised Medium Term Notes within the Relevant Clearing System whilst they are held on behalf of such Relevant Clearing System, but will limit the circumstances in which the Global Collateralised Medium Term Notes may be withdrawn from the Relevant Clearing System.

Transfers of the holding of Global Collateralised Medium Term Notes represented by any Global Note pursuant to Condition 1.4(b) may only be made in part:

(i) if an Exchange Event occurs; or

(ii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding of Registered Notes pursuant to this Condition 1.4(c), the registered holder has given the Registrar not less than 10 Business Days' written notice at its specified office of the registered holder's intention to effect such transfer.

Investors in the Global Collateralised Medium Term Notes are referred to the Sections in the Base Prospectus headed "Purchase and Sale", "Clearance, Settlement and Transfer Restrictions" and "Book-entry Procedures for Rule 144A Global Notes Deposited with DTC".

(d) Exercise of Options or Partial Redemption in Respect of Registered Notes

In the case of an exercise of an Issuer's or Noteholder's option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Definitive Registered Note or Global Registered Note, as the case may be, a new Definitive Registered Note or, as the case may be, Global Registered Note shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, a separate

Definitive Registered Note or Global Registered Note shall be issued in respect of those Registered Notes of that holding that have the same terms. New Definitive Registered Notes shall only be issued against surrender of the relevant existing Definitive Registered Note or Global Registered Note to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Definitive Registered Note representing the enlarged holding shall only be issued against surrender of the Definitive Registered Note or Global Registered Note representing the existing holding.

(e) Delivery of New Registered Notes

Each new Definitive Registered Note or Global Registered Note to be issued pursuant to Condition 1.4(b) or (d) shall be available for delivery within three business days of receipt of the form of transfer, the Option Exercise Notice or notice of redemption and surrender of the Definitive Registered Note or Global Registered Note, as the case may be. Delivery of a new Definitive Registered Note or Global Registered Note shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery of such form of transfer, the relevant Exercise Notice or notice of redemption and surrender of such Definitive Registered Note or Global Registered Note shall have been made or, at the option of the holder making such delivery and surrender as aforesaid and as specified in the relevant form of transfer, the relevant Exercise Notice, notice of redemption or otherwise in writing shall be mailed by uninsured post at the risk of the holder entitled to the new Definitive Registered Note or Global Registered Note, to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 1.4(e), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar.

(f) Transfer Free of Charge

Transfers of Registered Notes will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any Taxes that may be imposed in relation to it (or the giving of such indemnity as the Issuer, the Registrar or the relevant Transfer Agent may require).

(g) Registered Note Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 calendar days ending on the due date for redemption or exercise of that Global Collateralised Medium Term Note, (ii) on any day after the date of any Option Exercise Notice delivered by such Noteholder in respect of such Registered Note, (iii) during the period of 15 calendar days before any date on which Global Collateralised Medium Term Notes may be called for redemption by the Issuer at its option pursuant to Condition 4.3 or 4.4, (iv) after any such Global Collateralised Medium Term Note has been called for redemption or has been exercised or (v) during the period of seven calendar days ending on (and including) any Record Date.

(h) Transfer of CREST Notes

Title to CREST Notes will pass upon registration of the transfer in the Operator register of corporate securities. All transactions in relation to CREST Notes (including, without limitation, transfers of CREST Notes) in the open market or otherwise must be effected through an account with the Operator subject to and in accordance with the rules and procedures for the time being of the Operator. All transfers of CREST Notes shall be subject to and made in accordance with the Uncertificated Regulations and the rules, procedures and practices in effect of the Operator (the "**CREST Requirements**").

Transfers of CREST Notes will be effected without charge by or on behalf of the Issuer, the Operator or the CREST Agent, but upon payment of any Taxes that may be imposed in relation to them (or the giving of such indemnity as the Issuer, the Operator or the CREST Agent may require).

CREST Notes may not be transferred in or into the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the Securities Act) (I) unless the CREST Notes are registered under

the Securities Act, or an exemption from the registration requirements of the Securities Act is available, or (II) in a manner that would require the Issuer to register under the US Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(i) CREST Note Closed Periods

If, for so long as the CREST Notes are held in CREST, the rules and procedures of the Operator include any closed period in which no Noteholder may require the transfer of a CREST Note to be registered in the Operator register of corporate securities, such closed periods shall apply to the CREST Notes. Details of any such closed period are available from the CREST Agent.

(j) Cessation of CREST Eligibility

If at any time a Series of CREST Notes ceases to be held in uncertificated form and/or accepted for clearance through CREST, or notice is received by or on behalf of the Issuer that the CREST Notes will cease to be held in uncertificated form and cleared through CREST and/or CREST is closed for business for a continuous period of 14 calendar days (other than by reason of holidays, statute or otherwise) or announces an intention permanently to cease business or does in fact do so, then such event shall constitute an Additional Disruption Event for the purposes of such Global Collateralised Medium Term Notes and the Issuer shall redeem such Global Collateralised Medium Term Notes in accordance with Condition 4.4(b).

2. Status

The Global Collateralised Medium Term Notes and any Coupons relating to them constitute unsecured and unsubordinated obligations of the Issuer and rank equally among themselves. The payment obligations of the Issuer under the Global Collateralised Medium Term Notes and any related Coupons will rank equally with all other present and future unsecured and unsubordinated obligations of the Issuer (except for such obligations as may be preferred by provisions of law that are both mandatory and of general application). The Global Collateralised Medium Term Notes do not evidence deposits of the Issuer. The Global Collateralised Medium Term Notes are not insured or guaranteed by any government or government agency.

The obligations of the LLP under the LLP Undertakings constitute direct, unsubordinated and secured limited recourse obligations of the LLP.

3. Interest

If the applicable Final Terms specify that interest applies to any Class of Global Collateralised Medium Term Notes, each Global Collateralised Medium Term Note of such Class will bear interest on the applicable Principal Amount Outstanding from and including the Interest Commencement Date at a rate or rates per annum (expressed as a percentage) (the "**Interest Rate**") specified in, or determined in accordance with, the provisions of this Condition 3 and applicable Final Terms. Interest will be payable in arrears on the date or dates specified in the applicable Final Terms (the "**Interest Payment Dates**" and each an "**Interest Payment Date**").

If Fixed Rate Notes are issued in definitive form, except as provided in the applicable Final Terms, the amount of interest payable in respect of each Interest Calculation Period will amount to the Interest Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Global Collateralised Medium Term Notes in definitive form where an applicable Interest Amount or Broken Amount is specified in the applicable Final Terms, the Interest Amount payable in respect of each Interest Calculation Period in respect of any Global Collateralised Medium Term Note will, subject to Condition 5, be calculated by the Calculation Agent in respect of the immediately preceding Interest Calculation Period and shall be equal to the product of:

(i) the applicable Interest Rate, as adjusted, if applicable, in accordance with Condition 3.2(d);

(ii) (a) in the case of Global Collateralised Medium Term Notes represented by a Global Bearer Note or a Global Registered Note, the aggregate outstanding nominal amount of the Global Collateralised Medium Term Notes represented by such Global Note or (b) in the case of Global Collateralised Medium Term Notes in definitive form, the applicable Calculation Amount specified in the applicable Final Terms; and

(iii) the Day Count Fraction for the relevant Interest Calculation Period,

and rounding the resultant figure in accordance with Condition 5.1.

Where the Specified Denomination of a Global Collateralised Medium Term Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Global Collateralised Medium Term Note shall, in accordance with Condition 5.3, be the product of the amount for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

If the applicable Final Terms specify Global Collateralised Medium Term Notes to be Zero Coupon Notes, the Global Collateralised Medium Term Notes of such Class will not bear interest except in respect of any overdue principal following the Maturity Date (or such other date as specified in the applicable Final Terms).

If any Interest Amount payable is a negative number (either due to a negative Interest Rate (whether a Floating Rate, Variable Rate or otherwise) or by operation of a negative Margin that is added to the Interest Rate), the Interest Amount payable shall be deemed to be zero.

3.1 Interest on Fixed Rate Notes

If "Fixed Rate" is specified as the Interest Rate in the applicable Final Terms, the Interest Rate will be the rate specified in the applicable Final Terms.

3.2 Interest on Floating Rate Notes

Subject to Conditions 3.2(d) and (e), if "Floating Rate" is specified as the Interest Rate in the applicable Final Terms, the Interest Rate for an Interest Calculation Period will be the rate determined by the Calculation Agent in the manner specified in the applicable Final Terms pursuant to Condition 3.2(a) or (b). In respect of any short or long Interest Calculation Period as specified in the applicable Final Terms, the Calculation Agent will determine the Interest Rate using Linear Interpolation or such other formula or method (if any) as is specified in the applicable Final Terms.

(a) ISDA Determination for Floating Rate Notes

If "ISDA Determination" is specified as applicable in the applicable Final Terms, the Interest Rate for an Interest Calculation Period will be the relevant ISDA Rate. If, with respect to a Reset Date for an Interest Calculation Period, in the opinion of the Calculation Agent (i) the ISDA Rate is not published or made available to the market, and/or (ii) the Calculation Agent determines that an alternative market rate is in more common usage, the Calculation Agent shall determine the Interest Rate for such Interest Calculation Period at its sole and absolute discretion.

(b) Screen Rate Determination for Floating Rate Notes

If "Screen Rate Determination" is specified as applicable in the applicable Final Terms, the Interest Rate for an Interest Calculation Period will, subject as provided below, be either:

(i) the offered quotation; or

(ii) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate that appears or appear, as the case may be, on the Relevant Screen Page as at 11:00 a.m. (London time, in the case of a LIBOR rate or the Constant Maturity Swap Rate, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question (as specified in the applicable Final Terms or as defined below) relating to such Interest Calculation Period, all as determined by the Calculation Agent in accordance with Condition 5. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the "Reference Rate" from time to time in respect of Floating Rate Notes specified in the applicable Final Terms may be LIBOR, including rates for specified currencies, the Interest Rate for an Interest Calculation Period will be the relevant AUD LIBOR, CAD LIBOR, CHF LIBOR, DKK LIBOR, EUR LIBOR, GBP LIBOR, JPY LIBOR, NZD LIBOR, SEK LIBOR and USD LIBOR, EURIBOR or Constant Maturity Swap Rate.

If, on any Interest Determination Date relating to such Interest Calculation Period, the Relevant Screen Page is not available, or if Condition 3.2(b)(i) applies and no such offered quotation appears on the Relevant Screen Page, or if Condition 3.2(b)(ii) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case, as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is a LIBOR rate or the Constant Maturity Swap Rate, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate, if the Reference Rate is a LIBOR rate or the Constant Maturity Swap Rate, at approximately 11:00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Interest Rate for such Interest Calculation Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.

If the preceding paragraph applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is a LIBOR rate or the Constant Maturity Swap Rate, at approximately 11:00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the relevant Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London interbank market or, if the Reference Rate is EURIBOR, the Euro-zone interbank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the relevant Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the relevant Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is a LIBOR rate or the Constant Maturity Swap Rate, at approximately 11:00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is a LIBOR rate or the Constant Maturity Swap Rate, the London interbank market or, if the Reference Rate is EURIBOR, the Euro-zone interbank market, as the case may be, provided that, if the Interest Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Interest Rate for such Interest Calculation Period shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Minimum or Maximum Interest Rate is to be applied to the relevant Interest Calculation Period from that which applied to the last preceding Interest Calculation Period, the Margin or Minimum or Maximum Interest Rate relating to the relevant Interest Calculation Period, in place of the Margin or Minimum or Maximum Interest Rate relating to that last preceding Interest Calculation Period).

(c) Bank of England Base Rate Determination for Floating Rate Notes

If "Bank of England Base Rate Determination" is specified as applicable in the applicable Final Terms, the Interest Rate for an Interest Calculation Period will be the relevant Bank of England Base Rate. For the purposes of this Condition 3.2(c):

"**Designated Maturity**" means daily, or as otherwise specified in the applicable Final Terms.

"**Interest Determination Date**" means, in respect of an Interest Calculation Period, the last London Business Day in that Interest Calculation Period, or as otherwise specified in the applicable Final Terms.

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

(d) Margin

If any Margin is specified in the applicable Final Terms (either (i) generally, or (ii) in relation to one or more Interest Calculation Periods), an adjustment shall be made to all Interest Rates, in the case of (i), or the Interest Rate for the specified Interest Calculation Periods, in the case of (ii), calculated in accordance with Condition 3.2(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to Condition 3.2(e).

(e) Minimum Interest Rate and/or Maximum Interest Rate

If any Minimum Interest Rate or Maximum Interest Rate is specified in the applicable Final Terms (either (i) generally, or (ii) in relation to one or more Interest Calculation Periods), then all Interest Rates, in the case of (i), or the Interest Rate for the specified Interest Calculation Periods, in the case of (ii), shall be subject to such Minimum Interest Rate or Maximum Interest Rate, as applicable.

(f) Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Calculation Period in the applicable Final Terms, the Interest Rate for such Interest Calculation Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Calculation Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Calculation Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

3.3 Variable Rate Notes

Each Variable Rate Note bears interest at a rate or rates (the "**Variable Rate**") determined on the basis of the formula or method as may be specified for such purpose in a supplement to the Base Prospectus and as otherwise determined by the Calculation Agent in accordance with Condition 5.

3.4 Zero Coupon Notes

If "Zero Coupon" is specified as the Interest Rate in the applicable Final Terms, the Global Collateralised Medium Term Notes will not bear interest and references to interest and Coupons in these Base Conditions are not applicable, provided however that where any such Global Collateralised Medium Term Note is repayable prior to

the Maturity Date (or such other date specified in the applicable Final Terms) and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount for such Global Collateralised Medium Term Note.

3.5 Accrual of Interest

Subject to Condition 6.5(c), interest shall cease to accrue on each interest bearing Global Collateralised Medium Term Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgement) at the Interest Rate in the manner provided in this Condition 3 to the Relevant Date as if such period was an Interest Calculation Period.

4. Redemption

4.1 Redemption

Unless previously redeemed in accordance with this Condition 4 or purchased and cancelled in accordance with Condition 19, each Global Collateralised Medium Term Note will, subject to Conditions 5 and 6, be redeemed in whole at the Final Redemption Amount on the Maturity Date.

4.2 Early Redemption at the Option of Noteholders

If "Put Option" is specified to apply in the applicable Final Terms, upon the Noteholder giving not less than the Put Notice Period Number of Business Days' irrevocable notice to the Issuer, with a copy to the Issue and Paying Agent (such notice, an "**Option Exercise Notice**") (such period the "**Put Notice Period**") on any Put Option Exercise Date within the Put Option Exercise Period, the Issuer shall, subject to Conditions 5 and 6 and the conditions to exercise set out below, redeem or, directly or through an intermediary, repurchase each Global Collateralised Medium Term Note to which such notice relates in whole (but not in part) at its Optional Redemption Amount on the Optional Redemption Date.

Notwithstanding anything to the contrary herein, to exercise such option the Noteholder must deposit (in the case of Bearer Notes) the relevant Bearer Notes (together with all unmatured or unexchanged Coupons) with any Paying Agent or (in the case of Registered Notes) the relevant Global Registered Note or Definitive Registered Note representing such Registered Notes with the Registrar or any Transfer Agent at its specified office together with the duly completed irrevocable option exercise notice (such notice, an "**Option Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable). If the Global Collateralised Medium Term Notes are Cleared Notes, such option may be exercised by the relevant Noteholder giving an Option Exercise Notice to the Issue and Paying Agent through the Relevant Clearing Systems stating the nominal amount of Global Collateralised Medium Term Notes in respect of which the Put Option is exercised and the relevant Common Depositary, Common Safekeeper, custodian or nominee shall deposit and surrender the relevant Global Collateralised Medium Term Notes in accordance with the Relevant Rules. No transfers of interests in Cleared Notes in respect of which an Option Exercise Notice has been delivered will be valid and an Option Exercise Notice in respect of Cleared Notes must be accompanied by a copy of instructions given to the Relevant Clearing System by the relevant accountholder that the accountholder's account be blocked for such purposes. No Global Collateralised Medium Term Notes so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Any Option Exercise Notice delivered after 8:00 a.m. (New York time) shall be deemed delivered the following Business Day.

Notwithstanding anything to the contrary herein, if the Global Collateralised Medium Term Notes are CREST Notes, such option may be exercised by the relevant Noteholder sending an Option Exercise Notice by way of a Dematerialised Instruction to the Operator (or procuring that such an instruction is sent) in the form obtainable from the Issuer or the CREST Agent. Such Option Exercise Notice must state the nominal amount of Global Collateralised Medium Term Notes in respect of which the Put Option is exercised and irrevocably instruct the Operator to transfer from the Noteholder's account to the appropriate account of the Issuer in CREST the relevant nominal amount of Global Collateralised Medium Term Notes to be redeemed or repurchased, provided that the Option Exercise Notice shall not be effective until such transfer to the Issuer's account is complete.

The right to require redemption or repurchase of Global Collateralised Medium Term Notes that are CREST Notes in accordance with this Condition 4.2 must be exercised in accordance with the CREST Requirements and if there is any inconsistency between the foregoing and the CREST Requirements, the latter shall prevail. No CREST Notes in respect of which such option has been exercised may be withdrawn without the prior consent of the Issuer.

For the avoidance of doubt, if the last day of the relevant Put Notice Period is the same date as the Maturity Date, unless otherwise specified in the applicable Final Terms, the Global Collateralised Medium Term Notes shall be redeemed or repurchased in accordance with this Condition 4.2.

4.3 Early Redemption at the Option of the Issuer

If "Call Option" is specified to apply in the applicable Final Terms, the Issuer may, on giving not less than the Issuer Notice Period Number of Business Days' irrevocable notice to Noteholders, with a copy to the Issuer and Paying Agent (such notice, an **"Early Redemption Notice"**) (such period, the **"Issuer Notice Period"**) and provided that if the notice relates to a Call Option such notice is delivered on the Issuer Option Exercise Date within the Issuer Option Exercise Period and subject to Conditions 5 and 6, redeem or, directly or through an intermediary, repurchase some or all of the Global Collateralised Medium Term Notes in whole (but not in part) at its Optional Redemption Amount together with accrued interest on the Optional Redemption Date.

For the avoidance of doubt, if the last day of the relevant Issuer Notice Period is the same date as the Maturity Date, unless otherwise specified in the applicable Final Terms, the Global Collateralised Medium Term Notes shall be redeemed or repurchased in accordance with this Condition 4.3.

In the event that any option of the Issuer is exercised with respect to some but not all of the Global Collateralised Medium Term Notes of any Class and such Global Collateralised Medium Term Notes are Cleared Notes, such Global Collateralised Medium Term Notes will (i) in the case of Cleared Notes represented by Definitive Bearer Notes, be selected individually by lot note more than 30 days prior to the date fixed for redemption and (ii) in the case of Cleared Notes represented by a Global Note, be selected in accordance with the standard procedures and Relevant Rules (to be reflected in the records of the Relevant Clearing System as either a pool factor or a reduction in nominal amount, as applicable at their discretion).

4.4 Early Redemption or Adjustment following the Occurrence of an Additional Disruption Event

If an Additional Disruption Event occurs, the Issuer may, at its sole and absolute discretion:

(a) request that the Calculation Agent determines, at its sole and absolute discretion, whether an appropriate adjustment can be made to the Conditions and any other provisions relating to the Global Collateralised Medium Term Notes to account for the economic effect of such event on the Global Collateralised Medium Term Notes and to preserve substantially the economic effect to the Noteholders of a holding of the relevant Global Collateralised Medium Term Note. If the Calculation Agent determines that such adjustment(s) can be made, the Issuer shall determine the effective date of such adjustment(s) and take the necessary steps to effect such adjustment(s). The Issuer shall notify Noteholders of any such adjustment(s) in accordance with Condition 13 as soon as reasonably practicable after the nature and effective date of the adjustments are determined. If the Calculation Agent determines that no adjustment that could be made would produce a commercially reasonable result and preserve substantially the economic effect to the Noteholders of a holding of the relevant Global Collateralised Medium Term Note, it shall notify the Issuer of such determination and no adjustment(s) shall be made. None of the Calculation Agent, the Issuer or any other party shall be liable to any holder, Noteholder or any other person for any determination and/or adjustment made by the Calculation Agent and/or the Issuer pursuant to this Condition 4.4(a); or

(b) on giving not less than 10 Business Days' irrevocable notice to Noteholders, with a copy to the Issue and Paying Agent (or such other notice period as may be specified in the applicable Final Terms) (such period, the "Early Redemption Notice Period") in accordance with Condition 13 (such notice an "Additional Disruption Event

Redemption Notice"), redeem or, directly or through an Intermediary, repurchase all of the Global Collateralised Medium Term Notes of the relevant Series in whole, subject to Conditions 5 and 6, at their Early Redemption Amount on the Early Redemption Date.

4.5 Extension Option

If "Extension Option" is specified to apply in the applicable Final Terms, the Noteholder may elect to cause the Issuer to extend the Maturity Date applicable to all of the Global Collateralised Medium Term Notes that are subject to an Extension Option or, if permitted in the applicable Final Terms, any portion thereof greater than the Minimum Extendible Amount (or any multiple of $1,000 in excess thereof) specified in the applicable Final Terms, by giving not less than the Extension Option Notice Period Number of Business Days' irrevocable notice to the Issuer setting forth the principal amount of the Global Collateralised Medium Term Notes to be extended, with a copy to the Issue and Paying Agent (such notice, an "**Extension Option Exercise Notice**") (such period the "**Extension Option Notice Period**") on any Extension Option Exercise Date within the Extension Option Exercise Period, provided that no such proposed extension may result in any remaining Global Collateralised Medium Term Notes of such Noteholder having an outstanding principal amount of less than the Specified Denomination. The new Maturity Date specified in the Extension Option Exercise Notice shall be no more than the Extension Period specified in the applicable Final Terms following the previously scheduled Maturity Date, and in any event may not be later than the Final Maturity Date. The applicable Final Terms may specify more than one Extension Option Notice Period. Any Extension Option Exercise Notice delivered after 8:00 a.m. (New York time) shall be deemed delivered the following Business Day.

For all Global Collateralised Medium Term Notes with respect to which an Extension Option Exercise Notice is delivered during an Extension Option Notice Period, the existing security code and the maturity of such Global Collateralised Medium Term Notes will be extended from the then-scheduled maturity date to the maturity date specified in the Extension Option Exercise Notice). If only a portion of the Global Collateralised Medium Term Notes held by such Noteholder are the subject of an Extension Option Exercise Notice (the Notes not so extended, collectively, "Unextended Notes") and concurrently with the extension of the other Notes held by such Noteholder, a new security code will be made available by the Issue and Paying Agent in respect of such Unextended Notes, with a maturity date equal to the then-scheduled maturity date (without giving effect to the extension described above). The principal amount of such Unextended Notes, and all unpaid interest accrued thereon through the then-scheduled maturity date, will remain due and payable on the then-scheduled maturity date (without giving effect to the extension described above).

4.6 Conflicting Elections

(a) Conflicting Put Option and Call Option

(i) If the Call Option is validly exercised following a valid exercise of a Put Option but prior to the Optional Redemption Date, any such prior exercise of the Put Option will be disregarded and the redeemed or repurchased Global Collateralised Medium Term Notes will be redeemed in accordance with the terms of the Call Option.

(ii) If the Put Option is validly exercised following a valid exercise of a Call Option but prior to the Optional Redemption Date, such exercise of the Put Option will be disregarded and the Global Collateralised Medium Term Notes will be redeemed or repurchased in accordance with the terms of the Call Option.

(b) Conflicting Call Option and Extension Option

(i) If the Call Option is validly exercised following a valid exercise of an Extension Option but prior to the extension of the related Global Collateralised Medium Term Notes, any prior Extension Option Exercise Notice will be disregarded and the Global Collateralised Medium Term Notes will be redeemed or repurchased in accordance with the terms of the Call Option.

(ii) If the Extension Option is validly exercised following a valid exercise of a Call Option but prior to the Optional Redemption Date, any prior Extension Option Exercise Notice will be disregarded to the extent it relates to Global Collateralised Medium Term Notes subject to the Call Option, and the Global Collateralised Medium Term Notes will be redeemed or repurchased in accordance with the terms of the Call Option.

(c) Conflicting Put Option and Extension Option

(i) If the Put Option is validly exercised following a valid exercise of an Extension Option but prior to the extension of the related Global Collateralised Medium Term Notes, such Put Option will be disregarded.

(ii) If the Extension Option is validly exercised following a valid exercise of a Put Option but prior to the Optional Redemption Date, any such Extension Option Exercise Notice will be disregarded to the extent it relates to the related Global Collateralised Medium Term Notes, and the related Global Collateralised Medium Term Notes will be redeemed or repurchased in accordance with the terms of the Put Option.

4.7 Make-Whole Redemption at the Option of the Issuer

If "Make-Whole Redemption Option" is specified to apply in the applicable Final Terms, the Issuer may, on giving not less than the Issuer Notice Period Number of Business Days' irrevocable notice to Noteholders, with a copy to the Issuer and Paying Agent (such period, the "**Issuer Make-Whole Redemption Notice Period**") and subject to Conditions 5 and 6, redeem or, directly or through an intermediary, repurchase some or all of the Global Collateralised Medium Term Notes in whole (but not in part) on any date prior to their Maturity Date (the "**Make-Whole Redemption Date**") at their Make-Whole Redemption Amount. The "**Make-Whole Redemption Amount**" will be an amount calculated by the Calculation Agent which is the greater of (a) 100 per cent. of the nominal amount of the Global Collateralised Medium Term Notes so redeemed and (b) the sum of the then present values of the remaining scheduled payments of principal and interest on such Global Collateralised Medium Term Notes (not including any interest accrued on the Global Collateralised Medium Term Notes to, but excluding, the relevant Make-Whole Redemption Date on an annual basis at the Redemption Rate (as specified in the applicable Final Terms) plus a Redemption Margin (as specified in the applicable Final Terms) plus, in each case (a) or (b) above, any interest accrued on the Global Collateralised Medium Term Notes to, but excluding, the Make-Whole Redemption Date, taking into account any Early Redemption Costs (which, for the avoidance of doubt, will reduce the Make-Whole Redemption Amount).

The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

5. Calculations and Publication

5.1 Calculations

For the purposes of any calculations required pursuant to the Conditions (unless otherwise specified in the applicable Final Terms), (a) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (b) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant figure shall be rounded up) and (c) all currency amounts that fall due and payable shall be rounded to the nearest unit of such Currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, "unit" means the lowest amount of such Currency that is available as legal tender in the country of such Currency.

5.2 Determination and Publication of Interest Rates, Interest Amounts and Amounts in respect of Settlement

As soon as practicable on such date as the Issue and Paying Agent or, as applicable, the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation in respect of or in connection with any Global Collateralised Medium Term Note, such Agent shall determine such rate and calculate the relevant interest in respect of the Global Collateralised Medium Term Notes for the relevant Interest Calculation Period and calculate any Redemption Amount, obtain any required quotation or make such determination or calculation, as the case may be, and cause the interest, Interest Rate and Interest Amount, as applicable, for each Interest Calculation Period and the relevant Interest Payment Date and, if required to be calculated, any Redemption Amount to be notified to the Issuer, each of the Paying Agents, the Noteholders, any other Agent in respect of the Global Collateralised Medium Term Notes that is to make a payment, delivery or further calculation or determination upon receipt of such information and, if the Global Collateralised Medium Term Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (a) the commencement of the relevant Interest Calculation Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount or (b) in all other cases, the fourth Business Day following such determination.

Where any Interest Payment Date or Interest Period End Date is subject to adjustment pursuant to Condition 5.4, the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Calculation Period. If interest bearing Global Collateralised Medium Term Notes become due and payable pursuant to Condition 7, the accrued interest and the Interest Rate payable in respect of the Global Collateralised Medium Term Notes shall nevertheless continue to be calculated as previously in accordance with Condition 3 but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Issue and Paying Agent or, as applicable, the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

5.3 Calculation Amount per Global Collateralised Medium Term Note

(a) General

If the Redemption Amount relating to a Global Collateralised Medium Term Note is specified or is to be determined by reference to the Calculation Amount per Global Collateralised Medium Term Note specified in the Final Terms, then, on each occasion on which such Global Collateralised Medium Term Note is redeemed or exercised in part, the corresponding Redemption Amount shall be deemed to have been reduced by an amount proportional to the nominal amount or portion of the Global Collateralised Medium Term Note so redeemed or exercised with effect from the date of such partial reduction or exercise.

(b) Global Collateralised Medium Term Notes and Calculation Amount per Global Collateralised Medium Term Note

Notwithstanding anything to the contrary in the Conditions or the Agency Agreement:

(i) where the Global Collateralised Medium Term Notes are in the form of Definitive Notes and the applicable Final Terms specify a Calculation Amount per Global Collateralised Medium Term Note in addition to one or more Specified Denominations, then each calculation of an amount payable in respect of a Global Collateralised Medium Term Note hereunder shall be made on the basis of the product of the (i) the amount payable in respect of the relevant Calculation Amount (after applying any applicable rounding in accordance with the Conditions) and (ii) Calculation Amount Factor of that particular Global Collateralised Medium Term Note, where "**Calculation Amount Factor**" means the number equal to the Specified Denomination of the relevant Global Collateralised Medium Term Note divided by the relevant Calculation Amount per Global Collateralised Medium Term Note;

(ii) where the Global Collateralised Medium Term Notes are in global form or uncertificated registered form, on any date each calculation of a cash amount payable in respect of a Global Collateralised

Medium Term Note hereunder shall, subject to Condition 3, be based on the aggregate nominal amount of all such Global Collateralised Medium Term Notes outstanding on such date (or the relevant affected portion thereof), the resulting amount being rounded in accordance with the method provided in Condition 5.1 above and distributed in accordance with the applicable rules of the Relevant Clearing System or CREST, as applicable.

5.4 Business Day Convention

If (a) there is no numerically corresponding day of the calendar month in which an Interest Period End Date should occur or (b) if any date which is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then such date will be adjusted according to the Business Day Convention specified in the applicable Final Terms. If the Business Day Convention is specified to be:

(i) the "**Following**", such date shall be postponed to the next day that is a Business Day;

(ii) the "**Modified Following**", such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day;

(iii) the "**Nearest**", such date will be the first preceding day that is a Business Day if the relevant date otherwise falls on a day other than a Sunday or a Monday and will be the first following day that is a Business Day if the relevant date otherwise falls on a Sunday or a Monday; or

(iv) the "**Preceding**", such date shall be brought forward to the immediately preceding Business Day.

6. Payments and Deliveries

6.1 Definitive Bearer Notes

Payments of principal and interest in respect of Definitive Bearer Notes will, subject as mentioned below, be made against and subject to the condition to settlement, presentation and surrender (or, in the case of part payment or delivery of any sum due, endorsement) of the relevant Definitive Bearer Notes (in the case of payments of principal and, in the case of interest, as specified in Condition 6.5(c)) or Coupons (in the case of interest, save as specified in Condition 6.5(c)), as the case may be, at the specified office of any Paying Agent outside the United States (a) if a payment, by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) denominated in such currency with, an Account Bank, subject to certification of non-US beneficial ownership, as applicable or (b) if a delivery, in the manner notified to Noteholders.

Holders of Definitive Bearer Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any such Global Collateralised Medium Term Note as a result of a transfer made in accordance with this Condition 6.1 arriving in such holder's account after the due date for payment.

A record of each payment and delivery made in respect of a Definitive Bearer Note of any Class will be made on the relevant Definitive Bearer Note by or on behalf of the Issue and Paying Agent, and such record shall be prima facie evidence that the payment or delivery in question has been made.

Notwithstanding the foregoing, if any Definitive Bearer Notes are denominated in US dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Definitive Bearer Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such

amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

6.2 Registered Notes

Payments of principal in respect of each Registered Note (whether or not in global form) will be made against and subject to the condition to settlement, presentation and surrender of the relevant Registered Note at the specified office of the Registrar or any of the Transfer Agents and in the manner provided in the immediately following paragraph below.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made on the relevant due date or next succeeding Business Day to the Noteholder (or the first named of joint Noteholders) of the Registered Note appearing in the Register at the close of business on the relevant Record Date. Payments of interest on each Registered Note will be made in the relevant currency by cheque drawn on an Account Bank and mailed to the holder (or to the first-named of joint holders) of such Registered Note at its address appearing in the Register. Upon application in writing by the holder in accordance with Condition 13.2 to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by electronic transfer to an account in the relevant currency maintained by the payee with an Account Bank.

6.3 Global Notes

(a) Global Bearer Notes

No payment or delivery falling due after the Exchange Date will be made on any Global Bearer Notes unless exchange for an interest in a Permanent Global Note or for Definitive Bearer Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-US beneficial ownership in the form set out in the Agency Agreement.

(b) CGNs

All payments and deliveries in respect of Bearer Notes in CGN Form will be made against and subject to the condition to settlement, presentation for endorsement and, if no further payment falls to be made in respect of the Global Bearer Notes, surrender of that Global Bearer Note to or to the order of the Issue and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Bearer Note is in CGN Form, a record of each payment or delivery so made will be endorsed on each Global Bearer Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Global Collateralised Medium Term Notes. Conditions 8.1(g) and 11(e) will apply to the Definitive Bearer Notes only.

(c) NGNs

If a Global Bearer Note is a Cleared Note in NGN Form, the Issuer shall procure that details of each such payment shall be entered pro rata in the records of the Relevant Clearing System and, in the case of payments of principal, the nominal amount of Global Collateralised Medium Term Notes recorded in the records of the Relevant Clearing System and represented by the Global Bearer Notes, will be reduced accordingly (if applicable). Payments under the Global Collateralised Medium Term Notes in NGN Form will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the Relevant Clearing System shall not affect such discharge.

(d) Global Registered Notes that are Cleared Notes

Notwithstanding the provisions of Condition 6.2, all payments in respect of Cleared Notes that are represented by a Global Registered Note will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the due date for payment or delivery, for this purpose the Record Date.

(e) Relationship of Accountholders and Relevant Clearing Systems

Each of the persons shown in the records of the Relevant Clearing System as the holder of Global Collateralised Medium Term Notes represented by a Global Note must look solely to the Relevant Clearing System for his share of each payment made by the Issuer to the bearer of such Global Bearer Note or the holder of such Registered Notes, as the case may be, and in relation to all other rights arising under the relevant Global Notes, subject to and in accordance with the Relevant Rules. Such persons shall have no claim directly against the Issuer in respect of payments due on the Global Collateralised Medium Term Notes for so long as the Global Collateralised Medium Term Notes are represented by such Global Notes and such obligations of the Issuer will be discharged by payment to the bearer of such Global Bearer Note or the holder of such Registered Note, as the case may be, in respect of each amount so paid.

(f) Payments through DTC

Payments of principal and interest in respect of Global Registered Notes held by a custodian for, and registered in the name of a nominee of, DTC will, if such Global Registered Notes are denominated in US dollars, be made in accordance with the preceding paragraphs. Payments of principal and interest in respect of Global Registered Notes held by a custodian for, and registered in the name of a nominee of, DTC will, if such Global Registered Notes are denominated in a currency other than US dollars, be made or procured to be made by the Exchange Agent in the relevant currency in accordance with the following provisions. The amounts payable by the Exchange Agent or its agent to DTC with respect to such Global Registered Notes will be received in such currency, from the Issuer by the Exchange Agent. The Exchange Agent will make payments by wire transfer of same day funds to the designated bank account in such currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payments, on or prior to the third DTC business day after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 DTC business days prior to the relevant payment date of principal, to receive that payment in such currency, provided that the Registrar has received the related notification from DTC on or prior to the fifth DTC business day after the Record Date for the relevant payment of interest or at least 10 DTC business days prior to the relevant payment date of principal, in respect of such payment, and the Registrar has accordingly notified the Exchange Agent in accordance with the Agency Agreement. If DTC does not so notify the Registrar, the relevant payment will be made in US dollars. The Exchange Agent, after conversion of amounts in such currency into US dollars, will deliver such US dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such currency. The Agency Agreement sets out the manner in which such conversions are to be made. "**DTC business day**" means any day on which DTC is open for business.

(g) No Responsibility

None of the Issuer or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. None of the persons appearing from time to time in the records of the Relevant Clearing System or the Registrar as the holder of any portion of Global Notes shall have any claim directly against the Issuer in respect of any payment due on the Global Notes, and the Issuer's obligations to make any such payment shall be discharged by payment of the requisite amount to the holder of the Global Bearer Note or the registered holder of the relevant Global Registered Note, as applicable.

6.4 CREST Notes

The Issuer shall procure that all payments in respect of CREST Notes are made to the relevant Noteholder's cash memorandum account (as shown in the Operator register of corporate securities as at the close of business on the CREST Business Day immediately prior to the date for payment) for value on the Relevant Date, such payment to be made in accordance with the CREST Requirements.

Each of the persons shown in the Operator register of corporate securities as the holder of a particular nominal amount of CREST Notes must look solely to the settlement bank or institution at which its cash memorandum account is held for its share of each such payment so made by or on behalf of the Issuer.

6.5 Unmatured Coupons and Unexchanged Talons

(a) Unmatured Coupons and Unexchanged Talons Void

Upon the due date for redemption of any Definitive Bearer Note, unmatured Coupons and unexchanged Talons relating to such Global Collateralised Medium Term Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(b) Requirement for Indemnity

Where any Definitive Bearer Note is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer or Paying Agent may require.

(c) Interest after Redemption

If the due date for redemption of any Definitive Bearer Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Bearer Note. Interest accrued on a Definitive Bearer Note which only bears interest after its date of redemption shall be payable on redemption of such Definitive Bearer Note against presentation thereof.

6.6 Taxes and Settlement Expenses Conditions to Settlement

Payment of any Redemption Amount in connection with the redemption, cancellation or exercise of the Global Collateralised Medium Term Notes shall be subject to deduction, or conditional upon payment by the relevant Noteholder(s), of any applicable Taxes and Settlement Expenses and any other amounts as specified in these Base Conditions or the applicable Final Terms. The Issuer shall notify the Noteholder(s) in accordance with Condition 13 of (a) such applicable Taxes, Settlement Expenses and other amounts payable and (b) the manner in which such amounts shall be paid by the Noteholder(s).

6.7 Payment and Global Collateralised Medium Term Notes

If the date on which any amount is specified as being or is otherwise determined to be, payable in respect of any Global Collateralised Medium Term Note or Coupon is not (i) a Business Day and (ii) in the case of Definitive Notes only, a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in the relevant place of presentation, then payment will not be made until the next succeeding day which is (i) a Business Day and (ii) in the case of Definitive Notes only, also a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in the relevant place of presentation, and the holder thereof shall not be entitled to any further payment in respect of such delay.

6.8 Payment subject to Laws

All payments in respect of the Global Collateralised Medium Term Notes are subject in all cases to any applicable laws, regulations and directives in any jurisdiction (whether by operation of law or agreement of the Issuer (or any accession issuer as permitted under the Agency Agreement), and neither the Issuer nor any permitted accession issuer will be liable for any Taxes of whatsoever nature imposed by such laws, resolutions, directives or agreements, but without prejudice to the provisions of Condition 9.

7. Acceleration Events

Upon the occurrence of an Acceleration Event for a Class, the Global Collateralised Medium Term Notes of such Class will become immediately due and payable at the Early Redemption Amount and the LLP's obligations under the LLP Undertakings with respect to the Global Collateralised Medium Term Notes will similarly become immediately due and payable. In connection therewith, the Applicable Enforcing Party will promptly commence realization upon the Collateral for such Class, in accordance with the Security Agreement. Each of the following events constitutes an Acceleration Event for a Class:

(i) the occurrence of an LLP Event of Default; or

(ii) (x) the occurrence of a Repurchase Event of Default with respect to any Seller under a Repurchase Agreement related to such Class and (y) the occurrence of any of the following:

(a) for any Seller in respect of which an Issuer Collateral Posting Election could be exercised, the Issuer Collateral Posting Election is not validly exercised by the Issuer in accordance with the terms of the relevant Credit Support Deed by 11:00 a.m. (London time) on the Business Day following the occurrence of a Repurchase Event of Default with respect to such Seller;

(b) for any Seller in respect of which an Issuer Collateral Posting Election could be exercised, the Issuer exercises the Issuer Collateral Posting Election and fails to post margin in accordance with the terms of the relevant Credit Support Deed; or

(c) the occurrence of an Issuer Event of Default.

Upon the occurrence of an Acceleration Event, Noteholders who satisfy the criteria set out in the applicable Security Agreement will have the rights of a Qualified Directing Investor on and subject to the terms of such Security Agreement.

8. Agents

8.1 Appointment of Agents

The Issue and Paying Agent, the Paying Agents, the Registrar, the CREST Agent, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Issue and Paying Agent, any other Paying Agent, the Registrar, the CREST Agent, any Transfer Agent or the Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents or an additional or other CREST Agent, provided that the Issuer shall at all times maintain (a) an Issue and Paying Agent, (b) a Registrar in relation to Registered Notes, (c) a Transfer Agent in relation to Registered Notes, (d) one or more Calculation Agent(s) where the Conditions so require, (e) Paying Agents having specified offices in at least two major European cities, (f) such other agents as may be required by any other stock exchange on which the Global Collateralised Medium Term Notes may be listed, (g) to the extent not already satisfied pursuant to (e) or (f), a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive and (h) a CREST Agent in relation to CREST Notes. Notice of any termination of appointment and of any changes to the specified office of any Agent will be given to Noteholders in accordance with Condition 13.

8.2 Modification of Agency Agreement

(a) Global Collateralised Medium Term Notes that are not CREST Notes

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement relating to Global Collateralised Medium Term Notes other than CREST Notes if to do so would not in the opinion of the Issuer be expected to be materially prejudicial to the interests of the Noteholders or if such modification is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of any applicable law or to cure, correct or supplement any defective provision contained therein. Any such modification shall be binding on the Noteholders and shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter, provided that failure to give, or non-receipt of, such notice will not affect the validity or binding nature of such modification.

(b) CREST Notes

The Agency Agreement in respect of CREST Notes may be amended by the Issuer and the CREST Agent without the consent of the holders of CREST Notes (other than in the case of (v)) but subject, where reasonably practicable, to providing prior notice to holders of CREST Notes in accordance with Condition 13, for the purposes of (i) giving effect to any changes in any CREST Requirements, (ii) curing any ambiguity or reflecting any modification to the Conditions pursuant to Condition 17.1, (iii) curing, correcting or supplementing any defective provisions contained therein, (iv) effecting any amendment in any manner which the Issuer and the CREST Agent may mutually deem necessary or desirable that will not materially adversely affect the interests of the holders of CREST Notes or (v) effecting any other amendment with the prior consent of the requisite majority of Noteholders pursuant to Condition 17.2.

8.3 Responsibility of the Issuer and the Agents

The Issue and Paying Agent and the Calculation Agent, as appropriate, shall have no responsibility or liability to any person for errors or omissions in any calculations, determinations made, or actions taken pursuant to the Conditions, and all such calculations and determinations shall (save in the case of manifest error) be final and binding on the Issuer, the Agents and the Noteholders.

Neither the Issuer nor any Agent shall be held responsible for any loss or damage resulting from any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott or lockout or any other similar event or circumstance. The reservation in respect of strikes, blockades, boycotts and lockouts shall also apply if any of such parties itself take such measures or becomes the subject of such measures. Under no circumstances shall the Issuer or any of the Agents be liable to pay compensation to any Noteholder for any loss, damage, liability, cost, claim, action or demand to any Noteholder in the absence of fraud. Furthermore, under no circumstances shall the Issuer or any of the Agents be liable to any Noteholder for loss of profit, indirect loss or damage or consequential loss or damage, notwithstanding it having been pre-advised of the possibility of such loss.

Where the Issuer or any of the Agents, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott or lockout or any other similar event or circumstance, is prevented from effecting payment or delivery, such payment or delivery may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay or deliver any additional amounts in respect of such postponement.

9. Taxation

Except to the extent that the Issuer is required by law to withhold or deduct amounts for or on account of Tax or to the extent otherwise disclosed in the Conditions, a Noteholder must pay all Taxes arising from or payable in connection with the payment of interest, any Interest Amount or the ownership, transfer, sale, redemption, exercise or cancellation of any Global Collateralised Medium Term Note or the payment of any Redemption

Amount and/or any other payment relating to the Global Collateralised Medium Term Notes, as applicable. The Issuer is not liable for, or otherwise obliged to pay amounts in respect of, any such Taxes borne by a Noteholder.

All payments in respect of the Global Collateralised Medium Term Notes shall be made free and clear of, and without withholding or deduction for, any present or future Taxes of whatever nature imposed, levied, collected, withheld or assessed by or within the Bank Jurisdiction (or any authority or political subdivision thereof or therein having power to tax) unless such withholding or deduction is required by law (including FATCA). In that event, the Issuer shall pay such additional amounts ("**Additional Amounts**") as may be necessary in order that the net amounts receivable by the relevant holder after such withholding or deduction shall equal the respective amounts that would have been receivable by such holder in the absence of such withholding or deduction. Notwithstanding the above, no Additional Amounts shall be payable with respect to any Global Collateralised Medium Term Note or Coupon:

(a) to, or to a third party on behalf of, a holder who is liable to such Taxes in respect of such Global Collateralised Medium Term Notes by reason of his having a connection with the Bank Jurisdiction other than the mere holding of the relevant Global Collateralised Medium Term Note or Coupon; or

(b) to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Global Collateralised Medium Term Note or Coupon is presented for payment; or

(c) presented for payment more than 30 calendar days after the Relevant Date, except to the extent that the holder would have been entitled to an Additional Amount on presenting such Global Collateralised Medium Term Note or Coupon for such payment on the last day of such 30-day period; or

(d) where such withholding or deduction is required by FATCA; or

(e) where such withholding or deduction is imposed on a payment to an individual and required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(f) (except in the case of Registered Notes or CREST Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Global Collateralised Medium Term Note or Coupon to another Paying Agent without such deduction or withholding; or

(g) unless it is proved, to the satisfaction of the Issue and Paying Agent or the Paying Agent to whom the Global Collateralised Medium Term Note or Coupon is presented or, in respect of CREST Notes, to the satisfaction of the Issuer, that the holder is unable to avoid such withholding or deduction by satisfying any applicable certification, identification or reporting requirements or by making a declaration of non-residence or other similar claim for exemptions to the relevant tax authorities.

The imposition of any withholding or deduction on any payments in respect of the Global Collateralised Medium Term Notes by or on behalf of the Issuer will be an "**Issuer Tax Event**" if such withholding or deduction is required by law.

References in the Conditions to (I) "**principal**" shall be deemed to include any premium payable in respect of the Global Collateralised Medium Term Notes, Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 4, (II) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (III) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition 9.

10. Prescription

Claims against the Issuer for payment in respect of any Global Collateralised Medium Term Note and/or Coupon (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) of the appropriate Relevant Date in respect of them.

11. Replacement of Global Collateralised Medium Term Notes

Should any Global Collateralised Medium Term Note or Coupon in respect of any Class be lost, stolen, mutilated, defaced or destroyed, it may, subject to all applicable laws, regulations and any Relevant Stock Exchange or any other relevant authority regulations requirements, be replaced at the specified office of the Issue and Paying Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes, or of such other Paying Agent or Transfer Agent, as may be designated from time to time by the Issuer for such purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees, expenses and Taxes incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as the Issuer, Paying Agent or Transfer Agent may require. If any Global Collateralised Medium Term Note, Coupon or Receipt is mutilated or defaced, it must be surrendered before replacements will be issued. This Condition 11 shall not apply to CREST Notes.

12. Unlawfulness or Impracticability

If the Issuer determines that the performance by it or the LLP of any of their respective absolute or contingent obligations under the Global Collateralised Medium Term Notes or Transaction Documents has become illegal or a physical impracticability, in whole or in part, for any reason, the Issuer may redeem or cancel the Global Collateralised Medium Term Notes by giving notice to Noteholders in accordance with Condition 13.

If the Issuer redeems or cancels the Global Collateralised Medium Term Notes, then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Noteholder in respect of each Global Collateralised Medium Term Note held by such Noteholder, which amount shall be the Early Redemption Amount of such Global Collateralised Medium Term Note, notwithstanding such illegality or impracticability as determined by the Calculation Agent in its sole and absolute discretion. Payment will be subject to Conditions 5 and 6 and will be made in such manner as shall be notified to the Noteholders in accordance with Condition 13.

13. Notices

13.1 To Noteholders

All notices to Noteholders will be deemed to have been duly given and valid:

(a) in the case of Bearer Notes, if published in a daily newspaper of general circulation in England (which is expected to be the *Financial Times*) and will be deemed to have been given on the date of first publication; and/or

(b) if and so long as Global Collateralised Medium Term Notes are listed on a Relevant Stock Exchange or are admitted to trading by another relevant authority if given in accordance with the rules and regulations of the Relevant Stock Exchange or other relevant authority and will be deemed to have been given on the first date of transmission or publication in accordance with such rules and regulations; and/or

(c) in the case of Registered Notes, if mailed to the relevant holders of such Registered Notes at their respective designated addresses appearing in the Register and will be deemed delivered on the third weekday (being a day other than a Saturday or a Sunday) after the date of mailing; and/or

(d) in the case of Cleared Notes, in substitution for publication or mailing as required above, notices to Noteholders may be given to the Relevant Clearing System provided that any publication or other

requirements required pursuant to Condition 13.1(b) shall also be complied with if applicable. In such cases, notices will be deemed given on the first date of transmission to the applicable Relevant Clearing System (regardless of any subsequent publication or mailing); and/or

(e) in the case of CREST Notes, if mailed to the relevant holders of such CREST Notes at their respective designated addresses appearing in the Record on the second CREST Business Day immediately prior to despatch of such notice and will be deemed delivered on the third weekday (being a day other than a Saturday or a Sunday) after the date of mailing or in substitution for mailing, if given to the Operator in which case it will be deemed delivered on the first date of transmission to the Operator (regardless of any subsequent mailing).

If any publication required pursuant to Condition 13.1(a) or (b) is not practicable, notice shall be validly given if published in another leading English language daily newspaper with circulation in Europe on the date of first publication.

Holders of Coupons shall be deemed for all purposes to have notice of the contents of any notice given to holders of Bearer Notes in accordance with this Condition 13.

13.2 To the Issuer and the Agents

In respect of any Class of Global Collateralised Medium Term Notes, all notices to the Issuer and/or the Agents must be sent to the address specified for each such entity in the Agency Agreement or to such other person or place as shall be specified by the Issuer and/or the Agent by notice given to Noteholders in accordance with this Condition 13.

13.3 Validity of Notices

Any determinations as to whether any notice is valid, effective and/or duly completed and in the proper form shall be made (a) in the case of Cleared Notes, by the Issuer and the Relevant Clearing System or (b) in the case of any notice in respect of CREST Notes that is given to the Operator, by the Issuer, the CREST Agent and the Operator or (c) in the case of any other Global Collateralised Medium Term Notes by the Issuer, in consultation with the Issue and Paying Agent and shall be conclusive and binding on the Issuer, the Agents and the relevant Noteholder(s).

Any notice determined not to be valid, effective, complete and in proper form shall be null and void unless the Issuer and the Relevant Clearing System, or (in respect of CREST Notes) the Issuer and the Operator, if applicable, agree otherwise. This provision shall not prejudice any right of the person delivering the notice to deliver a new or corrected notice.

The Issuer, Paying Agent, Registrar or Transfer Agent shall use all reasonable endeavours promptly to notify any Noteholder submitting a notice if it is determined that such notice is not valid, effective, complete or in the proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Relevant Clearing System (in respect of CREST Notes), the Operator or any Agent, as the case may be, shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with any notification to a Noteholder or determination that a notice is not valid, effective, complete or in the proper form.

14. Substitution of the Bank

The Bank, acting in its capacity as Issuer of the Global Collateralised Medium Term Notes, shall be entitled at any time, without the consent of the Noteholders, to substitute any other entity, the identity of which shall be in the absolute discretion of the Bank in place of the Bank as Issuer (the "**New Bank Issuer**") or to act as issuer in respect of Global Collateralised Medium Term Notes issued by it, provided that (a) the New Bank Issuer's long-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least the same as Barclays Bank PLC's long-term rating at the date on which the substitution is to take effect or the New Bank Issuer has an equivalent long-term rating from another internationally recognised rating agency, (b) in the case of Global Collateralised

Medium Term Notes eligible for sale in the United States to "qualified institutional buyers" in accordance with Rule 144A of the Securities Act, the New Bank Issuer would not be an "investment company" required to register as such under the Investment Company Act, (c) no acceleration event as set out in Condition 7 shall occur as a result thereof and (d) the New Bank Issuer enters into replacement Programme Documents.

In the event of any such substitution, any reference in the Conditions to the Bank as Issuer shall be construed as a reference to the New Bank Issuer. Such substitution shall be promptly notified to the holders of each Class of Global Collateralised Medium Term Notes then outstanding in accordance with Condition 13. In connection with such right of substitution, the Bank, in its capacity as Issuer, shall not be obliged to have regard to the consequences of the exercise of such right for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with or subject to the jurisdiction of, any particular territory, and no Noteholder shall be entitled to claim from the Bank or the New Bank Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such Noteholder.

15. Governing Law and Jurisdiction

15.1 Governing Law

The Global Collateralised Medium Term Notes and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law.

15.2 Jurisdiction

The Courts of England are to have exclusive jurisdiction to settle any dispute, legal action or proceeding that may arise out of or in connection with any Global Collateralised Medium Term Notes, Coupons and/or the Agency Agreement (including any dispute, legal action or proceeding relating to any non-contractual obligations arising out of or in connection with any Global Collateralised Medium Term Notes, Coupons and/or the Agency Agreement) and accordingly any such dispute, legal action or proceedings arising out of or in connection with them ("**Proceedings**") shall be brought in such courts.

16. Severability

Should any one or more of the provisions contained in the terms and conditions of the Global Collateralised Medium Term Notes be or become invalid, the validity of the remaining provisions shall not be affected in any way.

17. Modification and Meetings

17.1 Modifications to the Conditions

The Issuer may, without the consent of the Noteholders, make any modification to the Conditions of any Global Collateralised Medium Term Notes that in its sole opinion is not materially prejudicial to the interests of the Noteholder or that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the Bank Jurisdiction, or to cure, correct or supplement any defective provision contained herein and/or therein. Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter. Failure to give, or non-receipt of, such notice will not affect the validity of such modification.

Notwithstanding anything to the contrary herein, the Issuer may make any modification to the Conditions of CREST Notes without the consent of the holders of such CREST Notes if such modification is to give effect to any changes in any of the CREST Requirements. Any modification of this type shall, where reasonably practicable, be subject to prior notice of the modification having been given to holders of CREST Notes pursuant to Condition 13.

17.2 Meetings of Noteholders

(a) Definitive Notes in Bearer or Registered Form and CREST Notes

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of the Conditions or the Agency Agreement. At least 21 calendar days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is to be held) specifying the date, time and place of the meeting shall be given to Noteholders.

Such a meeting may be convened by the Issuer or Noteholders holding not less than 10 per cent. in nominal amount of the Global Collateralised Medium Term Notes for the time being outstanding. The quorum at a meeting of the Noteholders (except for the purpose of passing an Extraordinary Resolution (as defined below)) will be two or more persons holding or representing a clear majority in nominal amount of the Global Collateralised Medium Term Notes held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to amend the dates of maturity or redemption of the Global Collateralised Medium Term Notes, any Exercise Date or Maturity Date of the Global Collateralised Medium Term Notes or any date for payment of interest or Interest Amounts on the Global Collateralised Medium Term Notes, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption or exercise of, the Global Collateralised Medium Term Notes, (iii) to reduce the rate or rates of interest in respect of the Global Collateralised Medium Term Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Global Collateralised Medium Term Notes, (iv) if a Minimum and/or a Maximum Rate of Interest is specified in the applicable Final Terms, to reduce any such minimum and/or maximum, (v) to vary any method of, or basis for, calculating any Redemption Amount (other than as provided for in the Conditions), (vi) to vary the currency or currencies of payment or denomination of the Global Collateralised Medium Term Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the quorum shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount for the time being outstanding. The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting and held in accordance with the terms of the Agency Agreement by a majority of at least 75 per cent. of the votes cast. Any Extraordinary Resolution duly passed shall be binding on all the Noteholders, regardless of whether they are present at the meeting, save for those Global Collateralised Medium Term Notes that have not been redeemed but in respect of which an Exercise Notice shall have been delivered as described in Condition 4.2 prior to the date of the meeting. Global Collateralised Medium Term Notes that have not been redeemed but in respect of which an Option Exercise Notice has been delivered as described in Condition 4.2 will not confer the right to attend or vote at, or join in convening, or be counted in the quorum for, any meeting of the Noteholders.

(b) Global Notes in Bearer or Registered Form

The holder of a Permanent Global Note shall (unless such Permanent Global Note represents only one Global Collateralised Medium Term Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the relevant Currency of the Global Collateralised Medium Term Note.

18. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Noteholders or holders of Coupons, if applicable, to create and issue further Global Collateralised Medium Term Notes of any Class having the same terms and conditions as the Global Collateralised Medium Term Notes (so that, for the avoidance of doubt, references to "**Issue Date**" in these Base Conditions shall be to the first issue date of the Global Collateralised Medium Term Notes) and so that the same shall be consolidated and form a single Series with such Global

Collateralised Medium Term Notes. References in the Conditions to "Global Collateralised Medium Term Notes" shall be construed accordingly.

19. Purchases and Cancellations

The Issuer and any of its subsidiaries may at any time purchase Global Collateralised Medium Term Notes (provided that all unmatured Coupons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

All Global Collateralised Medium Term Notes so purchased by or on behalf of the Issuer or any of its subsidiaries may (but need not) be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Global Collateralised Medium Term Note together with all unmatured Coupons to the Issue and Paying Agent and, in the case of Registered Notes, by surrendering the Definitive Registered Notes or Global Registered Notes representing such Registered Notes to the Registrar and, in each case, if so surrendered, shall, together with all Global Collateralised Medium Term Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons attached thereto or surrendered therewith). Any Global Collateralised Medium Term Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Global Collateralised Medium Term Notes shall be discharged.

Notwithstanding anything to the contrary above, all CREST Notes so purchased by or on behalf of the Issuer or any of its subsidiaries may (but need not) be cancelled by agreement between the Issuer and the CREST Agent, provided that such cancellation shall be in accordance with the CREST Requirements in effect at the relevant time. Any CREST Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such CREST Notes shall be discharged.

Cancellation of Global Collateralised Medium Term Notes represented by a Permanent Global Note (other than upon its redemption) will be effected by a reduction in the nominal amount of the relevant Permanent Global Note.

20. Non Petition and Limited Recourse

Each party to the Agency Agreement and, by its purchase of a Global Collateralised Medium Term Note, each Noteholder will be deemed to have agreed and acknowledged that: it shall not institute against the LLP any winding-up, administration, insolvency or similar proceeding so long as any sum is outstanding under the Series for two years plus one day since the last day on which any such sum was outstanding.

Each party to the Agency Agreement and, by its purchase of a Global Collateralised Medium Term Note, each Noteholder will be deemed to have agreed and acknowledged to each of the LLP and the Applicable Enforcing Party that, notwithstanding any other provision of the Agency Agreement, a Note, the LLP Undertakings or any other Transaction Document, all obligations of the LLP (if any) to such party, including the Secured Obligations, are limited in recourse as set forth below:

(i) each party to the Agency Agreement and each Noteholder agrees that it will have a claim only in respect of the related Collateral for the relevant Class of Global Collateralised Medium Term Notes and will not have any claim, by operation of law or otherwise, against, or recourse to, any of the LLP's other assets or its contributed capital;

(ii) sums payable to any party to the Agency Agreement and any Noteholder in respect of the LLP's obligations to such party shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such party and (b) the aggregate amounts received, realised or otherwise recovered by or for the account of the LLP in respect of the related Collateral for the relevant Class of Global Collateralised Medium Term Notes whether pursuant to enforcement of the security interests created hereunder or otherwise, net of any sums which are payable by the LLP in accordance with the Priorities of Payments for the related Class in priority to or *pari passu* with sums payable to such party; and

(iii) notwithstanding anything to the contrary contained in the Agency Agreement, all obligations of the LLP shall be payable by the LLP only to the extent of funds available pursuant to the Priorities of Payments with respect to the related Class and, to the extent such funds are not available or are insufficient for the payment thereof, shall not constitute a claim against the LLP to the extent of such unavailability or insufficiency until such time as the LLP has assets sufficient to pay such prior deficiency in accordance with such Priorities of Payment, and upon notice of the Applicable Enforcing Party that it has determined in its sole opinion that there is no reasonable likelihood of there being any further realizations in respect of the related Collateral (whether arising from an enforcement of the security interest created under the Security Agreement related to such Collateral or otherwise) which would be available to pay unpaid amounts outstanding under the LLP Undertakings, any such unpaid amounts shall be discharged in full.

The undertakings set forth in this Condition 20 shall survive the termination of the Agency Agreement.

21. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Global Collateralised Medium Term Notes under the Contracts (Rights of Third Parties) Act 1999.

22. Definitions

"**Acceleration Event**" means each of the events set out in Condition 7 with respect to a given Class of Global Collateralised Medium Term Notes.

"**Account Bank**" means, in relation to a payment denominated in a particular currency, a bank in the principal financial centre for such currency as determined by the Calculation Agent or, where the relevant payment is denominated in euro, in a city in which banks have access to the TARGET System.

"**Additional Business Centre**" means each centre specified as such in the applicable Final Terms.

"**Additional Disruption Event**" means, with respect to a Class of Global Collateralised Medium Term Notes, each of Change in Law, Currency Disruption Event and Issuer Tax Event.

"**Additional Purchased Securities**", with respect to a Class, has the meaning set forth in the related Repurchase Agreement.

"**Administration Agreement**" means the Administration Agreement, dated November 10, 2010, between the LLP, the Issuer and the Administrator, as amended and/or supplemented and/or restated.

"**Administrator**" means Barclays, in its capacity as Administrator under the Administration Agreement, together with any replacement or successor Administrator appointed from time to time.

"**Affiliate**" means another entity that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with such entity. For purposes of this definition, the term "control" means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through the ability to exercise voting power, by contract or otherwise. An entity shall be deemed to be controlled by another entity if such other entity possesses, directly or indirectly, the power to elect a majority of the board of directors or equivalent body of the first entity.

"**Agency Agreement**" means (a) the English law governed Master Agency Agreement dated the Series Closing Date, as amended and/or supplemented and/or restated, between the Bank and certain agents or (b) in respect of CREST Notes, such CREST Agency Agreement as the Issuer may elect to enter.

"**Aggregate Nominal Amount**" means, in respect of a Class of Global Collateralised Medium Term Notes, on the Issue Date, the aggregate nominal amount of the Notes of such Class specified in the applicable Final Terms

and on any date thereafter such amount as reduced by any amortisation or partial redemption on or prior to such date.

"**Amendment Closing Date**" means 24 September 2013.

"**Applicable Enforcing Party**" means the Security Trustee with respect to the Security Agreement (English Law) or the Collateral Agent with respect to the Security Agreement (New York Law).

"**Bank Jurisdiction**" means, at any time, the jurisdiction of incorporation of the Bank or any New Bank Issuer substituted therefor in accordance with Condition 14.

"**Bank of England Base Rate**" means, unless specified otherwise in the applicable Final Terms, the most recent published rate for deposits for a period equal to the Designated Maturity which appears on the Reuters Page UKBASE as of 5:00 p.m., London time, on the relevant Interest Determination Date or, if such page is not available, such replacement page as the Calculation Agent shall select, or if the Calculation Agent determines no suitable replacement page exists, the rate as determined by the Calculation Agent in good faith and a commercially reasonable manner.

"**Banking Day**" means, in respect of any city, any day (other than a Saturday or a Sunday) on which commercial banks are generally open for business, including dealings in foreign exchange and foreign currency deposits in that city.

"**Barclays**" means Barclays Bank PLC, a public limited company registered in England and Wales under company number 1026167 having its registered office at 1 Churchill Place, London E13 5HP.

"**Barclays GMRA**" means the Global Master Repurchase Agreement, dated as of the Series Closing Date, between Barclays and the LLP, as amended and/or supplemented and/or restated.

"**Barclays MRA**" means the MRA, dated on or about the Amendment Closing Date, entered into between Barclays and the LLP, as amended and/or supplemented and/or restated.

"**BCI**" means Barclays Capital Inc., a corporation incorporated under the laws of the state of Connecticut, having its registered office at 745 Seventh Avenue, New York, New York 10019.

"**BCI GMRA**" means the GMRA, if any, entered into between BCI and the LLP, as amended and/or supplemented and/or restated.

"**BCI MRA**" means the MRA, dated on or about the Amendment Closing Date, entered into between BCI and the LLP, as amended and/or supplemented and/or restated.

"**BCSL**" means Barclays Capital Securities Limited, a private limited company with registered number 01929333 incorporated under the laws of England and Wales, having its registered office at 1 Churchill Place, London E14 5HP.

"**BCSL GMRA**" means the Global Master Repurchase Agreement, dated on or about the Amendment Closing Date, entered into between BCSL and the LLP, as amended and/or supplemented and/or restated.

"**Business Day**" means a day which is each of:

(a) a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in London, New York City and any Additional Business Centre specified in the applicable Final Terms;

(b) in respect of Cleared Notes, a Clearing System Business Day for the Relevant Clearing System;

(c) in relation to any sum payable in a Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in the principal financial centre of the country of the relevant Currency (if other than London and any Additional Business Centre specified in the applicable Final Terms);

(d) in relation to any sum payable in euro, a TARGET Business Day and a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments generally in London and any Additional Business Centre; and

(e) in respect of CREST Notes, a CREST Business Day.

"**Business Day Convention**" means any of the business day conventions specified in Condition 5.4.

"**C Rules**" means the requirements under U.S. Treasury Regulations section 1.163-5(c)(2)(i)(C) and any successor regulations or rules in substantively the same form for purposes of section 4701 of the U.S. Internal Revenue Code.

"**Calculation Amount**" means the Specified Denomination of such Global Collateralised Medium Term Note unless a Calculation Amount per Global Collateralised Medium Term Note is specified in the applicable Final Terms, in which case it shall be such Calculation Amount per Global Collateralised Medium Term Note.

"**Change in Law**" means that, on or after the Trade Date (a) due to the adoption or announcement of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in or public announcement of the formal or informal interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that (i) the Issuer or any of its Affiliates will incur a materially increased cost in performing their obligations under such Global Collateralised Medium Term Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on their tax position), or (ii) the Issuer or any of its Affiliates will be subjected to materially less favourable regulatory capital treatment with respect to the Global Collateralised Medium Term Notes and any related Repurchase Transactions, as compared with the regulatory capital treatment applicable to the Global Collateralised Medium Term Notes and any related Repurchase Transactions as at the Trade Date. For the avoidance of doubt, for the purposes of the foregoing, "any applicable law or regulation" shall include the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, any rules and regulations promulgated thereunder and any similar law or regulation (collectively, the "**Wall Street Act**"), and any consequences of a Change in Law as set out herein shall apply to any Change in Law arising from any such act, rule or regulation. Furthermore, any additional capital charges or other regulatory capital requirements imposed in connection with the Wall Street Act, if material, shall constitute "a materially increased cost in performing its obligations under such Transaction" for the purposes of (b)(i) of this definition.

"**Class**" means the Global Collateralised Medium Term Notes of each original issue together with the Global Collateralised Medium Term Notes of any further issues expressed to be consolidated to form a single Class with the Global Collateralised Medium Term Notes of an original issue.

"**Cleared Notes**" means any Global Collateralised Medium Term Notes that are Global Notes held by a Common Depositary, Common Safekeeper or custodian for, or registered in the name of a nominee of, a Relevant Clearing System.

"**Clearing System Business Day**" means, in respect of a Relevant Clearing System, any day on which such Relevant Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

"**Clearstream**" means Clearstream Banking, *société anonyme* and any successor thereto.

"**Clearstream Rules**" means the Management Regulations of Clearstream and the Instructions to Participants of Clearstream, as may be from time to time amended, supplemented or modified.

"**CMMA**" means (i) the Collateral Management Master Agreement, dated as of 19 April 2007 by and between BCSL, as collateral provider, and The Bank of New York Mellon, (ii) the Collateral Management Master Agreement, dated as of 19 April 2007 by and between the Bank, as collateral provider, and The Bank of New York Mellon, (iii) the Collateral Management Master Agreement, dated as of 4 June 2013 by and between the LLP, as collateral receiver, and The Bank of New York Mellon, each as supplemented and otherwise amended by the side letter, dated 4 June 2013, between The Bank of New York Mellon and the LLP and (iv) any other Collateral Management Master Agreement, entered into by any Seller (other than BCSL or the Bank) and The Bank of New York Mellon, as the context may require.

"**CMSA**" means (i) the Collateral Management Service Agreement, dated on or about the Series Closing Date, as amended by the Undertaking and Side Agreement, between the LLP and Clearstream Banking, société anonyme, , (ii) the Collateral Management Service Agreement, dated as of 6 November 2006, as amended by the undertaking and side agreement dated as of 4 June 2013, between Barclays and Clearstream Banking, société anonyme, , and/or (iii) the Collateral Management Service Agreement, entered into between any Seller (other than Barclays) and Clearstream Banking, société anonyme, as the context may require.

"**Collateral**", with respect to a Class, has the meaning set forth in the related Security Agreement.

"**Collateral Administration Agreement**" means the Collateral Administration Agreement, dated on or about the Series Closing Date, among the Issuer, the Administrator, the LLP and the Collateral Administrator, as amended and/or supplemented and/or restated.

"**Collateral Administrator**" means The Bank of New York Mellon, in its capacity as collateral administrator under the Collateral Administration Agreement, together with any replacement or successor collateral administrator appointed from time to time.

"**Collateral Agent**" means The Bank of New York Mellon, in its capacity as collateral agent under the Security Agreement (New York Law), together with any replacement or successor collateral agent appointed therein from time to time;

"**Common Depositary**" means, in relation to a particular Class of Global Collateralised Medium Term Notes, whether listed on any Relevant Stock Exchange or elsewhere, such depositary outside the United States (and the possessions of the United States) as shall be specified in the applicable Final Terms with respect to such Class of Global Collateralised Medium Term Notes.

"**Conditions**" means, with respect to a Class of Global Collateralised Medium Term Notes, the terms and conditions of the Global Collateralised Medium Term Notes set out in the Base Conditions, read in conjunction with the provisions of the applicable Final Terms.

"**Confirmation**", with respect to any Repurchase Agreement, has the meaning set forth therein.

"**Credit Support Deed**" means any Credit Support Deed between the LLP and the Issuer related to the Issuer Collateral Posting Election, as amended and/or supplemented and/or restated.

"**CREST**" means the system for the paperless settlement of trades and the holding of uncertificated Global Collateralised Medium Term Notes operated by the Operator in accordance with the Uncertificated Regulations, as amended from time to time.

"**CREST Business Day**" means any day on which CREST is open for the acceptance and execution of settlement instructions.

"**CREST Deed Poll**" means a global deed poll dated June 25, 2001 (as subsequently modified, supplemented and/or restated).

"**CREST Depository**" means CREST Depository Limited or any successor thereto.

"**CREST Requirements**" has the meaning given to such term in Condition 1.4(i).

"**CREST Note**" means a Global Collateralised Medium Term Note which is specified as a CREST Note in the applicable Final Terms and that is issued and held in uncertificated registered form in accordance with the Uncertificated Regulations.

"**Currency**" means, with respect to a country, the lawful currency of such country.

"**Currency Disruption Event**" means, with respect to a Class of Global Collateralised Medium Term Notes, the occurrence or official declaration of an event impacting one or more Currencies that the Issuer, in its sole and absolute discretion, determines would materially disrupt or impair its ability to meet its obligations in the Currency of such Global Collateralised Medium Term Notes or otherwise settle, clear, or hedge such Class of Global Collateralised Medium Term Notes.

"**Custodial Agreement**" means (i) the CMMA, for as long as it remains in effect in accordance with its terms, (ii) the CMSA, for as long as it remains in effect in accordance with its terms (iii) each Custodial Undertaking, for as long as it remains in effect in accordance with its terms, (iv) each Custodial Arrangement, for as long as it remains in effect in accordance with its terms and/or (v) any other agreements executed by the LLP with a custodian in connection with the Notes, for as long as such agreements remain in effect in accordance with their terms, in each case as the context may require.

"**Custodial Arrangement**" means (i) the custodial undertaking, dated on or about the Amendment Closing Date, in relation to the BCI MRA, among the LLP, BCI, as Seller, and JPMorgan Chase Bank, N.A., as Custodian (including any side letter related thereto), (ii) the custodial undertaking, dated on or about the Amendment Closing Date, in relation to the Barclays MRA, among the LLP, Barclays, as Seller, and JPMorgan Chase Bank, N.A., as Custodian (including any side letter related thereto) and (iii) each other custodial arrangement (including any side letter related thereto) in relation to one or more of the Barclays GMRA, BCI GMRA (if any), or BCSL GMRA entered into on or after the Amendment Closing Date, among JPMorgan Chase Bank, N.A., as a Custodian, the LLP as buyer, and the applicable Seller, as seller, each as amended and/or supplemented and/or restated.

"**Custodial Undertaking**" means (i) the custodial undertaking, dated as of 19 November 2010, as amended and restated on 21 October 2011, among the LLP, BCI as a Seller, and The Bank of New York Mellon as a Custodian and (ii) the custodial undertaking, dated on or about the Amendment Closing Date, among the LLP, the Bank as a Seller, and The Bank of New York Mellon as a Custodian.

"**Custodian**" means, as the context may require, (i) The Bank of New York Mellon, (A) in its capacity as custodian under the applicable Custodial Undertaking, the CMMA and the ICPE Collateral Account Agreement, if any, together with any replacement or successor custodian appointed from time to time and (B) in its capacity as custodian under the Custody Agreement, together with any replacement or successor custodian appointed from time to time and The Bank of New York Mellon SA NV in its capacity as sub-custodian as referred to in the Custody Agreement and Transaction Bank under the Transaction Bank Relationship Management Agreement, (ii) Clearstream Banking, société anonyme in its capacity as custodian under the CMSA, together with any replacement or successor custodian appointed from time to time, (iii) JPMorgan Bank, N.A., in its capacity as custodian under each Custodial Arrangement, together with any replacement or successor custodian appointed under that agreement from time to time and/or (iv) any other party appointed by the LLP and a Seller in connection with the Notes and any Repurchase Agreement, together with any replacement or successor custodian appointed from time to time, as the context may require.

"**Custody Agreement**" means the Custody Agreement dated as of the Series Closing Date, as amended and restated by the Deed of Amendment and Restatement dated as of 21 December 2012, entered into by and between

the LLP as security provider, The Bank of New York Mellon (London Branch), as a custodian, and The Bank of New York Mellon, as Security Trustee, as amended and/or supplemented and/or restated.

"**D Rules**" means the requirements under U.S. Treasury Regulations section 1.163-5(c)(2)(i)(D) and any successor regulations or rules in substantively the same form for purposes of section 4701 of the U.S. Internal Revenue Code.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Global Collateralised Medium Term Note for any period of time (whether or not constituting an Interest Calculation Period, the "**Calculation Period**"):

(a) if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms, a fraction equal to "number of days accrued/number of days in year", as such terms are used in Rule 251 of the statutes, by-laws, rules and recommendations of the International Capital Market Association (the "**ICMA Rule Book**"), calculated in accordance with Rule 251 of the ICMA Rule Book as applied to non US dollar denominated straight and convertible bonds issued after 31 December 1998, as though the interest coupon on a bond were being calculated for a coupon period corresponding to the Calculation Period in respect of which payment is being made;

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

(c) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of calendar days in the Calculation Period divided by 365;

(d) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of calendar days in the Calculation Period divided by 360;

(e) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of calendar days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \left(\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360} \right)$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period unless such number would be 31, in which case D1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(f) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of calendar days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \left(\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360} \right)$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period unless such number would be 31, in which case D1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless such number would be 31, in which case D2 will be 30;

(g) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of calendar days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \left(\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360} \right)$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

"**Dematerialised Instruction**" means, with respect to CREST Notes, an instruction sent by (or on behalf of) a Noteholder to the Operator in accordance with the rules, procedures and practices of the Operator and CREST in effect at the relevant time.

"**Deposit Account Control Agreement**", with respect to any Class, has the meaning set forth in the Security Agreement (New York Law).

"**Designated Maturity**" means, in respect of a Reference Rate, the period of time specified in respect of such Reference Rate in the applicable Final Terms.

"**Distribution Compliance Period**" means, subject to the applicable Final Terms, the period that ends 40 calendar days after the completion of the distribution of each Class of Global Collateralised Medium Term Notes, as

certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant lead Dealer (in the case of a syndicated issue).

"**DTC**" means The Depository Trust Company or any successor thereto.

"**Early Redemption Amount**" means, for the purpose of Condition 3.4, Condition 4.4, Condition 7 or Condition 12, an amount per Calculation Amount determined by the Calculation Agent as follows:

(i) in the case of a Global Collateralised Medium Term Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

(ii) in the case of a Zero Coupon Global Collateralised Medium Term Note, at an amount (the "**Amortised Face Amount**") equal to the sum of:

(a) the Reference Price set forth in the applicable Final Terms; and

(b) the product of the Accrual Yield (compounded annually) set forth in the applicable Final Terms being applied to the Reference Price set forth in the applicable Final Terms from (and including) the Issue Date of the first Class of the Global Collateralised Medium Term Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Global Collateralised Medium Term Note becomes due and repayable,

(iii) in the case of a Global Collateralised Medium Term Note with an issue price of less than 100.00 per cent. of the Aggregate Nominal Amount, at an amount equal to the sum of (a) the Issue Price; and (b) the product of the Accrual Yield (compounded annually) being applied to the Issue Price from (and including) the Issue Date to (but excluding) the date upon which such Global Collateralised Medium Term Note becomes due and repayable.; or

(iv) such other amount as is provided in the applicable Final Terms,

taking into account any Early Redemption Costs (which, for the avoidance of doubt, will reduce the Early Redemption Amount).

Where such calculation is to be made for a period which is not a whole number of years, it shall be made (i) in the case of a Global Collateralised Medium Term Note payable in a Specified Currency other than euro, on the basis of a 360-day year consisting of 12 months of 30 days each; (ii) in the case of a Global Collateralised Medium Term Note payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (x) the number of those days falling in a leap year divided by 366 and (y) the number of those days falling in a non leap year divided by 365); or (iii) in the case of a Global Collateralised Medium Term Note with an issue price of less than 100.00 per cent. of the Aggregate Nominal Amount, on an Actual/360 basis.

"**Early Redemption Costs**" means an amount per Global Collateralised Medium Term Note equal to the pro rata share of the total amount of any and all costs, charges, taxes, expenses and duties associated or incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with such early redemption, including, without limitation, any costs, charges, taxes, expenses and duties associated with terminating, liquidating, obtaining or re-establishing any hedge or related trading position or any other financial instruments or transactions entered into by the Issuer in connection with the Global Collateralised Medium Term Notes (including, but not limited to, hedge termination costs (if any), funding breakage costs (if any) and associated costs of funding, whether actual or notional), together with costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, all as determined by the Calculation Agent. In determining such amount, the Calculation Agent may take into account prevailing market prices and/or proprietary pricing models or, where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

"**Early Redemption Date**" means the last day of the relevant Early Redemption Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

"**Early Redemption Notice**" has the meaning given to it in Condition 4.3.

"**Early Redemption Notice Period**" has the meaning given to it in Condition 4.4(b).

"**Equivalent Margin Securities**" has the meaning set forth in each Repurchase Agreement.

"**Equivalent Securities**" means Eligible Securities equivalent to Purchased Securities.

"**Established Rate**" means the rate for the conversion of pound sterling (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty establishing the European Community, as amended.

"**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

"**Euroclear**" means Euroclear Bank S.A./N.V or any successor thereto.

"**Euroclear Rules**" means the terms and conditions governing the use of Euroclear and the operating procedures of Euroclear, as may be amended, supplemented or modified from time to time.

"**Euro-zone**" means the region comprising of member states of the European Union that have adopted the euro as the single currency in accordance with the Treaty establishing the European Community, as amended.

"**Exchange Business Day**" has the meaning given to it in the applicable Final Terms.

"**Exchange Date**" means, in relation to a Temporary Global Note, the calendar day falling after the expiry of 40 calendar days after its issue date and, in relation to a Permanent Global Note, a calendar day falling not less than 60 calendar days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issue and Paying Agent is located and (if applicable) in the city in which the Relevant Clearing System is located.

"**Exchange Event**" means in respect of Cleared Notes, that the Issuer has been notified that any Relevant Clearing System have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available.

"**Exchange Notice**" has the meaning given to it in Condition 1.2(d).

"**Exchange Rate**" means the rate of exchange of the Currency of one country for the Currency of another country, as determined by the Calculation Agent unless otherwise specified in the applicable Final Terms.

"**Extension Option Exercise Date**" means each date that is specified as such in the applicable Final Terms or, if no date is specified, each date that is a Business Day within the Extension Option Exercise Period.

"**Extension Option Exercise Notice**" has the meaning given to such term in Condition 4.5.

"**Extension Option Exercise Period**" means the period specified as such in the applicable Final Terms or, if no such period is specified, the period from (but excluding) the Issue Date to (but excluding) the fifteenth Business Day preceding the Maturity Date.

"**Extension Option Notice Period**" has the meaning given to such term in Condition 4.5.

"**Extension Option Notice Period Number**" means, in respect of a Class of Global Collateralised Medium Term Notes, 15 (or, in relation to an Extension Option which is validly exercised following a valid exercise of a Put Option but prior to the Optional Redemption Date for such Put Option, the number of days remaining in the Put Notice Period for such Put Option) unless otherwise specified in the applicable Final Terms.

"**Extraordinary Resolution**" means a resolution passed in accordance with the Agency Agreement relating to the relevant Global Collateralised Medium Term Notes.

"**Final Redemption Amount**" means an amount per Calculation Amount (determined as at the Maturity Date) in the Currency specified, or determined in the manner specified for such purpose, in the applicable Final Terms.

"**FATCA**" means sections 1471 through 1474 of the U.S. Internal Revenue Code, U.S. Treasury Regulations thereunder, any agreement entered into by the Issuer, a paying agent or an intermediary with the IRS pursuant to such U.S. Internal Revenue Code sections, and any intergovernmental agreement concluded by the United States with another country (such as the country of residence of the Issuer, a paying agent or an intermediary) facilitating the implementation thereof or law implementing such agreement.

"**Final Terms**" means, with respect to a Class of Global Collateralised Medium Term Notes, the final terms specified as such for such Global Collateralised Medium Term Notes.

"**GCMTN Series Documents**" means the Agency Agreement, the Security Agreements, the Collateral Administration Agreement, the LLP Undertakings, each relevant Repurchase Agreement, the Custodial Agreements, the Dealer Agreement, the Transaction Bank Agreement, the Custody Agreement, the ICPE Collateral Account Agreement, if any, the GCMTN Deed of Covenant, the Credit Support Deed, if any, the Securities Account Control Agreements and the Deposit Account Control Agreement, together with any other documents, agreements or instruments executed in connection therewith.

"**Global Collateralised Medium Term Notes**" means any Global Collateralised Medium Term Notes which may from time to time be issued under the Series. Unless the context otherwise requires, any reference to a "Global Collateralised Medium Term Note" shall be deemed to refer to a Global Collateralised Medium Term Note having a nominal amount equal to the relevant Specified Denomination.

"**ICPE Collateral Account Agreement**" means (i) any ICPE Collateral Account Agreement, as amended and/or supplemented and/or restated, to be entered into between the Issuer, the LLP and The Bank of New York Mellon, as the Custodian, with respect to all or any portion of the Repurchase Transactions having a Seller other than the Issuer or BCSL and/or (ii) any additional or replacement agreement therefor entered into by the Issuer in connection with an Issuer Collateral Posting Election, as the context may require.

"**Insolvency Event**" means, with respect to any person (i) such person is unable or admits its inability to pay its debts as they fall due, or suspends making payments on any of its debts; or (ii) the value of the assets of such person is less than the amount of its liabilities, taking into account its contingent and prospective liabilities; or (iii) a moratorium is declared with respect to any indebtedness of such person; or (iv) the commencement of negotiations with one or more creditors of such person with a view to rescheduling any indebtedness of such person; or (v) any corporate action, legal proceedings or other procedure or step is taken in relation to (1) the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official in relation to such person or in relation to the whole or any part of the undertaking or assets of such person; or (2) an encumbrancer (excluding, in relation to the Applicable Enforcing Party for any Series) taking possession of all or substantially all of the undertaking or assets of such person; or (3) the making of an arrangement, composition, or compromise, (whether by way of voluntary arrangement, scheme of arrangement or otherwise) with any creditor of such person, a reorganization of such person, a conveyance to or assignment for the creditors of such person generally or the making of an application to a court of competent jurisdiction for protection from the creditors of such person generally; or (4) any distress, execution, attachment or other process being levied or enforced or imposed upon or against all or substantially all of the undertaking or assets of such person (excluding, in relation to

the Issuer, by any receiver); or (vi) such person is not Solvent; or (vii) any procedure or step is taken, or any event occurs, analogous to those set forth in (i) to (vi) of this definition, in any jurisdiction.

"**Intercompany Loan Agreement**" means the Intercompany Loan Agreement, dated on or about the Initial Closing Date, between the Issuer, the Administrator and the LLP, as amended and/or supplemented and/or restated.

"**Interest Amount**" means, in respect of an Interest Calculation Period, the amount of interest payable per Calculation Amount (determined as at the first day of such Interest Calculation Period unless otherwise specified in the applicable Final Terms) for that Interest Calculation Period.

"**Interest Calculation Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the next succeeding Interest Period End Date and each successive period beginning on (and including) an Interest Period End Date and ending on (but excluding) the next succeeding Interest Period End Date.

"**Interest Commencement Date**" means, in respect of any interest bearing Global Collateralised Medium Term Note, the Issue Date or such other date as may be set out in the applicable Final Terms.

"**Interest Determination Date**" means, with respect to an Interest Rate and an Interest Calculation Period, the date specified as such in the applicable Final Terms or, if none is so specified:

(a) the first day of such Interest Calculation Period, if the Relevant Currency is sterling;

(b) the date falling two TARGET Business Days prior to the first day of such Interest Calculation Period, if the Relevant Currency is euro; or

(c) in any other case, the date falling two London Banking Days prior to the first day of such Interest Calculation Period,

provided that if "Arrears Setting" is specified as applicable in the applicable Final Terms, the Interest Determination Date in respect of each Interest Calculation Period shall be the first day of the next following Interest Calculation Period or, in the case of the final Interest Calculation Period, the Maturity Date, in each case as determined by the Calculation Agent.

"**Interest Period End Date**" means each date specified as such or, if none, each Interest Payment Date, provided that if an Interest Period End Date is specified not to be adjusted or the Interest Rate is Fixed Rate and an adjustment method is not specified, the Interest Period End Date will be each date specified as such or, if none, each Interest Payment Date disregarding any adjustment in accordance with any applicable Business Day Convention.

"IRS" means the U.S. Internal Revenue Service.

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

"**ISDA Definitions**" means the 2006 ISDA Definitions, published by ISDA, as amended and updated as at the Issue Date of the Global Collateralised Medium Term Notes.

"**ISDA Rate**" means, in respect of an Interest Calculation Period, a rate as determined by the Calculation Agent equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(a) the Floating Rate Option is as specified in the applicable Final Terms;

(b) the Designated Maturity is the period specified in the applicable Final Terms; and

(c) the relevant Reset Date is the first day of that Interest Calculation Period unless otherwise specified in the applicable Final Terms,

where, for the purposes of this definition, "**Floating Rate**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions and "**Calculation Agent**" shall have the meaning given to the term "Calculation Agent" in the ISDA Definitions and the Calculation Agent for this purpose shall be the Calculation Agent specified in the Final Terms.

"**Issue Price**" means the price specified as such in the applicable Final Terms.

"**Issuer**" means the Bank.

"Issuer Event of Default" means each of the following events:

(a) the Issuer fails to pay any portion of the face amount or principal or interest, if any, with respect to any of the Global Collateralised Medium Term Notes on the due date with respect thereto;

(b) the occurrence of a Repurchase Event of Default under any Repurchase Agreement between the LLP and the Issuer; or

(c) the occurrence of an Insolvency Event with respect to the Issuer.

"**Issuer Collateral Posting Election**" has the meaning set forth in the Credit Support Deed.

"**Issuer Make-Whole Redemption Notice Period**" has the meaning given to such term in Condition 4.7.

"**Issuer Notice Period**" has the meaning given to such term in Condition 4.3.

"**Issuer Notice Period Number**" means, in respect of a Class of Global Collateralised Medium Term Notes, 15 (or, in relation to a Call Option which is validly exercised following a valid exercise of a Put Option but prior to the Optional Redemption Date for such Put Option, the number of days remaining in the Put Notice Period for such Put Option) unless otherwise specified in the applicable Final Terms.

"**Issuer Option Exercise Date**" means, if applicable, with respect to a "Call Option", each date that is specified as such in the applicable Final Terms or, if no date is specified, each date that is a Business Day within the Issuer Option Exercise Period.

"**Issuer Option Exercise Period**" means the period specified as such in the applicable Final Terms or, if no such period is specified, the period from (but excluding) the Issue Date to (but excluding) the Maturity Date.

"**Issuer Tax Event**" has the meaning given to it in Condition 9 unless otherwise specified in the applicable Final Terms.

"**Linear Interpolation**" means the straight-line interpolation by reference to two rates based on the relevant ISDA Rate or Screen Rate (as applicable), one of which will be determined as if the Specified Duration were the period of time for which rates are available next shorter than the length of the affected Interest Calculation Period and the other of which will be determined as if the Specified Duration were the period of time for which rates are available next longer than the length of such Interest Calculation Period.

"**Liquidation Member**" means Barclays Shea Limited, a company incorporated in England and Wales as a private limited company (registered number 7419590).

"**LLP Deed**" means the Limited Liability Partnership Deed, dated on or about the Initial Closing Date, between the LLP, the Issuer, the Administrator and the Liquidation Member, as amended and/or supplemented and/or restated.

"**LLP Event of Default**" means each of the following events:

(a) the occurrence of an Insolvency Event with respect to the LLP; or

(b) commencement of winding-up proceedings against the LLP in accordance with the applicable provisions of the LLP Deed.

"**LLP Undertaking (English Law)**" means the LLP Undertaking, dated on or about the Series Closing Date, executed by the LLP in favour of the Security Trustee for the benefit of the holders of the Notes.

"**LLP Undertaking (New York Law)**" means the LLP Undertaking, dated on or about the Amendment Closing Date, executed by the LLP in favour of the Collateral Agent for the benefit of the holders of the Notes.

"**LLP Undertaking**" means the LLP Undertaking (English Law) or the LLP Undertaking (New York Law), as applicable.

"**London Stock Exchange**" means London Stock Exchange plc.

"**Make-Whole Redemption Amount**" has the meaning given to such term in Condition 4.7.

"**Make-Whole Redemption Date**" has the meaning given to such term in Condition 4.7.

"**Margin**" means the percentage rate specified as such in the applicable Final Terms.

"**Margin Transfer**" has the meaning set forth in each Repurchase Agreement.

"**Maturity Date**" means, in respect of any Class of Global Collateralised Medium Term Notes, the date specified as such in the applicable Final Terms.

"**Nominal Amount**" means the amount per Global Collateralised Medium Term Note specified as such in the applicable Final Terms, subject to adjustment in accordance with the Conditions of the Global Collateralised Medium Term Note.

"**Operator**" has the meaning given to such term in Condition 1.3(b).

"**Operator register of corporate securities**" has the meaning given to such term in Condition 1.3(b).

"**Optional Cancellation Date**" means, in relation to a Put Option, the Put Option Exercise Date in respect of which the Put Option is exercised or such other date specified or determined in accordance with the applicable Final Terms.

"**Optional Redemption Amount**" means an amount per Calculation Amount specified as such in the applicable Final Terms, taking into account any Early Redemption Costs (which, for the avoidance of doubt, will reduce the Optional Redemption Amount).

"**Optional Redemption Date**" means (i) in relation to a put option, the last day of the Put Notice Period, unless otherwise specified in the applicable Final Terms; or (ii) in relation to a call option, the last day of the Issuer Notice Period unless otherwise specified in the applicable Final Terms.

"**Option Exercise Notice**" has the meaning given to it in Condition 4.2.

"**Post-Acceleration Priority of Payments**", with respect to any Class, has the meaning set forth in the related Security Agreement.

"**Pre-Acceleration Priority of Payments**" has the meaning set forth in Section 6.4 of the Collateral Administration Agreement.

"**Principal Amount Outstanding**" means in respect of a Global Collateralised Medium Term Note on any day the principal amount of that Global Collateralised Medium Term Note on the date on which the Issuer issued such Global Collateralised Medium Term Note, less principal amounts received by the relevant Noteholder(s) in respect thereof on or prior to that day.

"**Priority of Payments**" means the Pre-Acceleration Priority of Payments and the Post-Acceleration Priority of Payments.

"**Programme Documents**" means, collectively, the LLP Deed, the Intercompany Loan Agreement and the Administration Agreement.

"**Proceedings**" has the meaning given it in Condition 15.2.

"**Purchase Date**" with respect to any Repurchase Transaction, has the meaning set forth in the related Confirmation.

"**Purchase Price**" with respect to any Repurchase Transaction under any Repurchase Agreement, has the meaning set forth therein.

"**Purchase Securities**" means, as of any time, each security (or interest therein) sold or transferred by a Seller to the LLP pursuant to any Repurchase Transaction.

"**Put Notice Period**" has the meaning given to such term in Condition 4.2.

"**Put Notice Period Number**" means, in respect of a Class of Global Collateralised Medium Term Notes, 15 unless otherwise specified in the applicable Final Terms.

"**Put Option Exercise Date**" means each date that is specified as such in the applicable Final Terms or, if no date is specified, each date that is a Business Day within the Put Option Exercise Period.

"**Put Option Exercise Period**" means the period specified as such in the applicable Final Terms or, if no such period is specified, the period from (but excluding) the Issue Date to (but excluding) the fifteenth Business Day preceding the Maturity Date.

"**Record**" has the meaning given to such term in Condition 1.3(b).

"**Record Date**" means, in relation to a payment under a Registered Note, the fifteenth calendar day (whether or not such fifteenth calendar day is a business day) before the relevant due date for such payment, except that, with respect to Cleared Notes that are represented by a Global Registered Note, it shall be the day specified in Condition 6.3(d).

"**record of uncertificated corporate securities**" has the meaning given to such term in Condition 1.3(b).

"**Redemption Amount**" means the Final Redemption Amount, the Optional Redemption Amount, the Make-Whole Redemption Amount or the Early Redemption Amount, as applicable.

"**Redemption Margin**" has the meaning specified in the applicable Final Terms.

"**Redemption Rate**" has the meaning specified in the applicable Final Terms.

"**Reference Banks**" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London interbank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone interbank market, in each case selected by the Calculation Agent.

"**Reference Rate**" means the rate specified as such in the applicable Final Terms.

"**Register**" means, with respect to any Registered Notes, the register of holders of such Global Collateralised Medium Term Notes maintained by the applicable Registrar.

"**Regulation S Global Note**" means a Regulation S Note in global form.

"**Relevant Clearing System**" means, as appropriate, Euroclear, Clearstream, DTC and/or such other clearing system specified in the applicable Final Terms, as the case may be, through which interests in Global Collateralised Medium Term Notes are to be held and/or through an account at which such Global Collateralised Medium Term Notes are to be cleared.

"**Relevant Date**" means, in respect of any Global Collateralised Medium Term Note or Coupon, the date on which payment or delivery in respect of it first becomes due (or would have first become due if all conditions to settlement had been satisfied) or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date five calendar days after that on which notice is duly given to the Noteholders that, upon further presentation of the Global Collateralised Medium Term Note or Coupon being made in accordance with these Base Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

"**Relevant Rules**" means the Rules of the Relevant Clearing System.

"**Relevant Screen Page**" means such Reuters screen page as specified in the applicable Final Terms (or the relevant screen page of such other service or services as may be nominated as the information vendor for the purpose of displaying comparable rates in succession thereto) or such other equivalent information vending service as is so specified.

"**Relevant Settlement Day**" means a Clearing System Business Day unless otherwise specified in the applicable Final Terms.

"**Relevant Stock Exchange**" means, in respect of any Class of Global Collateralised Medium Term Notes, the stock exchange upon which such Global Collateralised Medium Term Notes are listed as specified in the applicable Final Terms, if any.

"**relevant system**" has the meaning given to such term in Condition 1.3(b).

"**Relevant Time**" means the time specified in the applicable Final Terms.

"**Repurchase Agreement**" means the (i) Barclays GMRA, (ii) the Barclays MRA, (iii) the BCSL GMRA, (iv) the BCI GMRA (if any), (v) the BCI MRA and/or (vi) any other repurchase agreement that may be entered into by the LLP from time to time in connection with the Global Collateralised Medium Term Notes, as the context may require, each as amended and/or supplemented and/or restated.

"**Repurchase Events of Default**" means each of the following events:

(a) (A) the LLP fails to pay the Purchase Price upon the applicable Purchase Date or (B) the Seller fails to pay the Repurchase Price upon the applicable Repurchase Date;

(b) (A) the Seller fails to deliver Purchased Securities on the Purchase Date or (B) the LLP fails to deliver Equivalent Securities on the Repurchase Date, in either case within the standard settlement time for delivery of such Purchased Securities or Equivalent Securities, as the case may be;

(c) the Seller or the LLP fails to pay when due the amounts due to be paid by it under the Repurchase Agreement following a failure by such Seller to deliver Purchased Securities on the Purchase Date, or a failure by the LLP to deliver Equivalent Securities to such Seller on the Repurchase Date;

(d) the Seller or the LLP fails to:

(A) make a Margin Transfer within the minimum period in accordance with the terms of the Repurchase Agreement, or, in the case of any obligation to deliver Equivalent Margin Securities, either to deliver the relevant Equivalent Margin Securities or the pay the cash equivalent amount in accordance with the terms of the Repurchase Agreement;

(B) to provide margin in the circumstances required under the Repurchase Agreement; or

(C) to pay any amount or to transfer any Securities in accordance with the terms of the Repurchase Agreement;

(e) an Act of Insolvency (defined using the standard GMRA definition therefor) occurs with respect to the Seller or the LLP;

(f) any representations made by the Seller in such Repurchase Agreement are incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated;

(g) the Seller admits to the LLP or the Custodian that it is unable to, or intends not to, perform any of its obligations under such Repurchase Agreement or in respect of any Repurchase Transaction thereunder; or

(h) any other repurchase agreement between the LLP and the Seller has been accelerated following an event of default caused by such Seller's failure to pay any repurchase price or cure any margin deficit in accordance with the terms of such repurchase agreement;

provided, *however*, that the failure of the applicable Seller to make any payment or delivery referred to in the applicable Repurchase Agreement in respect of any Repurchase Transaction will not be a Repurchase Event of Default if such failure arises solely by reason of an error or omission of an administrative or operational nature made by such Seller or the applicable Custodian, subject to the satisfaction of certain conditions.

"**Repurchase Date**" means, with respect to any Repurchase Transaction, the meaning set forth in the related Confirmation.

"**Repurchase Transaction**" means a transaction in which a Seller agrees to transfer to the LLP securities or other assets ("**Repurchase Securities**") against the transfer of funds by the LLP, with a simultaneous agreement by the LLP to transfer to such Seller such Repurchase Securities at a date certain or on demand, against the transfer of funds by such Seller.

"**Repurchase Price**" means, with respect to any Repurchase Agreement, the meaning set forth therein.

"**Rules**" means the Clearstream Rules, the Euroclear Rules and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System as may be specified in the Final Terms relating to a particular issue of Global Collateralised Medium Term Notes.

"**Secured Obligations**" with respect to any Class, has the meaning set forth in the related Security Agreement.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Security Agreement**" means the Security Agreement (English Law) or the Security Agreement (New York Law), as applicable, each as amended and/or supplemented and/or restated.

"**Security Agreement (English Law)**" means the English law governed Security Agreement, dated on or about the Series Closing Date, as amended and restated on or about the Amendment Closing Date, between the LLP, the Security Trustee, the Administrator and the Collateral Administrator, as further amended and/or supplemented and/or restated.

"**Security Agreement (New York Law)**" means the New York law governed Security Agreement, dated on or about the Amendment Closing Date, between the LLP, the Collateral Agent, the Administrator and the Collateral Administrator, as amended and/or supplemented and/or restated.

"**Security Trustee**" means The Bank of New York Mellon, in its capacity as security trustee under the Security Agreement (English Law), together with any replacement or successor security trustee appointed therein from time to time.

"**Seller**" means (i) in relation to the Barclays GMRA and the Barclays MRA, the Bank, (ii) in relation to the BCSL GMRA, BCSL, (iii) in relation to the BCI GMRA (if any) or the BCI MRA, BCI, (iv) in relation to any other Repurchase Agreement, the seller named therein and/or (v) any other seller appointed pursuant to Section 2.6 of the Administration Agreement, as the context may require.

"**Series**" means the Global Collateralised Medium Term Note Series as defined in, established by and contemplated in the Agency Agreement, as the same may be from time to time amended, supplemented or modified.

"**Series Closing Date**" means 6 December 2012.

"**Settlement Expenses**" means, in respect of any Global Collateralised Medium Term Note or Global Collateralised Medium Term Notes, any costs, fees and expenses or other amounts (other than in relation to Taxes) payable by a Noteholder per Calculation Amount on or in respect of or in connection with the redemption, exercise or settlement of such Global Collateralised Medium Term Note or Global Collateralised Medium Term Notes as determined by the Calculation Agent in its sole and absolute discretion.

"**Specified Duration**" means the duration specified as such or, if none, a period equal to the corresponding Interest Calculation Period, ignoring any adjustment made in accordance with any Business Day convention.

"**Successor**" means, in relation to any Agent or such other or further person as may from time to time be appointed by the Issuer in respect of Global Collateralised Medium Term Notes, the person identified as the successor to such Agent or other person by the Calculation Agent (or, if the successor relates to the Calculation Agent, the Issuer) in its sole and absolute discretion. Notice of any Successor identified shall be given to Noteholders as soon as reasonably practicable after such identification in accordance with Condition 13.

"**TARGET Business Day**" means a day on which the TARGET System is operating.

"**TARGET System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007 ("**TARGET2**") (or, if such system ceases to be operative, such other system (if any) determined by the Calculation Agent to be a suitable replacement).

"**Taxes**" means any tax, duty, impost, levy, charge or contribution in the nature of taxation or any withholding or deduction for or on account thereof, including (but not limited to) any applicable stock exchange tax, turnover tax, stamp duty, stamp duty reserve tax and/or other taxes, duties, assessments or governmental charges of whatever nature chargeable or payable and includes any interest and penalties in respect thereof.

"**TEFRA**" means the US Tax Equity and Fiscal Responsibility Act of 1982.

"**Trade Date**" means the date specified as such in the applicable Final Terms.

"**Transaction Documents**" means, collectively, the Programme Documents and the GCMTN Series Documents.

"U.S. Internal Revenue Code" means sections the U.S. Internal Revenue Code of 1986, as amended.

"**Uncertificated Regulations**" means the United Kingdom Uncertificated Securities Regulations 2001 (SI 2001/3755) including any modification or re-enactment thereof from time to time in force.

"**Unextended Notes**" has the meaning given to such term in Condition 4.5.

"**Variable Rate**" has the meaning given to it in Condition 3.3.

BOOK-ENTRY PROCEDURES FOR RULE 144A GLOBAL NOTES DEPOSITED WITH DTC

The Rule 144A Global Notes will be issued in the form of Global Registered Notes, without Coupons or Talons. Upon issuance, one or more Global Notes will be deposited with either (i) a custodian for DTC and registered in the name of Cede & Co., as nominee of DTC, or (ii) a common depositary on behalf of Euroclear and Clearstream.

Ownership of beneficial interests in a Global Note deposited with DTC will be limited to persons who have accounts with DTC ("**DTC Participants**") or persons who hold interests through DTC Participants. The Issuer expect that, under procedures established by DTC:

- upon deposit of a Global Note with DTC's custodian, DTC will credit portions of the nominal amount, calculation amount or number of Global Collateralised Medium Term Notes of the relevant Class, as applicable, represented by the Global Note to the accounts of the DTC Participants designated by the Administrator; and

- ownership of beneficial interests in a Global Note will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC Participants) and the records of DTC Participants (with respect to other owners of beneficial interests in the Global Note).

Beneficial interests in a Global Note may not be exchanged for Definitive Notes except in the limited circumstances described below.

Any Global Note and beneficial interests in the Global Note will be subject to restrictions on transfer as described under *"Clearance, Settlement and Transfer Restrictions — Transfer Restrictions for Registered Notes"*.

Book-Entry Procedures for Global Notes

All interests in Global Notes will be subject to the operations and procedures of DTC. The following summary of those operations and procedures are provided solely for the convenience of investors. The operations and procedures of DTC are controlled by DTC and may be changed at any time. Neither the Issuer nor the Administrator is responsible for those operations or procedures.

DTC has advised the Issuer that it is:

- a limited purpose trust company organised under the New York Banking Law;

- a "banking organisation" within the meaning of the New York Banking Law;

- a member of the Federal Reserve System;

- a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and

- a "clearing agency" registered pursuant to the provisions of section 17A of the US Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the Book-Entry Procedures for Rule 144A Global Notes Deposited with DTC accounts of its participants, thereby eliminating the need for physical transfer and delivery of certificates. DTC's Participants include securities brokers and dealers, including the initial purchasers; banks and trust companies; and clearing corporations and other organisations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly. Investors who

are not DTC Participants may beneficially own securities held by or on behalf of DTC only through DTC Participants or indirect participants in DTC.

So long as DTC's nominee is the registered owner of a Registered Global Note, that nominee will be considered the sole owner or holder of the Global Collateralised Medium Term Notes of the relevant Class represented by that Registered Global Note for all purposes under the Agency Agreement (as amended from time to time). Except as provided below, owners of beneficial interests in a Registered Global Note:

- will not be entitled to have Global Collateralised Medium Term Notes represented by a Registered Global Note registered in their names;
- will not receive or be entitled to receive Definitive Notes; and
- will not be considered the owners or holders of the Global Collateralised Medium Term Notes under the Agency Agreement (as amended from time to time) for any purpose, including with respect to the giving of any direction, instruction or approval to the Issue and Paying Agent under the Agency Agreement (as amended from time to time).

As a result, each investor who owns a beneficial interest in a Registered Global Note must rely on the procedures of DTC to exercise any rights of a holder of Securities under the Agency Agreement (as amended from time to time) (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC Participant through which the investor owns its interest).

Payments of principal, premium (if any), additional amounts (if any) and interest (if any) with respect to the Global Collateralised Medium Term Notes represented by a Registered Global Note will be made by the New York Agent to DTC's nominee as the registered holder of the Registered Global Notes. Neither the Issuer nor the New York Agent will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Global Note, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by DTC Participants and indirect participants in DTC to the owners of beneficial interests in a Registered Global Note will be governed by standing instructions and customary industry practice and will be the responsibility of those DTC Participants or indirect participants and DTC.

Transfers between DTC Participants will be effected under DTC's procedures and will be settled in same-day funds.

Registered Definitive Securities

Registered Definitive Notes will be issued and delivered to each person that DTC identifies as a beneficial owner of the related Global Collateralised Medium Term Notes only on the occurrence of one of the following events:

- DTC notifies the Issuer at any time that it is unwilling or unable to continue as depositary for the Registered Global Notes and a successor depositary is not appointed within 90 days;
- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days; or
- the Issuer, at its option, notifies the New York Agent that it elects to cause the issuance of Registered Definitive Notes.

The laws of some countries and some states in the US require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Registered Global Note to such persons may be limited to that extent. Because DTC can act only on behalf of DTC Participants, the ability of a person having beneficial interests in a Registered Global Note deposited with DTC to pledge such interests to

persons or entities that do not participate in the relevant clearing system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

CLEARANCE, SETTLEMENT AND TRANSFER RESTRICTIONS

Book-Entry Ownership

Bearer Notes

The Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. In respect of Bearer Notes, a Temporary Global Note and/or a Permanent Global Note in bearer form without Coupons may be deposited with a common depositary for Euroclear and/or Clearstream or an alternative clearing system as agreed between the Issuer and the Administrators. Transfers of interests in such Temporary Global Notes or Permanent Global Notes will be made in accordance with the normal Euromarket debt securities operating procedures of Euroclear and Clearstream or, if appropriate, the alternative clearing system.

Registered Notes

The Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of the Global Collateralised Medium Term Notes to be represented by a Regulation S Global Note. Each Regulation S Global Note deposited with a common depositary for, and registered in the name of, a nominee of Euroclear and/or Clearstream will have an ISIN and a Common Code.

The Issuer, and the NY Registrar appointed for such purpose that is an eligible DTC participant, may make application to DTC for acceptance in its book-entry settlement system of the Registered Securities represented by a Rule 144A Global Note. Each such Rule 144A Global Note will have a CUSIP number. Each Rule 144A Global Note will be subject to restrictions on transfer contained in a legend appearing on the front of such Rule 144A Global Note, as set out under "*Transfer Restrictions for Registered Notes*". In certain circumstances, as described below in "*Transfer Restrictions for Registered Notes*", transfers of interests in a Rule 144A Global Note may be made as a result of which such legend may no longer be required.

In the case of a Class of Registered Securities to be cleared through the facilities of DTC, the custodian, with whom the Rule 144A Global Notes are deposited, and DTC, will electronically record the aggregate nominal amount or number of Securities, as applicable, represented by the Rule 144A Global Notes held within the DTC system. Investors may hold their beneficial interests in a Rule 144A Global Note directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest on, each Rule 144A Global Note registered in the name of DTC's nominee will be to, or to the order of, its nominee as the registered owner of such Rule 144A Global Note. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount or calculation amount of the Global Collateralised Medium Term Notes, as applicable, represented by the relevant Rule 144A Global Note as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of beneficial interests in such Rule 144A Global Note held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. None of the Issuer, the Issue and Paying Agent, any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, ownership interests in any Rule 144A Global Note or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Notes will initially be in the form of Regulation S Global Notes and/or Rule 144A Global Notes. Definitive Notes will only be available, in the case of Global Collateralised Medium Term Notes initially represented by a Regulation S Global Note, in amounts specified in the applicable Final Terms, and, in the case of

Global Collateralised Medium Term Notes initially represented by a Rule 144A Global Note, in minimum amounts of US$100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Administrator(s)), or higher integral multiples of US$1,000, in certain limited circumstances described below.

Payments through DTC

Payments in US dollars of principal and interest in respect of a Rule 144A Global Note registered in the name of a nominee of DTC will be made to the order of such nominee as the registered holder of such Security. Payments of principal and interest in a currency other than US dollars in respect of Global Collateralised Medium Term Notes evidenced by a Rule 144A Global Note registered in the name of a nominee of DTC will be made or procured to be made by the Paying Agent in such currency in accordance with the following provisions. The amounts in such currency payable by the Paying Agent or its agent to DTC with respect to Global Collateralised Medium Term Notes held by DTC or its nominee will be received from the Issuer by the Paying Agent who will make payments in such currency by wire transfer of same day funds to the designated bank account in such currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of payments of interest, on or prior to the third business day in New York City after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 business days in New York City prior to the relevant payment date, to receive that payment in such currency. The Paying Agent will convert amounts in such currency into US dollars and deliver such US dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such currency. The Agency Agreement (as amended from time to time) sets out the manner in which such conversions are to be made.

Transfers of Registered Notes

Transfers of interests in Global Notes within Euroclear, Clearstream and DTC will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Rule 144A Global Note to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Rule 144A Global Note to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in a Regulation S Global Note may only be held through Euroclear or Clearstream. In the case of Registered Notes to be cleared through Euroclear, Clearstream and/or DTC, transfers may be made at any time by a holder of an interest in a Regulation S Global Note to a transferee who wishes to take delivery of such interest through a Rule 144A Global Note for the same Class of Global Collateralised Medium Term Notes, provided that any such transfer made on or prior to the expiration of the Distribution Compliance Period relating to the Global Collateralised Medium Term Notes represented by such Regulation S Global Note will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from Euroclear or Clearstream, as the case may be, (based on a written certificate from the transferor of such interest) to the effect that such transfer is being made to a person whom the transferor, and any person acting on its behalf, reasonably believes is a QIB that is also a QP within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States. Any such transfer made thereafter of the Global Collateralised Medium Term Notes represented by such Regulation S Global Note will only be made upon request through Euroclear or Clearstream by the holder of an interest in the Regulation S Global Note to the Issue and Paying Agent of details of that account at DTC to be credited with the relevant interest in the Rule 144A Global Note. Transfers at any time by a holder of any interest in the Rule 144A Global Note to a transferee who takes delivery of such interest through a Regulation S Global Note will only be made upon delivery to any Registrar or Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, as the case may be, and DTC to be credited and debited, respectively, with an interest in each relevant Global Note.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described below and under *"Transfer Restrictions for Registered Notes"*, cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream accountholders, on the other hand, will be effected by the relevant

clearing system in accordance with its rules and through action taken by the custodian, the Registrar and the Issue and Paying Agent.

On or after the Issue Date for any Series, transfers of Global Collateralised Medium Term Notes of such Class between accountholders in Euroclear and/or Clearstream and transfers of Global Collateralised Medium Term Notes of such Class between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Euroclear or Clearstream and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear and Clearstream, on the other hand, transfers of interests in the relevant Global Notes will be effected through the Issue and Paying Agent, the custodian, the relevant Registrar and any applicable Transfer Agent receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Note resulting in such transfer and (ii) two business days after receipt by the Issue and Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Notes, see *"Transfer Restrictions for Registered Notes"*.

DTC has advised the Issuer that it will take any action permitted to be taken by a holder of Registered Notes (including, without limitation, the presentation of Rule 144A Global Notes for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Rule 144A Global Notes are credited and only in respect of such portion of the aggregate nominal amount of Global Collateralised Medium Term Notes represented by the relevant Rule 144A Global Notes as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Rule 144A Global Notes in exchange for Definitive Notes (which will, in the case of Restricted Notes, bear the legend applicable to transfers pursuant to Rule 144A).

DTC has advised the Issuer as follows: DTC is a limited purpose trust company organised under the laws of the State of New York, a "banking organisation" under the laws of the State of New York, a member of the US Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a DTC direct participant, either directly or indirectly.

Although Euroclear, Clearstream and DTC have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Notes among participants and accountholders of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Issuer, nor any Paying Agent nor any Transfer Agent will have any responsibility for the performance by Euroclear, Clearstream or DTC or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Rule 144A Global Note is lodged with DTC or the custodian, Restricted Notes represented by Definitive Notes will not be eligible for clearing or settlement through Euroclear, Clearstream or DTC.

Definitive Notes

Registration of title to Registered Notes in a name other than a depositary or its nominee for Clearstream and Euroclear or for DTC will be permitted only in the circumstances set out in Condition 1 of the Conditions of the Global Collateralised Medium Term Notes. In such circumstances, the Issuer will cause sufficient individual Global Collateralised Medium Term Notes to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Global Note must provide the Registrar with:

(1) written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Notes; and

(2) in the case of a Rule 144A Global Note only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Notes issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

Pre-issue Trades Settlement

It is expected that delivery of Global Collateralised Medium Term Notes will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 of the Exchange Act, trades in the US secondary market generally are required to settle within three business days ("**T+3**"), unless the parties to any such trade expressly agree otherwise. Accordingly, in the event that an Issue Date is more than three business days following the relevant date of pricing, purchasers who wish to trade Registered Notes in the United States between the date of pricing and the date that is three business days prior to the relevant Issue Date will be required, by virtue of the fact that such Global Collateralised Medium Term Notes initially will settle beyond T+3, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Global Collateralised Medium Term Notes may be affected by such local settlement practices and, in the event that an Issue Date is more than three business days following the relevant date of pricing, purchasers of Securities who wish to trade Global Collateralised Medium Term Notes between the date of pricing and the date that is three business days prior to the relevant Issue Date should consult their own adviser.

Transfer Restrictions for Registered Notes

Restricted Notes

Each purchaser of Restricted Notes, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that:

(1) It is (a) both a QIB and a QP, (b) acquiring such Restricted Notes for its own account or for the account of a QIB and a QP and (c) aware, and each beneficial owner of such Restricted Notes has been advised, that the sale of such Restricted Notes to it is being made in reliance on Rule 144A.

(2) (a) It understands that such Restricted Notes have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred, except (i) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is both a QIB and a QP purchasing for its own account or for the account of a QIB and a QP, (ii) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (iii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States and (b) it will, and each subsequent holder of the Restricted Notes is required to, notify any purchaser of the Restricted Notes from it of the resale restrictions on the restricted securities.

(3) The Rule 144A Global Note representing such Restricted Notes will, unless the Issuer determines otherwise in accordance with applicable law, bear a legend in or substantially in the following form:

THE GLOBAL COLLATERALISED MEDIUM TERM NOTES REPRESENTED BY THIS RULE 144A GLOBAL NOTE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS BOTH A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB") AND A QUALIFIED PURCHASER (A "QP") FOR PURPOSES OF SECTION 3(C)(7) OF THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT") THAT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS AND QPS, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE SECURITIES ACT ("RULE 144"), IF AVAILABLE, OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALES OF THE SECURITIES.

A Rule 144A Global Note held by a Custodian on behalf of DTC shall also bear the following legend:

"UNLESS THIS RULE 144A GLOBAL NOTE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(4) The Issuer, the Registrar, Luxembourg Registrar, the Administrator and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Notes for the account of one or more persons who are both QIBs and QPs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

(5) It understands that the Restricted Notes will be represented by a Rule 144A Global Note. Before any interest in a Rule 144A Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Global Note or, as the case may be, Global Note, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

For as long as any Restricted Notes are outstanding and are "restricted securities" within the meaning of Rule 144 under the Securities Act, the Bank has agreed that any holder of such Global Collateralised Medium Term Notes or prospective purchaser designated by such holder of Global Collateralised Medium Term Notes will have the right to obtain from the Bank during any period in which the Bank is neither subject to section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, upon request, the information required by Rule 144A(d)(4) under the Securities Act.

Prospective purchasers are hereby notified that sellers of Registered Notes may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.

Unrestricted Notes

Each purchaser of Unrestricted Notes and each subsequent purchaser of such Unrestricted Notes in re-sales prior to the expiration of the Distribution Compliance Period, by accepting delivery of the Base Prospectus and the Unrestricted Notes, will be deemed to have represented, agreed and acknowledged that:

(1) It is, or at the time Unrestricted Notes are purchased will be, the beneficial owner of such Unrestricted Notes and (a) it is not a US person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.

(2) It understands that such Unrestricted Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the Distribution Compliance Period, it will not offer, sell, pledge or otherwise transfer such Unrestricted Notes except (a) in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believe is both a QIB and a QP purchasing for its own account or the account of a person who is both a QIB and a QP or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.

(3) It understands that such Unrestricted Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

"THE GLOBAL COLLATERALISED MEDIUM TERM NOTES REPRESENTED BY THIS REGULATION S GLOBAL NOTE IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT."

(4) It understands that the Issuer, the Registrars, the Luxembourg Registrar, the Agents, the Administrator and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

(5) It understands that the Unrestricted Notes will be represented by a Regulation S Global Note or, as the case may be, a Global Note. Prior to the expiration of the Distribution Compliance Period, before any interest in a Regulation S Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Restricted Security, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement (as amended from time to time)) as to compliance with the applicable securities laws.

GENERAL INFORMATION APPLICABLE TO CREST NOTES AND CDIS

CREST Notes

CREST Notes may be issued and held in uncertificated registered form in accordance with the Uncertificated Regulations and, as such, are dematerialised and not constituted by any physical document of title. Global Collateralised Medium Term Notes which are CREST Notes shall be specified as such in the applicable Final Terms.

CREST Notes issued will be cleared through CREST and are participating securities for the purposes of the Uncertificated Regulations. The Operator is in charge of maintaining the Operator register of corporate securities. Title to the CREST Notes is recorded and will pass on registration in the Operator register of corporate securities. As at the date of this Base Prospectus, the relevant Operator for the purposes of the Uncertificated Regulations is Euroclear UK & Ireland Limited.

The address of Euroclear UK & Ireland Limited is 33 Cannon Street, London EC4M 5SB, United Kingdom.

CDI Securities

Investors may hold indirect interests in Cleared Notes by holding CDIs through CREST. CDIs represent indirect interests in the Underlying Notes to which they relate and holders of CDIs will not be the legal owners of the Underlying Notes. Global Collateralised Medium Term Notes which are expected to constitute Underlying Notes for the purpose of CDIs shall be specified as such in the applicable Final Terms.

CDIs may be issued by the CREST Depository and held through CREST in dematerialised uncertificated form in accordance with the CREST Deed Poll. CDIs in respect of Underlying Notes will be constituted and issued to investors pursuant to the terms of the CREST Deed Poll.

Following their delivery into Euroclear (directly or through another clearing system using bridging arrangements with Euroclear), interests in Underlying Notes may be delivered, held and settled in CREST by means of the creation of dematerialised CDIs representing the interests in the relevant Underlying Notes. Interests in the Underlying Notes will be credited to the CREST Nominee's account with Euroclear and the CREST Nominee will hold such interests as nominee for the CREST Depository which will issue CDIs to the relevant CREST participants.

Each CDI will be treated as one Underlying Notes, for the purposes of determining all rights and obligations and all amounts payable in respect thereof. The CREST Depository will pass on to holders of CDIs any interest or other amounts received by it as holder of the Underlying Notes on trust for such CDI holder. CDI holders will also be able to receive from the CREST Depository notices of meetings of holders of Underlying Notes and other relevant notices issued by the Issuer.

Transfers of interests in Underlying Notes by a CREST participant to a participant of Euroclear or another Relevant Clearing System will be effected by cancellation of the CDIs and transfer of an interest in such Global Collateralised Medium Term Notes underlying the CDIs to the account of the relevant participant with Euroclear or such other Relevant Clearing System. The CDIs will have the same securities identification number as the ISIN of the Underlying Notes and will not require a separate listing on the Official List.

The rights of the holders of CDIs will be governed by the arrangements between CREST, the Relevant Clearing System and the Issuer, including the CREST Deed Poll (in the form contained in Chapter 3 of the CREST International Manual (which forms part of the CREST Manual)) executed by the CREST Depository. These rights may be different from those of holders of Global Collateralised Medium Term Notes which are not represented by CDIs.

The attention of prospective investors in CDIs is drawn to the terms of the CREST Deed Poll, the CREST Manual and the CREST Rules, copies of which are available from Euroclear UK & Ireland Limited at 33 Cannon Street,

London EC4M 5SB or by calling +442078490000 or from the Euroclear UK & Ireland Limited website at www.euroclear.com/site/public/EUI.

TAXATION

United Kingdom Taxation

The following comments are of a general nature based on current United Kingdom tax law and HM Revenue & Customs ("**HMRC**") published practice and are a summary of the understanding of the Issuer of current law and practice in the United Kingdom relating only to certain aspects of United Kingdom taxation. They are not intended to be exhaustive. They relate only to persons who are the beneficial owners of the Global Collateralised Medium Term Notes and do not apply to certain classes of taxpayers (such as persons carrying on a trade of dealing in the Global Collateralised Medium Term Notes, certain professional investors and persons connected with the Issuer or the LLP) to whom special rules may apply.

Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

United Kingdom Taxation relating to the Global Collateralised Medium Term Notes

Withholding Tax

Payments of interest on the Global Collateralised Medium Term Notes may be made without withholding or deduction for or on account of United Kingdom income tax as long as the Global Collateralised Medium Term Notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007 (the "**Income Tax Act**"). The Irish Stock Exchange is a recognised stock exchange for such purposes. The Global Collateralised Medium Term Notes will be treated as listed on the Irish Stock Exchange if they are listed and admitted to trading on the Main Market by the Irish Stock Exchange. Provided, therefore, that the Global Collateralised Medium Term Notes remain so listed, interest may be paid on the Global Collateralised Medium Term Notes without withholding or deduction for or on account of United Kingdom income tax.

In addition, provided that the Issuer continues to be a bank within the meaning of section 991 of the Income Tax Act, and provided that the interest on the Global Collateralised Medium Term Notes is paid in the ordinary course of its business within the meaning of section 878 of the Income Tax Act, the Issuer will be entitled to make payments of interest without withholding or deduction for or on account of United Kingdom tax.

In other cases, interest on the Global Collateralised Medium Term Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20%) subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty or to any other exemption which may apply.

If the Global Collateralised Medium Term Notes are redeemed at a premium then any such element of premium may constitute a payment of interest for United Kingdom tax purposes. In that event, payments thereof would be subject to the treatment outlined above and to the reporting requirements described below.

Prospective Noteholders should note that in the event that payments by the LLP in respect of interest or premium on the Global Collateralised Medium Term Notes are subject to any withholding or deduction for or on account of tax, the LLP will not be required to pay any additional amounts to Noteholders in respect of any such withholding or deduction.

Reporting Requirements

Persons in the United Kingdom paying interest to, or receiving interest on behalf of, another person who is an individual may be required to provide certain information to HMRC regarding the identity of the payee or the person entitled to the interest. In certain circumstances, such information may be exchanged with tax authorities in other countries.

Prospective Noteholders are also directed to the disclosure below in respect of Council Directive 2003/48/EC on the taxation of savings income.

European Union Taxation

EU Directive on the Taxation of Savings Income

Under Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Directive**"), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual (or certain other types of person) resident in that other Member State or to certain limited types of entities established in that other Member State, except that Austria is required to impose a withholding system in relation to such payments for a transitional period (unless during such period it elects otherwise), the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories have adopted similar measures (for example, a withholding system in the case of Switzerland).

On 24 March 2014, the Council of the European Union adopted a Directive amending the EU Savings Directive (the "**Amending Directive**") amending and broadening the scope of the requirements described above. The Amending Directive requires Member States to apply these new requirements from 1 January 2017, and if they were to take effect, the changes would expand the range of payments covered by the EU Savings Directive, in particular to include additional types of income payable on securities. The Amending Directive would also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported or subject to withholding. This approach would apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the EU.

However, on 18 March 2015, the Commission proposed the repeal of the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates and to certain other transitional provisions in the case of Austria). This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive.

United States Taxation

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS BASE PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY HOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON HOLDERS UNDER THE U.S. INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) HOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

The following is a summary of certain material US federal income tax consequences of the acquisition, ownership and disposition of Global Collateralised Medium Term Notes and is for general information purposes only. This summary does not address the U.S. federal income tax consequences of every type of Global Collateralised Medium Term Note which may be issued under the Series. This summary deals only with purchasers of Global Collateralised Medium Term Notes that are U.S. Holders, as defined below (except with respect to the potential application of FATCA to holders that are non U.S. Holders, discussed below under "*U.S. Foreign Account Tax Compliance Act Withholding*"), and that will hold the Global Collateralised Medium Term Notes as capital assets. The discussion does not cover all aspects of US federal income taxation that may be relevant to, or the actual tax effect that any of

the matters described herein will have on, the acquisition, ownership or disposition of Global Collateralised Medium Term Notes by particular investors, and does not address state, local, foreign or other tax laws. This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the US federal income tax laws (such as financial institutions, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the Global Collateralised Medium Term Notes as part of straddles, hedging transactions or conversion transactions for US federal income tax purposes or investors whose functional currency is not the U.S. dollar).

The following summary does not discuss Global Collateralised Medium Term Notes that are not characterised as debt instruments, or that are characterised as contingent payment debt instruments for US federal income tax purposes. This summary also does not discuss certain U.S. dollar denominated inflation-linked Global Collateralised Medium Term Notes that qualify for special treatment under applicable U.S. tax law.

As used herein, the term "US Holder" means a beneficial owner of Global Collateralised Medium Term Notes that is, for US federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States or any State thereof, (iii) an estate, the income of which is subject to US federal income tax without regard to its source or (iv) a trust, if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for US federal income tax purposes.

The U.S. federal income tax treatment of a partner in a partnership (or any entity or arrangement treated as such for U.S. federal income tax purposes) that holds Global Collateralised Medium Term Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are partnerships should consult their tax adviser concerning the US federal income tax consequences to their partners of the acquisition, ownership and disposition of Global Collateralised Medium Term Notes by the partnership.

The summary is based on the tax laws of the United States, including the U.S. Internal Revenue Code its legislative history, existing and proposed U.S. Treasury Regulations thereunder, published rulings and court decisions, all as at the date hereof and all subject to change at any time, possibly with retroactive effect.

Bearer Notes are not being offered to US Holders. A US Holder who owns a Bearer Note may be subject to limitations under U.S. income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the U.S. Internal Revenue Code.

THE SUMMARY OF US FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE Global **COLLATERALISED MEDIUM TERM NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.**

US Federal Income Tax Characterisation of the Global Collateralised Medium Term Notes

The characterisation of a Class of Global Collateralised Medium Term Notes may be uncertain and will depend on the terms of those Global Collateralised Medium Term Notes. The determination of whether an obligation represents debt, equity or some other instrument or interest is based on all the relevant facts and circumstances. There may be no statutory, judicial or administrative authority directly addressing the characterisation of some of the types of Global Collateralised Medium Term Notes that are anticipated to be issued under the Global Collateralised Medium Term Notes or of instruments similar to such Global Collateralised Medium Term Notes.

Depending on the terms of a particular Class of Global Collateralised Medium Term Notes, such Global Collateralised Medium Term Notes may not be characterised as debt for US federal income tax purposes despite the form of the Global Collateralised Medium Term Note as debt instruments. For example, Global Collateralised

Medium Term Notes of a Class may be more properly characterised as prepaid forward contracts or some other type of financial instrument. Additional alternative characterisations may also be possible.

The following summary applies to Global Collateralised Medium Term Notes that are properly treated as debt for US federal income tax purposes. However, no rulings will be sought from the U.S. Internal Revenue Service (the **"IRS"**) regarding the characterisation of any of the Global Collateralised Medium Term Notes issued hereunder for US federal income tax purposes. Each holder should consult its own tax adviser about the proper characterisation of the Global Collateralised Medium Term Notes for US federal income tax purposes and consequences to such holder of acquiring, owning or disposing of the Global Collateralised Medium Term Notes.

Payments of Interest

General

Interest on a Global Collateralised Medium Term Note, whether payable in US dollars or a currency, composite currency or basket of currencies other than US dollars (a "**foreign currency**"), other than interest on a "Discount Security" that is not "qualified stated interest" (each as defined below under "Original Issue Discount General"), will be taxable to a US Holder as ordinary income at the time it is received or accrued, depending on the holder's method of accounting for U.S. federal income tax purposes. Interest paid by the Issuer on the Global Collateralised Medium Term Notes and OID, if any, accrued with respect to the Global Collateralised Medium Term Notes (as described below under "Original Issue Discount") generally should constitute income from sources outside the United States. Prospective purchasers should consult their tax advisers concerning the applicability of the foreign tax credit and source of income rules to income attributable to the Global Collateralised Medium Term Notes.

Original Issue Discount

General

The following is a summary of the principal US federal income tax consequences of the ownership of Global Collateralised Medium Term Notes issued with original issue discount ("**OID**").

A Global Collateralised Medium Term Note, other than a Global Collateralised Medium Term Note with a term of one year or less (a "**Short-Term Security**"), will be treated as issued with OID (a "**Discount Security**") if the excess of the Global Collateralised Medium Term Note's "stated redemption price at maturity" over its issue price is equal to or more than a de minimis amount (0.25 per cent. of the Global Collateralised Medium Term Notes stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an "**instalment obligation**") will be treated as a Discount Security if the excess of the Global Collateralised Medium Term Note's stated redemption price at maturity over its issue price is equal to or greater than 0.25 per cent. of the Global Collateralised Medium Term Note's stated redemption price at maturity multiplied by the weighted average maturity of the Global Collateralised Medium Term Note. A Global Collateralised Medium Term Note's weighted average maturity is the sum of the following amounts determined for each payment on a Global Collateralised Medium Term Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Global Collateralised Medium Term Note's stated redemption price at maturity. Generally, the issue price of a Global Collateralised Medium Term Note will be the first price at which a substantial amount of Global Collateralised Medium Term Notes included in the issue of which the Global Collateralised Medium Term Note is a part is sold to persons other than bond houses, brokers or similar persons or organisations acting in the capacity of underwriters, placement agents or wholesalers. The stated redemption price at maturity of a Global Collateralised Medium Term Note is the total of all payments provided by the Global Collateralised Medium Term Note that are not payments of "qualified stated interest". A qualified stated interest payment is generally any one of a series of stated interest payments on a Global Collateralised Medium Term Note that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under "*Variable Interest Rate Securities*"), applied to the outstanding principal amount of the Global Collateralised Medium Term Note. Solely for the purposes of determining whether a Global Collateralised Medium Term Note has OID, the Issuer will be deemed to exercise any

call option that has the effect of decreasing the yield on the Global Collateralised Medium Term Note, and the US Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Global Collateralised Medium Term Note.

US Holders of Discount Securities must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Securities. The amount of OID includible in income by a US Holder of a Discount Security is the sum of the daily portions of OID with respect to the Discount Security for each day during the taxable year or portion of the taxable year on which the US Holder holds the Discount Security. The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Global Collateralised Medium Term Note may be of any length selected by the US Holder and may vary in length over the term of the Global Collateralised Medium Term Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Global Collateralised Medium Term Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Security's adjusted issue price at the beginning of the accrual period and the Discount Security's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Discount Security allocable to the accrual period. The "adjusted issue price" of a Discount Security at the beginning of any accrual period is the issue price of the Global Collateralised Medium Term Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Global Collateralised Medium Term Note that were not qualified stated interest payments.

Acquisition Premium

A US Holder that purchases a Discount Security for an amount less than or equal to the sum of all amounts payable on the Discount Security after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being "acquisition premium") and that does not make the election described below under "*Election to Treat All Interest as Original Issue Discount*", is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the US Holder's adjusted basis in the Discount Security immediately after its purchase over the Global Collateralised Medium Term Note's adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Global Collateralised Medium Term Note after the purchase date, other than payments of qualified stated interest, over the Global Collateralised Medium Term Note's adjusted issue price.

Short-Term Securities

In general, an individual or other cash basis US Holder of a Short-Term Security is not required to accrue OID (as specially defined below for the purposes of this paragraph) for US federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis US Holders and certain other US Holders are required to accrue OID on Short-Term Securities on a straight-line basis or, if the US Holder so elects, under the constant-yield method (based on daily compounding). In the case of a US Holder not required and not electing to include OID in income currently, any gain realised on the sale or retirement of the Short-Term Security will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. US Holders who are not required and do not elect to accrue OID on Short-Term Securities will be required to defer deductions for interest on borrowings allocable to Short-Term Securities in an amount not exceeding the deferred income until the deferred income is realised.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Security are included in the Short-Term Security's stated redemption price at maturity. A US Holder may elect to determine OID on a Short-Term Security as if the Short-Term Security had been originally issued to the US Holder at the US Holder's purchase price for the Short-Term Security. This election will apply to all obligations with a maturity of one year or less acquired by the US Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

Fungible Issue

The Issuer may, without the consent of the Holders of outstanding Class of Global Collateralised Medium Term Notes, issue additional Global Collateralised Medium Term Notes with identical terms. These additional Global Collateralised Medium Term Notes, even if they are treated for non-tax purposes as part of the same Class as the original Global Collateralised Medium Term Notes, in some cases, may be treated as a separate series for US federal income tax purposes. In such a case, the additional Global Collateralised Medium Term Notes may be considered to have been issued with OID even if the original Global Collateralised Medium Term Notes had no OID, or the additional Global Collateralised Medium Term Notes may have a greater amount of OID than the original Global Collateralised Medium Term Notes. These differences may affect the market value of the original Global Collateralised Medium Term Notes if the additional Global Collateralised Medium Term Notes are not otherwise distinguishable from the original Global Collateralised Medium Term Notes.

Market Discount

A Global Collateralised Medium Term Note, other than a Short-Term Security, generally will be treated as purchased at a market discount (a "**Market Discount Security**") if the Global Collateralised Medium Term Note's stated redemption price at maturity or, in the case of a Discount Security, the Global Collateralised Medium Term Note's "revised issue price" exceeds the amount for which the US Holder purchased the Global Collateralised Medium Term Note by at least 0.25 per cent. of the Global Collateralised Medium Term Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Global Collateralised Medium Term Note's maturity (or, in the case of a Global Collateralised Medium Term Note that is an instalment obligation, the Global Collateralised Medium Term Notes weighted average maturity). If this excess is not sufficient to cause the Global Collateralised Medium Term Note to be a Market Discount Security, then the excess constitutes "de minimis market discount". For this purpose, the "revised issue price" of a Global Collateralised Medium Term Note generally equals its issue price, increased by the amount of any OID that has accrued on the Global Collateralised Medium Term Note and decreased by the amount of any payments previously made on the Global Collateralised Medium Term Note that were not qualified stated interest payments.

Under current law, any gain recognised on the maturity or disposition of a Market Discount Security (including any payment on a Global Collateralised Medium Term Note that is not qualified stated interest) will be treated as ordinary income to the extent that the gain does not exceed the accrued market discount on the Global Collateralised Medium Term Note. Alternatively, a US Holder of a Market Discount Security may elect to include market discount in income currently over the life of the Global Collateralised Medium Term Note. This election will apply to all debt instruments with market discount acquired by the electing US Holder on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the IRS. A US Holder of a Market Discount Security that does not elect to include market discount in income currently will generally be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Security that is in excess of the interest and OID on the Global Collateralised Medium Term Note includible in the US Holder's income, to the extent that this excess interest expense does not exceed the portion of the market discount allocable to the days on which the Market Discount Security was held by the US Holder.

Under current law, market discount will accrue on a straight-line basis unless the US Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Security with respect to which it is made and is irrevocable.

Variable Interest Rate Securities

Floating Rate Notes and certain other securities that provide for interest at variable rates ("**Variable Interest Rate Securities**") generally will bear interest at a "qualified floating rate" and thus will be treated as "variable rate debt instruments" under Treasury regulations governing accrual of OID. However, certain "Variable Rate Securities", as the term is used in this Base Prospectus, may not qualify as a "variable rate debt instrument", but instead will be treated as a contingent payment debt obligation for US federal income tax purposes. A Variable Interest Rate Security will qualify as a "variable rate debt instrument" if (i) its issue price does not exceed the total non-contingent principal payments due under the Variable Interest Rate Security by more than a specified de minimis amount, (ii) it provides for stated interest, paid or compounded at least annually, at (a) one or more qualified floating rates, (b) a

single fixed rate and one or more qualified floating rates, (c) a single objective rate, or (d) a single fixed rate and a single objective rate that is a qualified inverse floating rate, and (iii) it does not provide for any principal payments that are contingent (other than as described in (i) above).

A "qualified floating rate" is any variable interest rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Security is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable interest rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Security (e.g. two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Security's issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable interest rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e. a cap) or a minimum numerical limitation (i.e. a floor) may, under certain circumstances, fail to be treated as a qualified floating rate.

An "objective rate" is an interest rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g. one or more qualified floating rates or the yield of actively traded personal property). An interest rate will not qualify as an objective rate if it is based on information that is within the control of the Issuer (or a related party) or that is unique to the circumstances of the Issuer (or a related party), such as dividends, profits or the value of the Issuer's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the Issuer). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Security will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Security's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Security's term. A "qualified inverse floating rate" is any objective rate where the interest rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Security provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Interest Rate Security's issue date is intended to approximate the fixed rate (e.g. the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a "current value" of that rate. A "current value" of a rate is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

If a Global Collateralised Medium Term Note is a Variable Interest Rate Security that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a "variable rate debt instrument", then any stated interest on the Global Collateralised Medium Term Note which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Security that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a "variable rate debt instrument" will generally not be treated as having been issued with OID unless the Variable Interest Rate Security is issued at a "true" discount (i.e. at a price below the Security's stated principal amount) in excess of a specified de minimis amount. OID on a Variable Interest Rate Security arising from "true" discount is allocated to an accrual period using the constant-yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as at the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Security.

In general, any other Variable Interest Rate Security that qualifies as a "variable rate debt instrument" will be converted into an "equivalent" fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Security. Such a Variable Interest Rate Security must be converted into an "equivalent" fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Security with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as at the Variable Interest Rate Security's issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Security is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Security. In the case of a Variable Interest Rate Security that qualifies as a "variable rate debt instrument" and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Security provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Security as at the Variable Interest Rate Security's issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Security is converted into an "equivalent" fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Security is converted into an "equivalent" fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the "equivalent" fixed rate debt instrument by applying the general OID rules to the "equivalent" fixed rate debt instrument and a US Holder of the Variable Interest Rate Security will account for the OID and qualified stated interest as if the US Holder held the "equivalent" fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the "equivalent" fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Security during the accrual period.

If a Variable Interest Rate Security, the payments on which are determined by reference to an index, does not qualify as a "variable rate debt instrument", then the Variable Interest Rate Security will be treated as a contingent payment debt obligation.

Securities Purchased at a Premium

A US Holder that purchases a Global Collateralised Medium Term Note for an amount in excess of its nominal amount, or for a Discount Security, its stated redemption price at maturity, may elect to treat the excess as "amortisable bond premium", in which case the amount required to be included in the US Holder's income each year with respect to interest on the Global Collateralised Medium Term Note will be reduced by the amount of amortisable bond premium allocable (based on the Global Collateralised Medium Term Note's yield to maturity) to that year. Any election to amortise bond premium will apply to all bonds (other than bonds, the interest on which is excludable from gross income for US federal income tax purposes) held by the US Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the US Holder, and is irrevocable without the consent of the IRS. See also "*Election to Treat All Interest as Original Issue Discount*" below.

Election to Treat All Interest as Original Issue Discount

A US Holder may elect to include in gross income all interest that accrues on a Global Collateralised Medium Term Note using the constant-yield method described above under "*Original Issue Discount — General*", with certain modifications. For purposes of this election, interest includes stated interest, OID, de minimis OID, market discount, de minimis market discount and unstated interest, as adjusted by any amortisable bond premium (described above under "*Securities Purchased at a Premium*") or acquisition premium. This election will generally apply only to the Global Collateralised Medium Term Note with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Global Collateralised Medium Term Note is made with respect to a Market Discount Security, the electing US Holder will be treated as having made the election discussed above under "*Original Issue Discount — Market Discount*" to include market

discount in income currently over the life of all debt instruments with market discount held or thereafter acquired by the US Holder. US Holders should consult their tax advisers concerning the propriety and consequences of this election.

Substitution of Issuer

The terms of the Global Collateralised Medium Term Notes provide that, in certain circumstances, the obligations of the Issuer under the Global Collateralised Medium Term Notes may be assumed by another entity. Any such assumption might be treated for US federal income tax purposes as a deemed disposition of Global Collateralised Medium Term Notes by a US Holder in exchange for new securities issued by the new obligor. As a result of this deemed disposition, a US Holder could be required to recognise capital gain or loss for US federal income tax purposes equal to the difference, if any, between the issue price of the new securities (as determined for US federal income tax purposes), and the US Holder's tax basis in the Global Collateralised Medium Term Notes. US Holders should consult their tax advisers concerning the US federal income tax consequences to them of a change in obligor with respect to the Global Collateralised Medium Term Notes.

Purchase, Sale and Retirement of Global Collateralised Medium Term Notes

A US Holder's tax basis in a Global Collateralised Medium Term Note will generally be its cost, increased by the amount of any OID or market discount included in the US Holder's income with respect to the Global Collateralised Medium Term Note and the amount, if any, of income attributable to de minimis OID and de minimis market discount included in the US Holder's income with respect to the Security, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortisable bond premium applied to reduce interest on the Global Collateralised Medium Term Note.

A US Holder will generally recognise gain or loss on the sale or retirement of a Global Collateralised Medium Term Note equal to the difference between the amount realised on the sale or retirement and the tax basis of the Global Collateralised Medium Term Note. The amount realised does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under "*Original Issue Discount — Market Discount*" or "*Original Issue Discount — Short-Term Securities*" or attributable to changes in exchange rates (as discussed below), gain or loss recognised on the sale or retirement of a Global Collateralised Medium Term Note will be capital gain or loss and will be long-term.

Foreign Currency Securities

Interest

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognised by a cash basis US Holder will be the US dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into US dollars.

An accrual basis US Holder may determine the amount of income recognised with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a US Holder, the part of the period within the taxable year).

Under the second method, the US Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis US Holder may instead translate the accrued interest into US dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by

the US Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the US Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Global Collateralised Medium Term Note) denominated in, or determined by reference to, a foreign currency, the US Holder may recognise US source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into US dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into US dollars.

OID

OID for each accrual period on a Discount Security that is denominated in, or determined by reference to, a foreign currency will be determined in the foreign currency and then translated into US dollars in the same manner as stated interest accrued by an accrual basis US Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Discount Security or a sale or disposition of the Discount Security), a US Holder may recognise US source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into US dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into US dollars.

Market Discount

Market discount on a Global Collateralised Medium Term Note that is denominated in, or determined by reference to, a foreign currency will be accrued in the foreign currency. If the US Holder elects to include market discount in income currently, the accrued market discount will be translated into US dollars at the average exchange rate for the accrual period (or portion thereof within the US Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the US Holder may recognise US source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A US Holder that does not elect to include market discount in income currently will recognise, upon the disposition or maturity of the Global Collateralised Medium Term Note, the US dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

Bond Premium

Bond premium (including acquisition premium) on a Global Collateralised Medium Term Note that is denominated in, or determined by reference to, a foreign currency will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income in units of the foreign currency. On the date bond premium offsets interest income, a US Holder may recognise US source exchange gain or loss (taxable as ordinary income or loss) equal to the amount offset multiplied by the difference between the spot rate in effect on the date of the offset, and the spot rate in effect on the date the Global Collateralised Medium Term Notes were acquired by the US Holder. A US Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognise a market loss when the Global Collateralised Medium Term Note matures.

Sale or Retirement

As discussed above under " Purchase, Sale and Retirement of Global Collateralised Medium Term Notes ", a US Holder will generally recognise gain or loss on the sale or retirement of a Global Collateralised Medium Term Note equal to the difference between the amount realised on the sale or retirement and its tax basis in the Global Collateralised Medium Term Note. A US Holder's tax basis in a Global Collateralised Medium Term Note that is denominated in a foreign currency will be determined by reference to the US dollar cost of the Global Collateralised Medium Term Note. The US dollar cost of a Global Collateralised Medium Term Note purchased with foreign currency will generally be the US dollar value of the purchase price on the date of purchase, or the settlement date for the purchase, in the case of Global Collateralised Medium Term Notes traded on an established securities market, as defined in the applicable Treasury Regulations, that are purchased by a cash basis US Holder (or an accrual basis US Holder that so elects).

The amount realised on a sale or retirement for an amount in foreign currency will be the US dollar value of this amount on the date of sale or retirement, or the settlement date for the sale, in the case of Global Collateralised Medium Term Notes traded on an established securities market, as defined in the applicable Treasury Regulations, sold by a cash basis US Holder (or an accrual basis US Holder that so elects). Such an election by an accrual basis US Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

A US Holder will recognise US source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Global Collateralised Medium Term Note equal to the difference, if any, between the US dollar values of the US Holder's purchase price for the Global Collateralised Medium Term Note (or, if less, the principal amount of the Global Collateralised Medium Term Note) (i) on the date of sale or retirement and (ii) on the date on which the US Holder acquired the Global Collateralised Medium Term Note. Any such exchange rate gain or loss will be realised only to the extent of total gain or loss realised on the sale or retirement (including any exchange gain or loss with respect to the receipt of accrued but unpaid interest).

Disposition of Foreign Currency

Foreign currency received as interest on a Global Collateralised Medium Term Note or on the sale or retirement of a Global Collateralised Medium Term Note will have a tax basis equal to its US dollar value at the time the foreign currency is received. Foreign currency that is purchased will generally have a tax basis equal to the US dollar value of the foreign currency on the date of purchase. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase Global Collateralised Medium Term Notes or upon exchange for US dollars) will be US source ordinary income or loss for a US Holder.

Medicare Tax on "Net Investment Income"

Certain U.S. Holders (including individuals, estates and trusts) will be subject to an additional 3.8% Medicare tax on unearned income. For individuals, the additional Medicare tax applies to the lesser of (i) "net investment income" or (ii) the excess of "modified adjusted gross income" over certain specified amounts. "Net investment income" generally equals the taxpayer's gross investment income reduced by the deductions that are allocable to such income. Investment income generally includes passive income such as interest, dividends, annuities, royalties, rents and capital gains. United States persons that are holders are urged to consult their own tax advisors regarding the implications of the additional Medicare tax resulting from an investment in a Note.

U.S. Foreign Account Tax Compliance Withholding

FATCA imposes a new reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "**foreign financial institution**", or "**FFI**" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether such investor is a U.S. person or should otherwise be treated as holding a United States Account of the Issuer (a "**Recalcitrant Holder**") . For these purposes, the Issuer is likely to be viewed as an FFI.

FATCA implementation is being phased in from 1 July 2014 for payments from sources within the United States and is currently proposed to apply to "foreign passthru payments" (a term not yet fully defined) made by an FFI to a non-participating FFI or Recalcitrant Holder no earlier than 1 January 2017. This withholding could potentially apply to payments in respect of (i) any Global Collateralised Medium Term Notes issued or materially modified on or after the "grandfathering date", which is the later of (a) 1 July 2014 and (b) the date that is six months after the date on which final U.S. Treasury regulations defining the term "foreign passthru payment" are filed with the Federal Register; and (ii) any Global Collateralised Medium Term Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Global Collateralised Medium Term Notes are issued before the grandfathering date, and additional Global Collateralised Medium Term Notes of the same series are issued on or after that date, the additional Global Collateralised Medium Term Notes may not be treated as grandfathered, which may have negative consequences for the existing Global Collateralised Medium Term Notes, including a negative impact on market price.

The United States and the United Kingdom have entered into an intergovernmental agreement (the "**US-UK IGA**") to facilitate the implementation of FATCA. Subject to complying with United Kingdom law implementing the US-UK IGA, the Issuer is currently not expected to suffer any FATCA Withholding. Although the Issuer will attempt to satisfy any obligations imposed on it to avoid the imposition of FATCA Withholding, no assurance can be given that the Issuer will be able to satisfy these obligations. The imposition of any FATCA Withholding on the Issuer (for example, if it fails to comply with its obligations under the United Kingdom legislation implementing the US-UK IGA) could materially affect the Issuer's financial ability to make payments or could reduce such payments on the Global Collateralised Medium Term Notes. No other funds will be available to the Issuer to make up any such shortfall.

If a FATCA Withholding were to be made from interest, principal or other payments made in respect of the Global Collateralised Medium Term Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Global Collateralised Medium Term Notes, be required to pay any additional amounts as a result of the FATCA Withholding. As a result, investors may receive less interest or principal than expected.

Whilst the Global Collateralised Medium Term Notes are in global form and held within DTC, Euroclear and/or Clearstream Banking, société anonyme or similar clearing systems, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Global Collateralised Medium Term Notes by the Issuer, any paying agent and the common depositary, given that each of the entities in the payment chain between the Issuer and the clearing systems is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Global Collateralised Medium Term Notes. The documentation contemplates the possibility that the Global Collateralised Medium Term Notes may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA withholding. However, definitive notes will only be printed in remote circumstances.

It is possible that FATCA could affect payments made to custodians or intermediaries in a subsequent payment chain leading to an ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA Withholding. FATCA may also affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA Withholding. Investors should choose the custodians or intermediaries with care (to ensure that each is compliant with FATCA or other laws or agreements related to FATCA), and provide each custodian or intermediary with any information, forms and/or other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA Withholding.

The Issuer's obligations under the Global Collateralised Medium Term Notes are discharged once it has made payment to, or to the order of, the clearing systems and the Issuer has therefore no responsibility for any amount thereafter transmitted through the clearing systems and custodians or intermediaries.

The FATCA provisions are particularly complex. The above description is based in part on U.S. Treasury Regulations, official guidance and the US-UK IGA, all of which are subject to change. A holder of a Global Collateralised Medium Term Note who is not a U.S. Holder should consult its own tax advisors regarding the potential application and impact of these requirements based on such holder's particular circumstances.

Backup Withholding and Information Reporting

In general, payments of interest and accrued OID on, and the proceeds of a sale, redemption or other disposition of, the Global Collateralised Medium Term Notes, payable to a US Holder by a US paying agent or other US intermediary, will be reported to the IRS and to the US Holder as may be required under applicable regulations. Backup withholding will apply to these payments if the US Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its US federal income tax returns. Certain US Holders are not subject to backup withholding. US Holders

should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Reporting Requirements for Specified Foreign Financial Assets

U.S. Holders that are individuals who, during any taxable year, own "specified foreign financial assets" with an aggregate value in excess of $50,000 will generally be required to file an information report with respect to such assets with their tax returns. "Specified foreign financial assets" include any financial accounts maintained by foreign financial institutions, as well as any of the following, but only if they are not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-U.S. persons, (ii) financial instruments and contracts held for investments that have non-U.S. issuers or counterparties and (iii) interests in foreign entities, U.S. Holders that are individuals are urged to consult their tax advisers regarding the application of this legislation to their ownership of the Global Collaterised Medium Term Notes.

Reportable Transactions

A US taxpayer that participates in a "reportable transaction" will be required to disclose its participation to the IRS. The scope and application of these rules is not entirely clear. A US Holder may be required to treat a foreign currency exchange loss from the Global Collateralised Medium Term Notes as a reportable transaction if the loss exceeds US$50,000 in a single taxable year, if the US Holder is an individual or trust, or higher amounts for other non-individual US Holders. In the event the acquisition, holding or disposition of Global Collateralised Medium Term Notes constitutes participation in a reportable transaction for purposes of these rules, a US Holder will be required to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of US$10,000 in the case of a natural person and US$50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Accordingly, if a US Holder realises a loss on any Global Collateralised Medium Term Note (or, possibly, aggregate losses from the Global Collateralised Medium Term Notes) satisfying the monetary thresholds discussed above, the US Holder could be required to file an information return with the IRS, and failure to do so may subject the US Holder to the penalties described above. In addition, the Issuer and its advisers may also be required to disclose the transaction to the IRS, and to maintain a list of US Holders, and to furnish this list and certain other information to the IRS upon written request. Prospective purchasers are urged to consult their tax advisers regarding the application of these rules to the acquisition, holding or disposition of Global Collateralised Medium Term Notes.

CERTAIN CONSIDERATIONS FOR ERISA AND OTHER U.S. EMPLOYEE BENEFIT PLANS

Unless otherwise specified in a supplement to this Base Prospectus and subject to the following discussion, the Global Collateralised Medium Term Notes may be acquired with assets of pension, profit-sharing or other employee benefit plans, as well as individual retirement accounts, Keogh plans and other plans and retirement arrangements, and any entity deemed to hold "plan assets" of the foregoing (each, a "**Plan**"). Section 406 of the US Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and Section 4975 of the U.S. Internal Revenue Code of 1986, prohibit a Plan subject to those provisions (each, a "**Benefit Plan Investor**") from engaging in certain transactions with persons that are "parties in interest" under ERISA or "disqualified persons" under the U.S. Internal Revenue Code with respect to such Benefit Plan Investor. A violation of these "prohibited transaction" rules may result in an excise tax or other penalties and liabilities under ERISA and the U.S. Internal Revenue Code for such persons or the fiduciaries of such Benefit Plan Investor. In addition, Title I of ERISA requires fiduciaries of a Benefit Plan Investor subject to ERISA to make investments that are prudent, diversified and in accordance with the governing plan documents. Employee benefit plans that are U.S. governmental plans (as defined in Section 3(32) of ERISA) and certain church plans (as defined in Section 3(33) of ERISA) are not subject to the fiduciary and prohibited transaction provisions of ERISA or Section 4975 of the Code; *however*, such plans may be subject to similar restrictions under applicable state, local or other law ("**Similar Law**").

An investment in the Global Collateralised Medium Term Notes by or on behalf of a Benefit Plan Investor could give rise to a prohibited transaction if the Bank is a party in interest or a disqualified person with respect to such Benefit Plan Investor. Certain exemptions from the prohibited transaction rules could be applicable to an investment in the Global Collateralised Medium Term Notes by a Benefit Plan Investor depending upon the type and

circumstances of the plan fiduciary making the decision to acquire such investment and the relationship of the party in interest to the Benefit Plan Investor. Included among these exemptions are: Section 408(b)(17) of ERISA and Section 4975(d)(20) of the U.S. Internal Revenue Code for certain transactions between a Benefit Plan Investor and non-fiduciary service providers to the Benefit Plan Investor; Prohibited Transaction Class Exemption ("**PTCE**") 96-23, regarding transactions effected by "in-house asset managers;" PTCE 95-60, regarding investments by insurance company general accounts; PTCE 91-38, regarding investments by bank collective investment funds; PTCE 90-1, regarding investments by insurance company pooled separate accounts; and PTCE 84-14, regarding transactions effected by "qualified professional asset managers." Even if the conditions specified in one or more of these exemptions are met, the scope of the relief provided by these exemptions might or might not cover all acts that might be construed as prohibited transactions. There can be no assurance that any of these, or any other exemption, will be available with respect to any particular transaction involving the Global Collateralised Medium Term Notes, and prospective investors that are Benefit Plan Investors and other Plans should consult with their legal advisors regarding the applicability of any such exemption and other applicable legal requirements.

By acquiring a Global Collateralised Medium Term Note (or a beneficial interest therein), each purchaser (and if the purchaser is a Plan, its fiduciary) is deemed to represent and warrant that either: (a) it is not acquiring the Global Collateralised Medium Term Note (or a beneficial interest therein) with the assets of a Benefit Plan Investor, a U.S. governmental plan or other employee benefit plan that is subject to Similar Law, or (b) the acquisition of the Global Collateralised Medium Term Note (or a beneficial interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the U.S. Internal Revenue Code or a violation of Similar Law.

PURCHASE AND SALE

The dealers (the "**Dealers**") party to the Dealer Agreement (as the same may be amended and/or supplemented and/or restated from time to time, the "**Dealer Agreement**") dated 7 December 2012 have agreed with the Issuer and the LLP on a basis upon which such Dealers or any of them may from time to time agree to purchase Global Collateralised Medium Term Notes. Any such agreement for any particular purchase by a Dealer will extend to those matters stated under "*Pro Forma Final Terms of the Global Collateralised Medium Term Notes and Terms and Conditions of the Global Collateralised Medium Term Notes*" above. The Issuer may pay the Dealers commission from time to time in connection with the sale of any Global Collateralised Medium Term Notes. The Dealers are entitled to be released and discharged from their obligations in relation to any agreement to issue and purchase Global Collateralised Medium Term Notes under the Dealer Agreement in certain circumstances prior to payment to the Issuer.

One or more Dealers may purchase Global Collateralised Medium Term Notes, as principal, from the Issuer from time to time for resale to investors and other purchasers at a fixed offering price or, if so specified in the applicable Final Terms, at varying prices relating to prevailing market prices at the time of resale as determined by any Dealer.

A Dealer may sell Global Collateralised Medium Term Notes it has purchased from the Issuer as principal to certain other dealers less a concession equal to all or any portion of the discount received in connection with such purchase. The Dealer may allow, and such dealers may re-allow, a discount to certain other dealers. After the initial offering of Global Collateralised Medium Term Notes, the offering price (in the case of Global Collateralised Medium Term Notes to be resold at a fixed offering price), the concession and the reallowance may be changed.

The Issuer may withdraw, cancel or modify the offering contemplated hereby without notice and may reject offers to purchase Global Collateralised Medium Term Notes in whole or in part.

In connection with the issue of any Class of Global Collateralised Medium Term Notes, the Dealer or Dealers (if any) named as the stabilising manager(s) (or persons acting on behalf of any stabilising manager(s)) in the applicable Final Terms may over allot Global Collateralised Medium Term Notes or effect transactions with a view to supporting the price of the Global Collateralised Medium Term Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the stabilising manager(s) (or persons acting on behalf of a stabilising manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Class of Global Collateralised Medium Term Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Class of Global Collateralised Medium Term Notes and 60 days after the date of the allotment of the relevant Class of Global Collateralised Medium Term Notes. Any stabilisation action or over-allotment must be conducted by the relevant stabilising manager(s) (or persons acting on behalf of any stabilising manager(s)) in accordance with applicable laws and rules.

These transactions may consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the Global Collateralised Medium Term Notes. If the Dealer creates or the Dealers create, as the case may be, a short position in the Global Collateralised Medium Term Notes, that is, if it sells or they sell Global Collateralised Medium Term Notes in an aggregate principal amount exceeding that set forth in the applicable Final Terms, such Dealer(s) may reduce that short position by purchasing Global Collateralised Medium Term Notes in the open market. In general, purchase of Global Collateralised Medium Term Notes for the purpose of stabilisation or to reduce a short position could cause the price of the Global Collateralised Medium Term Notes to be higher than it might be in the absence of such purchases.

Neither the Issuer nor any of the Dealers makes any representation or prediction as to the direction or magnitude of any effect that the transactions described in the immediately preceding paragraph may have on the price of Global Collateralised Medium Term Notes. In addition, neither the Issuer nor any of the Dealers makes any representation that the Dealers will engage in any such transactions or that such transactions, once commenced, will not be discontinued without notice.

Under the Dealer Agreement, the Issuer has agreed to indemnify the Dealers against certain liabilities (including liabilities under the Securities Act) or to contribute to payments the Dealers may be required to make in respect

thereof in connection with the establishment and any future updates of the Series and the issue of Global Collateralised Medium Term Notes under the Series. The Issuer has also agreed to reimburse the Dealers for certain other expenses in connection with the establishment and any future updates of the Series and the issue of Global Collateralised Medium Term Notes under the Series.

The Issuer and the Dealers may, from time to time, purchase and sell Global Collateralised Medium Term Notes in the secondary market, but they are not obligated to do so, and there can be no assurance that there will be a secondary market for any Class of Global Collateralised Medium Term Notes or liquidity in the secondary market if one develops. Neither the Issuer nor any Dealer currently intends to make a market in any Class of Global Collateralised Medium Term Notes.

The Dealers and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Issuer and the Dealers have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and the Issuer has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate. Certain of the Dealers and their respective affiliates have, directly or indirectly, performed investment and commercial banking or financial advisory services for the Issuer for which they have received customary fees and commissions, and they expect to provide these services to the Issuer and its affiliates in the future, for which they also expected to receive customary fees and commissions.

SELLING RESTRICTIONS

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Series will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Global Collateralised Medium Term Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Global Collateralised Medium Term Notes to the public in that Relevant Member State:

(a) at any time to legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Global Collateralised Medium Term Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression "**an offer of Global Collateralised Medium Term Notes to the public**" in relation to any Global Collateralised Medium Term Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Global Collateralised Medium Term Notes to be offered so as to enable an investor to decide to purchase or subscribe the Global Collateralised Medium Term Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

United States of America

U.S. Federal Income Tax Selling Restrictions

Global Collateralised Medium Term Notes issued in bearer form for US tax purposes ("**Bearer Instruments**") may not be offered, sold or delivered within the United States or its possessions or to a United States person except as permitted under US Treasury Regulation section 1.163-5(c)(2)(i)(D) and any successor regulations or rules in substantively the same form for purposes of section 4701 fo the U.S. Internal Revenue Code (the "**D Rules**").

Each Issuer and Dealer has represented and agreed (and each additional Dealer named in a set of Final Terms will be required to represent and agree) that in addition to the relevant US Securities Selling Restrictions set forth below:

(a) except to the extent permitted under the D Rules, (x) it has not offered or sold, and during the restricted period it will not offer or sell, Bearer Instruments to a person who is within the United States or its possessions or to a United States person and (y) such Dealer has not delivered and agrees that it will not deliver within the United States or its possessions definitive Bearer Instruments that will be sold during the restricted period;

(b) it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Instruments are aware that Bearer Instruments may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person (except to the extent permitted under the D Rules);

(c) if it is a United States person, it is acquiring the Bearer Instruments for purposes of resale in connection with their original issuance, and if it retains Bearer Instruments for its own account, it will do so in accordance with the requirements of the D Rules;

(d) with respect to each affiliate or distributor that acquires Bearer Instruments from a Dealer for the purpose of offering or selling such Bearer Instruments during the restricted period, the Dealer either repeats and confirms the representations and agreements contained in sub clauses (a), (b) and (c) above on such affiliate's or distributor's behalf or agrees that it will obtain from such affiliate or distributor for the benefit of each Issuer and Dealer the representations and agreements contained in such sub clauses; and

(e) it has not and agrees that it will not enter into any written contract (other than confirmation or other notice of the transaction) pursuant to which any other party to the contract (other than one of its affiliates or another Dealer) has offered or sold, or during the restricted period will offer or sell, any Bearer Instruments except where pursuant to the contract the relevant Dealer has obtained or will obtain from that party, for the benefit of each Issuer and Dealer, the representations contained in, and that party's agreement to comply with, the provisions of sub clauses (a), (b), (c) and (d).

Terms used in this section shall have the meanings given to them by the Internal Revenue Code and the U.S. Treasury Regulations thereunder, including the D Rules.

US Securities Selling Restrictions

Global Collateralised Medium Term Notes

The Global Collateralised Medium Term Notes, have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Dealer has agreed (and each further Dealer named in a set of Final Terms will be required to agree) that it will not offer or sell Global Collateralised Medium Term Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable Class of which such Global Collateralised Medium Term Notes are part, as determined and certified to the Agent by such Dealer (in the case of a non-syndicated issue) or the relevant lead Dealer (in the case of a syndicated issue), within the United States or to, or for the account or benefit of, US persons, except to QIBs who are also QPs, in reliance on Rule 144A, and it will have sent to each Dealer to which it sells Global Collateralised Medium Term Notes during the Distribution Compliance Period (other than resales pursuant to Rule 144A) a confirmation or other notice setting out the restrictions on offers and sales of the Global Collateralised Medium Term Notes within the United States or to, or for the account or benefit of, US persons. Terms used in the preceding sentence have the meanings given to them by Regulation S. Neither such Dealer nor its affiliates, nor any persons acting on its or their behalf, have engaged or will engage in any directed selling efforts (as defined in Regulation S) with respect to the Global Collateralised Medium Term Notes, and such Dealer, its affiliates and all persons acting on its or their behalf have complied and will comply with the offering restrictions requirement of Regulation S.

The Global Collateralised Medium Term Notes are being offered and sold outside the United States to non-US persons in reliance on Regulation S. The Dealer Agreement provides that a Dealer may directly or through its US broker-dealer affiliates arrange for the offer and resale of Registered Notes within the United States only to QIBs who are also QPs.

In addition, until 40 days after the commencement of the offering of any identifiable Class of Global Collateralised Medium Term Notes, an offer or sale of such Global Collateralised Medium Term Notes within the United States by any dealer (whether or not participating in the offering of such Class of Global Collateralised Medium Term Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

The Base Prospectus has been prepared by the Issuer for use in connection with the offer and sale of Global Collateralised Medium Term Notes outside the United States and for the resale of the Registered Notes in the United States and for the listing of Global Collateralised Medium Term Notes on the Relevant Stock Exchange. The Issuer and the Dealers reserve the right to reject any offer to purchase the Global Collateralised Medium Term Notes, in whole or in part, for any reason. The Base Prospectus does not constitute an offer to any person in the United States or to any US person other than any QIB who is also a QP to whom an offer has been made directly by a Dealer or its US broker-dealer affiliate. Distribution of the Base Prospectus by any non-US person outside the United States or by any QIB who is also a QP in the United States to any US person or to any other person within the United States, other than any QIB who is also a QP and those persons, if any, retained to advise such non-US person or QIB who is also a QP with respect thereto, is unauthorised, and any disclosure without the prior written consent of the Issuer of any of its contents to any of such US person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non-US person or QIB who is also a QP, is prohibited.

Each issue of Global Collateralised Medium Term Notes shall be subject to such additional US selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issue and purchase of such Global Collateralised Medium Term Notes, which additional selling restrictions shall be set out in a supplement to this Base Prospectus.

ERISA, Governmental and Other US Plan Selling Restrictions

Unless otherwise specified in a supplement to this Base Prospectus, each purchaser and transferee of the Global Collateralised Medium Term Notes by its acquisition of the Global Collateralised Medium Term Notes shall be deemed to have represented and covenanted as follows: (a) it is not acquiring the Global Collateralised Medium Term Notes with the assets of an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA, any "plan" as defined in and subject to Section 4975 of the U.S. Internal Revenue Code, any entity whose underlying assets include "plan assets" by reason of a investment by an "employee benefit plan" or "plan" in such entity" or a U.S. governmental plan or other employee benefit plan that is subject to Similar Law, or (b) the acquisition, holding and disposition of the Global Collateralised Medium Term Note will not give rise to a non-exempt prohibited transaction under ERISA or Section 4975 of the U.S. Internal Revenue Code or a violation of Similar Law.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Series will be required to represent and agree, that it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Global Collateralised Medium Term Notes in, from or otherwise involving the United Kingdom.

Singapore

THIS DOCUMENT HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE. ACCORDINGLY, THIS DOCUMENT AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF INTERESTS MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY INTERESTS BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 274 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE (THE "SFA"), (II) TO A RELEVANT PERSON PURSUANT TO SECTION 275(1), OR ANY PERSON PURSUANT TO SECTION 275(1A), AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275, OF THE SFA, OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

WHERE INTERESTS ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275 BY A RELEVANT PERSON WHICH IS:

(a) A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR; OR

(b) A TRUST (WHERE THE ISSUE AND PAYING AGENT IS NOT AN ACCREDITED INVESTOR) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY OF THE TRUST IS AN INDIVIDUAL WHO IS AN ACCREDITED INVESTOR,

SECURITIES (AS DEFINED IN SECTION 239(1) OF THE SFA) OF THAT CORPORATION OR THE BENEFICIARIES' RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERRED WITHIN SIX MONTHS AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE INTERESTS PURSUANT TO AN OFFER MADE UNDER SECTION 275 EXCEPT:

(i) TO AN INSTITUTIONAL INVESTOR OR TO A RELEVANT PERSON DEFINED IN SECTION 275(2) OF THE SFA, OR TO ANY PERSON ARISING FROM AN OFFER REFERRED TO IN SECTION 275(1A) OR SECTION 276(4)(i)(B) OF THE SFA;

(ii) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER;

(iii) WHERE THE TRANSFER IS BY OPERATION OF LAW; OR

(iv) AS SPECIFIED IN SECTION 276(7) OF THE SFA.

Hong Kong

No person:

(a) should have offered or sold or will offer or sell in Hong Kong, by means of any document, any Global Collateralised Medium Term Notes (except for Global Collateralised Medium Term Notes

which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) should have issued or should have had in its possession for the purposes of issue, or will issue, or has or will have in its possession for the purposes of issue (whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Global Collateralised Medium Term Notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Global Collateralised Medium Term Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) and any rules made under that Ordinance.

Japan

The Global Collateralised Medium Term Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "**Financial Instruments and Exchange Law**"). Accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Global Collateralised Medium Term Notes in Japan or to, or for the benefit of, any resident of Japan or to others for reoffering or resale, directly or indirectly, in Japan or to any resident of Japan, except in circumstances which will result in compliance with the Financial Instruments and Exchange Law and all applicable other laws, regulations and ministerial guidelines in Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

United Arab Emirates

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED ARAB EMIRATES (EXCLUDING THE DUBAI INTERNATIONAL FINANCIAL CENTRE)

The Global Collateralised Medium Term Notes have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates ("**U.A.E.**") other than in compliance with the laws of the U.A.E. Prospective investors in the Dubai International Financial Centre should have regard to the specific notice to prospective investors in the Dubai International Financial Centre set out below. The information contained in the Base Prospectus and the Final Terms does not constitute a public offer of securities in the U.A.E. in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 of the U.A.E., as amended) or otherwise and is not intended to be a public offer. Neither the Base Prospectus nor the Final Terms have been approved by or filed with the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or the Dubai Financial Services Authority. If you do not understand the contents of the Base Prospectus or the Final Terms you should consult an authorized financial adviser. The Base Prospectus and the Final Terms are provided for the benefit of the recipient only, and should not be delivered to, or relied on by, any other person.

NOTICE TO PROSPECTIVE INVESTORS IN THE DUBAI INTERNATIONAL FINANCIAL CENTRE

The Base Prospectus and the Final Terms relate to an “exempt offer” in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. The Base Prospectus and the Final Terms are intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with exempt offers. The Dubai Financial Services Authority has not approved the Base Prospectus or the Final Terms nor taken steps to verify the information set out in it, and has no responsibility for it. The Global Collateralised Medium Term Notes to which the Final Terms relate may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Global Collateralised Medium Term Notes offered should conduct their own due diligence on the Global Collateralised Medium Term Notes. If you do not understand the contents of the

Base Prospectus or the Final Terms you should consult an authorized financial adviser. For the avoidance of doubt, the Global Collateralised Medium Term Notes are not interests in a "fund" or "collective investment scheme" within the meaning of either the Collective Investment Law (DIFC Law No. l of 2006) or the Collective Investment Rules Module of the Dubai Financial Services Authority Rulebook.

General

These selling restrictions may be modified by the agreement of the Issuer and the relevant Dealer, including following a change in a relevant law, regulation or directive. Any such modification will be set out in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Global Collateralised Medium Term Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will comply with all relevant laws, regulations and directives, and obtain all relevant consents, approvals or permissions, in each jurisdiction in which it purchases, offers, sells or delivers Global Collateralised Medium Term Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms, and neither the Issuer nor any Dealer shall have responsibility therefor.

GENERAL INFORMATION

Authorisation and Consents

The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of each Global Collateralised Medium Term Notes. The establishment and update of the Series was duly authorised by resolutions of an authorised committee of the Board of Directors of the Issuer on 4 December 2012.

Use of Proceeds

The gross proceeds from each issue of Global Collateralised Medium Term Notes will be used by the Issuer to make advances to the LLP. The LLP will utilise the proceeds of each such advance to enter into transactions under one or more Repurchase Agreements with Barclays Bank PLC, BCSL and such other sellers as may be appointed from time to time, as sellers thereunder, pursuant to which the LLP will purchase various Eligible Securities from the applicable Seller, subject to such Seller's obligation to repurchase such Eligible Securities on the Repurchase Date for the related Class.

Base Prospectus

This Base Prospectus may be used for a period of one year from its date for the listing and admission to trading of Classes of Global Collateralised Medium Term Notes. A revised Base Prospectus will be prepared in connection with the listing of any Class of Global Collateralised Medium Term Notes issued after such period.

If at any time the Issuer shall be required to prepare a supplement to the Base Prospectus pursuant to the provisions of Article 16(1) of the Prospectus Directive and relevant implementing measures in Ireland, it will prepare and make available a supplement to this Base Prospectus or a further base prospectus which, in respect of any subsequent issue of Global Collateralised Medium Term Notes to be admitted to trading on the Main Securities Market of the Irish Stock Exchange, or of any other Relevant Stock Exchange shall constitute a base prospectus as required by the Central Bank.

Listing

Any Class of Global Collateralised Medium Term Notes may be admitted to listing and trading on the Irish Stock Exchange or any other Relevant Stock Exchange as set out in the applicable Final Terms.

Unlisted Notes may also be issued under the Series.

Relevant Clearing Systems

The Global Collateralised Medium Term Notes issued under the Series may be accepted for clearance through Euroclear and Clearstream, DTC and any other Relevant Clearing System as set out in the applicable Final Terms. The appropriate common code for each Class allocated by Euroclear, Clearstream or CINS or CUSIP number allocated by DTC will be set out in the applicable Final Terms, together with the International Securities Identification Number (the "**ISIN**") for that Class. If the Global Collateralised Medium Term Notes are to be cleared through an additional or alternative clearing system, the appropriate information will be set out in the applicable Final Terms. Transactions will normally be effected for settlement not earlier than three business days after the date of transaction.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of The Depository Trust Company is 55 Water Street, New York, NY10041-0099, USA. The address of any additional clearing system will be set out in the applicable Final Terms.

Documents available

For as long as this Base Prospectus remains in effect or any Global Collateralised Medium Term Notes remain outstanding, copies of the following documents, in physical form, will, when available, be made available during usual business hours on a weekday (Saturdays, Sundays and public holidays excepted) for inspection and in the case of (b), (c), (f) and (g) below shall be available for collection free of charge at the registered office of the Issuer and (i) in respect of Global Collateralised Medium Term Notes other than CREST Notes, at the specified office of the Issue and Paying Agent and, in the case of the Final Terms in respect of any Class, at the specified office of the relevant Paying Agents or Transfer Agents, as the case may be and (ii) in respect of CREST Notes, at the specified office of the CREST Agent:

(a) the constitutional documents of the Issuer and the LLP;

(b) the documents set out in the "*Information Incorporated by Reference*" section of this Base Prospectus;

(c) all future annual reports and semi-annual financial statements of the Bank;

(d) the annual financial statements for the years ended 31 December 2013 and 2012 and all future annual financial statements of the LLP;

(e) the Programme Documents;

(f) the GCMTN Series Documents;

(g) the current Base Prospectus in respect of the Series and any future supplements thereto;

(h) any Final Terms issued in respect of a Class admitted to listing, trading and/or quotation by any listing authority, stock exchange, and/or quotation system since the most recent base prospectus was published;

(i) the collateral eligibility statement and the most recent Daily Noteholder Allocation Report in respect of a Class listed on a Relevant Stock Exchange; and

(j) any other future documents and/or announcements issued by the Issuer.

On each Business Day on which any Class is outstanding, the Collateral Administrator shall prepare, using information provided by each applicable Custodian, and deliver or make available to each of the Holders of such Class on an internal secure website (https://gctinvestorreporting.bnymellon.com or such other secure website as notified to the Noteholders by the Issuer), no later than 10:00 a.m. London time, a Daily Noteholder Allocation Report containing information as of the close of business on the immediately preceding Business Day

Conditions for Determining Price

The price and amount of Global Collateralised Medium Term Notes to be issued under the Series will be determined by the Issuer and the Administrator at the time of issue in accordance with prevailing market conditions.

Post-issuance information

The Issuer intends to provide post-issuance information in relation to the Global Collateralised Medium Term Notes in the form of Daily Noteholder Allocation Reports. Please see the section entitled "*Description of the Noteholder Allocation Reports*" and the sub-section entitled "*Documents Available*" above in respect of the availability of such reports.

Listing Agent Statement

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Global Collateralised Medium Term Notes and is not itself seeking admission of the Global Collateralised Medium Term Notes to the Official List of the Irish Stock Exchange or to trading on its regulated market for the purposes of the Prospectus Directive.

Foreign Language

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

INDEX OF DEFINED TERMS

INDEX TO FINANCIAL STATEMENTS

Barclays CCP Funding LLP

Report and Financial Statements for the year ended 31 December 2012

[SEE ATTACHED]

BARCLAYS CCP FUNDING LLP
Report and Financial Statements
For the year ended 31 December 2012

Barclays CCP Funding LLP
Registered Number in England & Wales OC359024

Index

The reports and statements set out below comprise the report and financial statements presented to the members

Barclays CCP Funding LLP

Registered Number in England & Wales OC359024

MEMBERS' REPORT
For the year ended 31 December 2012

The Members present their report together with the audited financial statements for the year ended 31 December 2012 for Barclays CCP Funding LLP ("the Partnership")

The Partnership was formed under a limited liability partnership deed (the "LLP Deed") entered into on 18 November 2010 between

1) Barclays Bank PLC, and
2) Barclays Shea Limited

As the members ("Members"), Barclays Bank PLC and Barclays Shea Limited act as the designated members of the Partnership In accordance with the LLP Deed, the LLP is managed by a LP management committee which is comprised of individual representatives of Barclays Bank PLC, as follows

Ashley Wilson
Ajay Nagpal
John Feraca
Thomas Squeri
Thomas Luglio
Martin Malloy
Michael Brian
Shivkumar Rao
Alex Lawton

and of individual representatives of Barclays Shea Limited as follows

Ashley Wilson
Mike Brian
Jonathan Keighley
Alex Lawton

MEMBERS' REPORT (continued)
For the year ended 31 December 2012

Review of business and future outlook

The principal activity of the Partnership is to act as a funding Partnership No significant change in this activity is envisaged in the foreseeable future and the Members expect the Partnership's future performance to be in line with the current year

The Members have reviewed the Partnership's business and performance and consider it to be satisfactory for the year The Members consider that the Partnership's position at the end of the year is consistent with the size and complexity of the business

Results and distributions

During the year ended 31 December 2012 the Partnership's result after tax for the year was $nil The Partnership has net assets of $10,000,000

Statement of Responsibilities of the Members

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

The Partnership Agreement requires the Members to prepare financial statements for each accounting period that give a true and fair view of the state of the affairs of the Partnership as at the end of the financial period and of the profit and loss for the financial period The Members have prepared the financial statements in accordance with International Financial Reporting Standards ('IFRS') as published by the International Accounting Standards Board They are also in accordance with IFRS as adopted by the European Union

Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 'Regulations') requires the members to prepare financial statements for each financial year Under that law the members have prepared the partnership financial statements in accordance with IFRS as adopted by the European Union Under company law as applied to limited liability partnerships the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable IFRS as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business

MEMBERS' REPORT (continued)
For the year ended 31 December 2012

Statement of Responsibilities of the Members (continued)

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations They are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Financial instruments

The Partnership follows Barclays Bank PLC financial risk management objectives and policies including the policy for hedging the exposure to liquidity risk, credit risk, market risk and interest rate risk and these are set out in pages 17-20

Independent Auditors

In accordance with Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, a resolution for the re-appointment of PricewaterhouseCoopers LLP as auditor of the LLP will be proposed at the forthcoming Members Meeting

Statement of disclosure of information to Auditors

The Members have taken all the steps that they ought to have taken as Members to make themselves aware of any relevant audit information and to establish that the Partnership's Auditors are aware of that information So far as the Members are aware, there is no relevant audit information of which the Partnership's Auditors are unaware

For and on behalf of
Barclays CCP Funding LLP

Name: Michael Brian
Authorized representative of Barclays Bank PLC
Designated member

Date 25/06/13

Barclays CCP Funding LLP
Registered Number in England & Wales OC359024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS BARCLAYS CCP FUNDING LLP

We have audited the partnership financial statements of Barclays CCP Funding LLP for the year ended 31 December 2012 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, the Accounting Policies and the related notes The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

Respective responsibilities of members and auditors
As explained more fully in the Statement of Responsibilities of the Members set out on pages 3 and 4, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the limited liability partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the members, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Members' Report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2012 and of its result and cash flows for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability partnerships requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS BARCLAYS CCP FUNDING LLP (continued)

- we have not received all the information and explanations we require for our audit

Mark Randell

Mark Randell (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
Date 27 JUNE 2017

Barclays CCP Funding LLP
Registered Number in England & Wales OC359024

INCOME STATEMENT
For the year ended 31 December 2012

	Note	2012	2011
Continuing operations		$	$
Interest receivable and similar income	5	45,238,571	16,207,229
Interest payable and similar charges	6	(45,238,571)	(16,207,229)
Net interest income		-	-
Net income		-	-
Result on ordinary activities before taxation		-	-
Taxation		-	-
Result for the year		-	-

Result for the year is derived from continuing activities All recognised income and expenses have been reported in the income statement, hence no statement of comprehensive income has been included in the financial statements

The accompanying notes form an integral part of these financial statements

Barclays CCP Funding LLP
Registered Number in England & Wales OC359024

STATEMENT OF FINANCIAL POSITION
As at 31 December 2012

	Note	2012 $	2011 $
Assets			
Current assets			
Reverse repurchase agreements	12	4,248,325,102	9,883,966,249
Cash and cash equivalents	11	10,000,000	10,000,000
Total current assets		4,258,325,102	9,893,966,249
Total assets		**4,258,325,102**	**9,893,966,249**
Liabilities			
Current liabilities			
Borrowings	13	(4,248,325,102)	(9,883,966,249)
Total current liabilities		(4,248,325,102)	(9,883,966,249)
Total liabilities		**(4,248,325,102)**	**(9,883,966,249)**
Net assets attributable to Members			
Members' capital	14	(10,000,000)	(10,000,000)
Total members' equity		**(10,000,000)**	**(10,000,000)**

The accompanying notes form an integral part of the financial statements

The financial statements were approved by the members and authorised for issue on 25 June 2012 and were signed on behalf of the members by

Michael Brian
Authorised representative for Barclays Bank PLC
Designated Member

Barclays CCP Funding LLP

Registered Number in England & Wales OC359024

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2012

	Members' capital $	Retained earnings $	Total members' equity $
Opening Balance - 1 January 2012	10,000,000	-	10,000,000
Issuance of new members' capital	-	-	-
Balance at 31 December 2012	10,000,000	-	10,000,000

	Members' capital $	Retained earnings $	Total members' equity $
Balance at 1 January 2011	5,000,000	-	5,000,000
Issuance of new members' capital	5,000,000	-	5,000,000
Balance at 31 December 2011	10,000,000	-	10,000,000

The accompanying notes form an integral part of the financial statements

Barclays CCP Funding LLP
Registered Number in England & Wales OC359024

STATEMENT OF CASH FLOWS
For the year ended 31 December 2012

	Note	2012	2011
		$	$
Net cash from operating activities		-	-
Cash flows from investing activities			
Sale of reverse repurchase agreements		9,883,966,249	1,549,394,917
Purchase of reverse repurchase agreements		(4,248,325,102)	(9,883,966,249)
Net cash from investing activities		5,635,641,147	(8,334,571,332)
Cash flows from financing activities			
Proceeds from the issuance of members' capital	14	-	5,000,000
Repayments of borrowings		(9,883,966,249)	(1,549,394,917)
Proceeds from borrowings		4,248,325,102	9,883,966,249
Net cash from financing activities		(5,635,641,147)	8,339,571,332
Net increase in cash and cash equivalent		-	5,000,000
Cash and cash equivalents at the beginning of the year		10,000,000	5,000,000
Cash and cash equivalents at 31 December		10,000,000	10,000,000
Cash and cash equivalents comprise			
Money market fund	11	**10,000,000**	**10,000,000**

The accompanying notes form an integral part of the financial statements

NOTES TO THE REPORT AND FINANCIAL STATEMENTS

1 REPORTING ENTITY

The financial statements are prepared for Barclays CCP Funding LLP (the 'Partnership') and are prepared for the Partnership only The Partnership is a wholly owned subsidiary of Barclays Bank PLC ('BBPLC') and its ultimate controlling company is Barclays PLC, both of which prepare consolidated financial statements in accordance with International Financial Reporting Standards ('IFRS'), and accordingly consolidated financial statements have not been prepared Barclays Capital Inc ('BCI') acts as the Partnership's affiliate and is a subsidiary of Barclays Bank PLC The Partnership's members are Barclays Bank PLC and Barclays Shea Limited

CCP Funding LLP is a limited liability partnership formed and domiciled in England and Wales The Partnership's registered office is

1 Churchill Place
London
E14 5HP
England

2 COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial statements have been prepared in accordance with International IFRS, adopted for use in the European Union, International Financial Reporting Interpretations Committee ('IFRIC') interpretations and with those parts of the Companies Act 2006 applicable to partnerships reporting under IFRS

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below These policies have been consistently applied

(a) Basis of preparation
The financial statements have been prepared under the historical cost convention modified to include the fair valuation of certain financial instruments to the extent required or permitted under IAS 39, 'Financial Instruments Recognition and Measurement' as set out in the relevant accounting policies They are stated in US dollars, which is the Partnership's functional and presentation currency

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates It also requires management to exercise judgement in the process of applying the accounting policies

(b) Going concern
After reviewing the Partnership's performance and taking into account the support available from Barclays Bank PLC, the members are satisfied that the Partnership has adequate access to resources to enable it to meet its obligations and to continue in operational existence for the foreseeable future For this reason, the members have adopted the going concern basis in preparing these financial statements

NOTES TO THE REPORT AND FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Standards and interpretations issued but not yet effective

Standard/interpretation	Content	Applicable for financial years beginning on/after
IFRS 13	Fair Value Measurement	1 January 2013
IAS 32 and IFRS 7	Amendments Offsetting Financial Assets and Financial Liabilities	1 January 2013
IFRS 9	Financial Instruments	1 January 2015

IFRS 13, 'Fair Value Measurement'
This provides comprehensive guidance on how to calculate the fair value of financial and non-financial assets and liabilities It is not expected to have a material impact on the financial statements

IAS 32 and IFRS 7, Amendments 'Offsetting Financial Assets and Financial Liabilities'
The circumstances in which netting is permitted have been clarified and disclosures on offsetting have been considerably expanded The amendments on offsetting are effective from 1 January 2014 and those on disclosures from 1 January 2013 It is not expected to have a material impact on the financial statements

IFRS 9, 'Financial Instruments'
In 2009 and 2010, the IASB issued IFRS 9 Financial Instruments which contains new requirements for accounting for financial assets and liabilities, and will contain new requirements for impairment and hedge accounting, replacing the corresponding requirements in IAS 39 It is not expected to have a material impact on the financial statements The key changes issued and proposed relate to

- Financial assets Financial assets will be held at either fair value or amortised cost, except for equity investment not held for trading, which may be held at fair value through other comprehensive income,
- Financial liabilities Gains and losses on fair value changes in own credit arising on non-derivative financial liabilities designated at fair value through profit or loss will be excluded from the income statement and instead taken to other comprehensive income,
- Impairment Expected losses (rather than only incurred losses) will be reflected in impairment allowances for financial assets that are not classified as fair value through profit or loss, and
- Hedge accounting Hedge accounting will be more closely aligned with financial risk management

(d) Interest
Interest income or expense is recognised on all interest bearing financial instruments using the effective interest method

NOTES TO THE REPORT AND FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

The effective interest rate is the rate that exactly discounts the expected future cash payments or receipts through the expected life of the financial instrument, to the net carrying amount of the instrument The application of the method has the effect of recognising income (and expense) receivable (or payable) on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment

(e) Cash and cash equivalents
For the purposes of the cash flow statement, cash comprises cash on hand, demand deposits, and cash equivalents Cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of less than three months

(f) Repurchase agreements
Securities may be sold subject to a commitment to repurchase them (a repo) Such securities are retained on the statement of financial position when substantially all the risks and rewards of ownership remain with the Partnership, and the counterparty liability is included separately on the statement of financial position when cash consideration is received For the years ended 31 December 2012 and 31 December 2011, the Partnership did not have any repurchase agreements

Similarly, where the Partnership borrows or purchases securities subject to a commitment to resell them (a reverse repo) but does not acquire the risks and rewards of ownership, the transactions are treated as collateralised loans when the cash consideration is paid, and the securities are not included in the statement of financial position

The difference between sale/purchase and repurchase/resale price is accrued as interest expense and interest income, respectively over the life of the agreements using the effective interest method

(g) Financial liabilities
Financial liabilities are initially recognised at fair value including direct and incremental transaction costs They are subsequently measured at amortised cost Financial liabilities are derecognised when extinguished

(h) Guarantees
Financial guarantees are initially recognised in the financial statements at fair value on the date that the guarantee was provided Subsequent to initial recognition, such guarantees are measured at the higher of the initial measurement less any amortisation of fee income recognised in the income statement over the period, and the best estimate of the expenditure required to settle any financial liability arising as a result of the obligation at the statement of financial position date

(i) Members' capital
Members' capital classified as equity, provided that there is no present obligation to deliver cash or another financial asset to the holder, is shown in called up members' capital The capital contributions in cash made or deemed to be made by BBPLC from time to time shall be credited to its separate capital account ledger and any capital distribution will be debited to its capital account ledger

NOTES TO THE REPORT AND FINANCIAL STATEMENTS (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Members' capital distributions
Members' capital distributions are recognised in the period in which they are paid or, if earlier, approved by the Partnership's members

(k) Determining fair value
Where the classification of a financial instrument requires it to be stated at fair value, this is determined by reference to the quoted market value in an active market wherever possible Where no such active market exists for the particular asset, the Partnership uses a valuation technique to arrive at the fair value, including the use of prices obtained in recent arms' length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants

4 SEGMENTAL REPORTING

The Partnership has elected not to comply with the voluntary disclosure requirements of International Financial Reporting Standard 8 'Operating Segments', and does not disclose segmental information, as such information is disclosed in the accounts of Barclays Bank PLC

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2012	2011
	$	$
Interest receivable from affiliate undertakings	45,238,571	16,207,229
	45,238,571	16,207,229

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	$	$
Interest payable to members	(45 238,571)	(16,207,229)
	(45,238,571)	(16,207,229)

NOTES TO THE REPORT AND FINANCIAL STATEMENTS (continued)

7 AUDIT FEE FOR PARTNERSHIP

The audit fee is borne by BCI, the Partnership's affiliate The fee for auditing the Partnership accounts amounts to $55,409 for 2012 (2011 $58,795) This fee is not recognised as an expense in the financial statements

8 MEMBERS' EMOLUMENTS

The Members did not receive any emoluments in respect of their services to the Partnership during the year (2011 £nil)

9 STAFF COSTS

There were no employees employed by the Partnership during 2012 (2011 nil)

10 GUARANTEES

The Partnership has provided a guarantee over the obligations of Barclays Bank PLC under the Collateralised Commercial Paper issued via a LLP undertaking If Barclays Bank PLC was to default to investors, under the terms of the guarantee investors would have recourse to the Partnership's investment in its reverse repo assets, which is collateralised by securities Recourse under the LLP undertaking is limited only to the Collateral expressed in the Security Agreement to the respective class held by such Noteholders

11 CASH AND CASH EQUIVALENTS

Cash equivalents of $10,000,000 (2011 $10,000,000) represent investments in a Dreyfus money market mutual fund which invests in high quality, short-term debt securities, including securities issued or guaranteed by the US government or its agencies Carrying value of cash equivalents approximates their fair value

12 REVERSE REPURCHASE AGREEMENTS

	2012 $	2011 $
Affiliates	4,248,325,102	9,883,966,249
	4,248,325,102	9,883,966,249

NOTES TO THE REPORT AND FINANCIAL STATEMENTS (continued)

As at 31 December 2012, the Partnership has reverse repurchase agreements with Barclays Capital Inc, ('BCI'), a subsidiary of Barclays Bank PLC The fair value of the collateral pledged to the Partnership under the reverse repurchase agreements is $4,549,991,510 (2011 $10,516,186,077)

The carrying value of these reverse repurchase agreements as at 31 December 2012 approximates fair value due to the short-term nature of the obligation

13 BORROWINGS

		2012 $	2011 $
Amounts due to BBPLC	16	(4,248,325,102)	(9,883,966,249)
		(4,248,325,102)	(9,883,966,249)

Additional details in respect of the Partnership's borrowings are detailed in note 16

14 CALLED UP MEMBERS' CAPITAL

	2012 $
Opening Balance - 1 January 2012	10,000,000
Issuance of new members' capital	-
Balance at 31 December 2012	10,000,000

	2011 $
Balance at 1 January 2011	5,000,000
Issuance of new members' capital	5,000,000
Balance at 31 December 2011	10,000,000

NOTES TO THE REPORT AND FINANCIAL STATEMENTS (continued)

15 ULTIMATE HOLDING COMPANY

The controlling party undertaking of the smallest company that presents consolidated financial statements is Barclays Bank PLC The ultimate holding company and the parent company of the largest group that presents consolidated financial statement is Barclays PLC Both companies are incorporated in the United Kingdom and registered in England Barclays Bank PLC's and Barclays PLC's statutory financial statements are available from the Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP

16 FINANCIAL RISKS

The Partnership's activities expose it to a variety of financial risks These are liquidity risk, credit risk and market risk

The Partnership's Members are required to operate within the requirements of the Barclays PLC 's risk management policies These policies include specific guidelines on the management of foreign exchange, interest rate, liquidity risk, market risk and credit risks, and advise on the use of financial instruments to manage them and comply with the requirements The risks are managed on a portfolio basis and are identified on an exceptions basis

Liquidity risk

This is the risk that the Partnership's cash and committed facilities may be insufficient to meet its debts as they fall due The borrowings of the Partnership are matched to the maturities of the Partnership's reverse repurchase agreements The Partnership has the financial support of the undertaking Barclays Bank PLC

The table below shows the maturity of financial liabilities the Partnership is exposed to, and the undiscounted contractual maturity of the liabilities it faces

	2012 Borrowings $	2011 Borrowings $
Financial liabilities repayable		
Not more than three months	(2,469,889,021)	(9,900,943,365)
Over three months but not more than six months	(578,067,459)	-
Over six months but not more than one year	(1,200,368,622)	-
Total	(4,248,325,102)	(9 900,943,365)

NOTES TO THE REPORT AND FINANCIAL STATEMENTS (continued)

16 FINANCIAL RISKS (continued)

Credit Risk

Credit risk is the risk of suffering financial loss, should any of the Partnership's customers or market counterparties fail to fulfil their contractual obligations to the Partnership The Partnership manages its credit risk by entering into collateral lending with entities within the Barclays Group and investing in investment grade securities The Partnership's assets are neither past due nor impaired

The Partnership's maximum exposure to credit risk is detailed in the table on the following page The exposure reported in the table represents the gross receivable amounts, which may not be the fair value The exposure is reported gross and does not include any collateral or other credit risk mitigants which reduce the Partnership's exposure The exposure by industry type relates to the financial institutions

	2012		
	Cash Equivalents (Money Market Fund)	Reverse Repos	Total
	$	$	$
Financial institutions	10,000,000	4,248,325,102	4,258,325,102
Total	**10,000,000**	**4,248,325,102**	**4,258,325,102**

	2011		
	Cash Equivalents (Money Market Fund)	Reverse Repos	Total
	$	$	$
Financial institutions	10,000,000	9,883,966,249	9,893,966,249
Total	**10,000,000**	**9,883,966,249**	**9,893,966,249**

NOTES TO THE REPORT AND FINANCIAL STATEMENTS (continued)

16 FINANCIAL RISKS (continued)

The $10,000,000 (2011 $10,000,000) balance in cash equivalents represents an investment grade Dreyfus Cash Management Investor account rated AAA by Moody's

The $4,248,325,102 (2011 $9,883,966,249) balance in reverse repurchase agreements represents the funds lent to BCI The geographical region of BCI is exclusive to the US financial institutions sector BCI holds a strong credit rating (AA-), and is externally rated by Standard & Poor

Collateral is held by the Partnership as an important mitigant of credit risk, and the Partnership has obtained collateral for the funds advanced When collateral is deemed appropriate, the Partnership accepts specific, agreed classes of collateral The partnership monitors the fair value of securities purchased and sold under agreements to resell/repurchase on a daily basis, with additional collateral obtained or refunded as necessary

The fair value of collateral held by the Partnership is detailed below

	2012 $	2011 $
Nature of Reverse Repos Collateral		
- Debt securities	2,401,252,377	7,989,338,096
- Equity securities	2,148,739,133	2,526,847,981
Total	4,549,991,510	10,516,186,077

The assets were pledged to the Partnership by BCI as securities for reverse repurchase agreements from the Partnership to BCI The Partnership can only seize the assets upon default (non repayment of the loan) by BCI, and otherwise has no right to sell or repledge the collateral

Market Risk

Market risk is the risk that the Partnership's earnings or capital, or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices such as equity prices, foreign exchange rates, and interest rates

The Partnership has no exposure to foreign exchange rates, as all assets and liabilities are denominated in US dollar

The Partnership does not hold any equity securities and is not subject to price risk

Interest rate risk

Interest rate risk is the possibility that changes in interest rates will result in higher financing costs and / or reduced income from the Partnership's interest bearing financial assets and liabilities The Partnership mitigates interest rate risk by matching its reverse repo interest rates with the interest rates on borrowings from BBPLC

NOTES TO THE REPORT AND FINANCIAL STATEMENTS (continued)

16 FINANCIAL RISKS (continued)

The Partnership's interest rate risk and market rate risk is limited to the $10,000,000 (2011 $10,000,000) exposure in the Dreyfus money market mutual fund Through short-term corporate and asset-backed securities holdings, the fund seeks to maintain a stable value irrespective of yield prices and market volatility

17 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions, or one other party controls both

The definition of related parties includes two members, ultimate controlling party, affiliates, as well as the Partnership's key management which includes its Members BBPLC is the controlling party BCI acts as the Partnership's affiliate The Partnership acknowledges that administration services are provided by BBPLC During the year there have been no other transactions with related parties other than transactions disclosed in the notes to the financial statements

18 CAPITAL MANAGEMENT

The Partnership is required to operate within the risk management policies of BBPLC which include guidelines covering capital management The capital management objectives and policies of BBPLC can be found in the financial statements of BBPLC The financial statements of BBPLC are available from the Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP

The Members are responsible for capital management and have approved minimum control requirements for capital and liquidity risk management

The Partnership regards as capital its equity reported on statement of financial position Total equity for year ended 31 December 2012 is $10,000,000 (2011 $10,000,000)

19 SUBSEQUENT EVENTS

There were no subsequent events to report

Report and Financial Statements for the year ended 31 December 2013

[SEE ATTACHED]

BARCLAYS CCP FUNDING LLP
Member's Annual Report and Financial Statements
For the year ended 31 December 2013

Registered No: OC359024

Barclays CCP Funding LLP
Member's Annual Report
For the year ended 31 December 2013

Index

The reports and statements set out below comprise the reports and financial statements presented to the members.

Barclays CCP Funding LLP
Member's Annual Report
For the year ended 31 December 2013
Registered Number OC359024

The Members present their annual report together with the audited financial statements of Barclays CCP Funding LLP (the 'Partnership' or 'LLP') for the year ended 31 December 2013.

Profit and distributions

During the year ended 31 December 2013 the Partnership's result after tax for the year was $nil (2012: $nil). The Partnership has net assets of $10,000,000.

Post balance sheet events

There have been no post balance sheet events for the year ended 31 December 2013.

Members

The Partnership was formed under a limited liability partnership deed (the "LLP Deed") entered into on 18 November 2010 between:

1) **Barclays Bank PLC; and**
2) **Barclays Shea Limited**

As the members ("Members"), Barclays Bank PLC and Barclays Shea Limited act as the Designated Members of the Partnership. In accordance with the LLP Deed, the LLP is managed by an LP Management Committee which is comprised of individual representatives of Barclays Bank PLC, as follows:

Ashley Wilson
Ajay Nagpal
John Feraca
Thomas Squeri
Thomas Luglio
Martin Malloy
Michael Brian
Shivkumar Rao
Alex Lawton

and of individual representatives of Barclays Shea Limited as follows:

Ashley Wilson
Michael Brian
Jonathan Keighley
Alex Lawton

Going concern

After reviewing the Partnership's performance projections, the available banking facilities and taking into account the support available from Barclays Bank PLC, the Members are satisfied that the Partnership has adequate access to resources to enable it to meet its obligations and to continue in operational existence for the foreseeable future. For this reason, the Members have adopted the going concern basis in preparing these financial statements.

Statement of Responsibilities of the Members
The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Barclays CCP Funding LLP
Member's Annual Report
For the year ended 31 December 2013
Registered Number OC359024

The Partnership Agreement requires the Members to prepare financial statements for each accounting period that give a true and fair view of the state of the affairs of the Partnership as at the end of the financial period and of the profit and loss for the financial period. The Members have prepared the financial statements in accordance with International Financial Reporting Standards ('IFRS') as published by the International Accounting Standards Board. They are also in accordance with IFRS as adopted by the European Union.

Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 'Regulations') requires the members to prepare financial statements for each financial year. Under that law the members have prepared the partnership financial statements in accordance with IFRS as adopted by the European Union. Under company law as applied to limited liability partnerships the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period. In preparing these financial statements, the members are required to:

- **select suitable accounting policies and then apply them consistently;**
- **make judgments and accounting estimates that are reasonable and prudent;**
- **state whether applicable IFRS as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;**
- **prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.**

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations. They are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial instruments

The Partnership follows Barclays Bank PLC financial risk management objectives and policies including the policy for hedging the exposure to liquidity risk, credit risk, market risk and interest rate risk and these are set out in pages 17-21.

Independent Auditors

In accordance with Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, a resolution for the re-appointment of PricewaterhouseCoopers LLP as auditor of the LLP will be proposed at the forthcoming Annual Members Meeting.

Statement of disclosure of information to Auditors

Barclays CCP Funding LLP
Member's Annual Report
For the year ended 31 December 2013
Registered Number OC359024

So far as the Members are aware, there is no relevant audit information of which the Partnership's Auditors are unaware. The Members have taken all the steps that they ought to have taken as Members in order to make themselves aware of any relevant audit information and to establish that the Partnership's Auditors are aware of that information

For and on behalf of
Barclays CCP Funding LLP

/s/ Michael Brian

Name: Michael Brian
Authorized representative of Barclays Bank PLC
Designated member
29 July 2014

Barclays CCP Funding LLP
Strategic Report
For the year ended 31 December 2013

The Members present their strategic report for the Partnership for the year ended 31 December 2013.

Review and principal activities

The principal activity of the Partnership is to act as a funding Partnership.

Business performance

The Partnership's business performance during the year ended 31 December 2013 is detailed on Page 2 of the Member's Report.

Future outlook

No significant change in this activity is envisaged in the foreseeable future and the Members expect the Partnership's future performance to be in line with the current year.

The Members have reviewed the Partnership's business and performance and consider it to be satisfactory for the year. The Members consider that the Partnership's position at the end of the year is consistent with the size and complexity of the business.

Principal risks and uncertainties

The Partnership's activities expose it to a variety of risks as set out in Note 17 of the financial statements. The Members devotes considerable resources to maintain effective controls to manage measure and mitigate each of these risks, and regularly reviews its risk management procedures and systems to ensure that they continue to meet the needs of the business.

Key performance indicators

The Members believe that analysis using key performance indicators for the Portfolio is not necessary or appropriate for an understanding of the development, performance or position of the Portfolio.

For and on behalf of
Barclays CCP Funding LLP

/s/ Michael Brian

Name: Michael Brian
Authorized representative of Barclays Bank PLC
Designated member
Date: 29 July 2014
Company number OC359024

Barclays CCP Funding LLP
Independent Auditors Report to the Members of Barclays CCP Funding LLP
For the year ended 31 December 2013

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- **give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2013 and of its result and cash flows for the year then ended;**
- **have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and**
- **have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.**

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Barclays CCP Funding LLP, comprise:

- **the statement of financial position as at 31 December 2013;**
- **the income statement for the year then ended;**
- **the statement of cash flows for the year then ended;**
- **the statement of changes in equity for the year then ended; and**
- **the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.**

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

In applying the financial reporting framework, the members have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- **whether the accounting policies are appropriate to the limited liability partnership's circumstances and have been consistently applied and adequately disclosed;**
- **the reasonableness of significant accounting estimates made by the designated members; and**
- **the overall presentation of the financial statements.**

In addition, we read all the financial and non-financial information in the Report (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- **we have not received all the information and explanations we require for our audit; or**
- **adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or**
- **the financial statements are not in agreement with the accounting records and returns.**

We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the members

As explained more fully in the Statement of Responsibilities of the Members set out on page 4, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

/s/ Christopher Rowland

Christopher Rowland (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
29 July 2014

Barclays CCP Funding LLP
INCOME STATEMENT
For the year ended 31 December 2013

	Note	2013	2012
Continuing operations:		**$**	**$**
Interest receivable and similar income	**5**	**31,042,112**	**45,238,571**
Interest payable and similar charges	**6**	**(31,042,112)**	**(45,238,571)**
Net interest income		**-**	**-**
Net income		**-**	**-**
Result on ordinary activities before taxation		**-**	**-**
Taxation	**15**	**-**	**-**
Result for the year		**-**	**-**

Result for the year is derived from continuing activities. All recognised income and expenses have been reported in the income statement, hence no statement of comprehensive income has been included in the financial statements.

The accompanying notes from pages 12 to 21 form an integral part of these financial statements.

Barclays CCP Funding LLP
BALANCE SHEET
As at 31 December 2013

	Note	2013 $	2012 $
Assets			
Current assets			
Cash and cash equivalents	11	10,000,000	10,000,000
Reverse repurchase agreements	12	7,899,135,947	4,248,325,102
Total current assets		7,909,135,947	4,258,325,102
Non-current assets			
Reverse repurchase agreements	12	257,362,921	-
Total non-current assets		257,362,921	-
Total assets		8,166,498,868	4,258,325,102
Liabilities			
Current liabilities			
Borrowings	13	(7,899,135,947)	(4,248,325,102)
Total current liabilities		(7,899,135,947)	(4,258,325,102)
Non-current liabilities			
Borrowings	13	(257,362,921)	-
Total non-current liabilities		(257,362,921)	-
Total liabilities		(8,156,498,868)	(4,258,325,102)
Net assets attributable to Members			
Members' capital	14	(10,000,000)	(10,000,000)
Total members' equity		(10,000,000)	(10,000,000)

The accompanying notes from pages 12 to 21 form an integral part of these financial statements.

The financial statements were approved by the members and authorised for issue on 29 July 2014 and were signed on behalf of the members by:

/s/ Michael Brian

Michael Brian
Authorised representative for Barclays Bank PLC
Designated Member
Date: 29 July 2014
Company number OC359024

Barclays CCP Funding LLP
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2013

	Members' capital	Retained earnings	Total members' equity
	$	$	$
Opening Balance - 1 January 2013	**10,000,000**	**-**	**10,000,000**
Issuance of new members' capital	**-**	**-**	**-**
Balance at 31 December 2013	**10,000,000**	**-**	**10,000,000**

	Members' capital	Retained earnings	Total members' equity
	$	$	$
Balance at 1 January 2012	**10,000,000**	**-**	**10,000,000**
Issuance of members' capital	**-**	**-**	**-**
Balance at 31 December 2012	**10,000,000**	**-**	**10,000,000**

The accompanying notes from pages 12 to 21 form an integral part of these financial statements.

Barclays CCP Funding LLP
STATEMENT OF CASH FLOWS
For the year ended 31 December 2013

	Note	2013	2012
		$	$
Net cash from operating activities		-	-
Cash flows from investing activities			
Sale of reverse repurchase agreements	12	4,248,325,102	9,883,966,249
Purchase of reverse repurchase agreements	12	(8,156,498,868)	(4,248,325,102)
Net cash (used in)/from investing activities		(3,908,173,766)	5,635,641,147
Cash flows from financing activities			
Repayments of borrowings	13	(4,248,325,102)	(9,883,966,249)
Proceeds from borrowings	13	8,156,498,868	4,248,325,102
Net cash from/(used in) financing activities		3,908,173,766	(5,635,641,147)
Net increase in cash and cash equivalent		-	-
Cash and cash equivalents at 1 January		10,000,000	10,000,000
Cash and cash equivalents at 31 December		10,000,000	10,000,000
Cash and cash equivalents comprise:			
Money market fund	11	10,000,000	10,000,000

The accompanying notes from pages 12 to 21 form an integral part of these financial statements.

1. REPORTING ENTITY

The financial statements are prepared for Barclays CCP Funding LLP (the 'Partnership' or 'LLP') and are prepared for the Partnership only. The Partnership is a wholly owned subsidiary of Barclays Bank PLC ('BBPLC') and its ultimate controlling company is Barclays PLC, both of which prepare consolidated financial statements in accordance with International Financial Reporting Standards ('IFRS'), and accordingly consolidated financial statements have not been prepared. Barclays Capital Inc ('BCI') and Barclays Capital Securities Limited ('BCSL') act as the Partnership's affiliates and are subsidiaries of BBPLC. The Partnership's members are BBPLC and Barclays Shea Limited.

Barclays CCP Funding LLP is a limited liability partnership formed and domiciled in England and Wales. The Partnership's registered office is:

1 Churchill Place
London
E14 5HP
England

2. COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and interpretations ('IFRIC') issued by the Interpretations Committee, as published by the International Accounting Standards Board ('IASB'). They are also in accordance with IFRS and IFRIC interpretations endorsed by the European Union. The principal accounting policies applied in the preparation of the consolidated and individual financial statements are set out below, and in the relevant notes to the financial statements. These policies have been consistently applied

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied.

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention modified to include the fair valuation of certain financial instruments to the extent required or permitted under IAS 39, 'Financial Instruments: Recognition and Measurement' as set out in the relevant accounting policies. They are presented in US dollars, which is the Partnership's functional and presentation currency.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies.

(b) Going concern

After reviewing the Partnership's performance and taking into account the support available from BBPLC, the members are satisfied that the Partnership has adequate access to resources to enable it to meet its obligations and to continue in operational existence for the foreseeable future. For this reason, the members have adopted the going concern basis in preparing these financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(c) Standards and interpretations effective in the year

Standard/interpretation	Content	Applicable for financial

		years beginning on/after
IFRS 13	**Fair Value Measurement**	**1 January 2013**
IFRS 7	Financial Instruments: Disclosure on offsetting Financial Assets and Financial Liabilities	**1 January 2013**

IFRS 13, 'Fair Value Measurement'

This provides comprehensive guidance on how to calculate the fair value of financial and non-financial assets and liabilities. There has been no material impact on the financial statements.

IFRS 7, Amendments 'Financial Instruments: Disclosures on Offsetting Financial Assets and Financial Liabilities'

This amendment includes new disclosures to facilitate comparison between those entities that prepares IFRS financial statements to those that prepare financial statements in accordance with US GAAP. As a disclosure only standard, it has no financial impact.

(d) Standards and interpretations issued but not yet effective

Standard/interpretation	Content	Applicable for financial years beginning on/after
IFRS 9	**Financial Instruments**	**1 January 2018**
IAS 32	**Offsetting Financial Assets and Financial Liabilities**	**1 January 2014**

IFRS 9, 'Financial Instruments'

As part of the Limited Amendments to IFRS 9 project, the IASB tentatively decided to defer the mandatory effective date of IFRS 9. The effective date should no longer be annual periods beginning on or after 1 January 2015.

IFRS 9 is the first standard issued as part of a wider project to replace IAS 39 and contains new requirements for accounting for financial assets and liabilities, and will contain new requirements for impairment and hedge accounting. The key changes issued and proposed relate to:

- **Financial assets: Financial assets will be held at either fair value or amortised cost, except for equity investment not held for trading, which may be held at fair value through other comprehensive income;**

- **Financial liabilities: Gains and losses on fair value changes in own credit arising on non-derivative financial liabilities designated at fair value through profit or loss will be excluded from the income statement and instead taken to other comprehensive income;**

Basis of preparation (continued)

(d) Standards and interpretations issued but not yet effective (continued)

- **Impairment: Expected losses (rather than only incurred losses) will be reflected in impairment allowances for financial assets that are not classified as fair value through profit or loss; and**

- **Hedge accounting: Hedge accounting will be more closely aligned with financial risk management.**

(e) Interest

Interest income or expense is recognised on all interest bearing financial instruments using the effective interest method.

The effective interest rate is the rate that exactly discounts the expected future cash payments or receipts through the expected life of the financial instrument, to the net carrying amount of the instrument. The application of the method has the effect of recognising income (and expense) receivable (or payable) on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment.

(f) Cash and cash equivalents

For the purposes of the cash flow statement, cash comprises cash on hand, demand deposits, and cash equivalents. Cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of less than three months.

(g) Repurchase agreements

Securities may be sold subject to a commitment to repurchase them (a Repurchase Agreement). Such securities are retained on the statement of financial position when substantially all the risks and rewards of ownership remain with the Partnership, and the counterparty liability is included separately on the statement of financial position when cash consideration is received. For the years ended 31 December 2013 and 31 December 2012, the Partnership did not have any repurchase agreements.

Similarly, where the Partnership borrows or purchases securities subject to a commitment to resell them (a Reverse Repurchase Agreement) but does not acquire the risks and rewards of ownership, the transactions are treated as collateralised loans when the cash consideration is paid, and the securities are not included in the statement of financial position.

The difference between sale/purchase and repurchase/resale price is accrued as interest expense and interest income, respectively over the life of the agreements using the effective interest method.

(h) Financial liabilities

Financial liabilities are initially recognised at fair value including direct and incremental transaction costs. They are subsequently measured at amortised cost. Financial liabilities are derecognised when extinguished.

(i) Guarantees

Financial guarantees are initially recognised in the financial statements at fair value on the date that the guarantee was provided. Subsequent to initial recognition, such guarantees are measured at the higher of the initial measurement less any amortisation of fee income recognised in the income statement over the period, and the best estimate of the expenditure required to settle any financial liability arising as a result of the obligation at the statement of financial position date.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Members' capital

Members' capital classified as equity, provided that there is no present obligation to deliver cash or another financial asset to the holder, is shown in called up members' capital. The capital contributions in cash made or deemed to be made by BBPLC from time to time shall be credited to its separate capital account ledger and any capital distribution will be debited to its capital account ledger.

(k) Members' capital distributions

Members' capital distributions are recognised in the period in which they are paid or, if earlier, approved by the Partnership's members.

(l) Determining fair value

Where the classification of a financial instrument requires it to be stated at fair value, this is determined by reference to the quoted market value in an active market wherever possible. Where no such active market exists for the particular asset, the Partnership uses a valuation technique to arrive at the fair value, including the use of prices obtained in recent arms' length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

(m) Taxation

Taxation payable on taxable profits is recognised as an expense in the year in which the profits arise. Corporate income tax recoverable on tax allowable losses is recognized as an asset only to the extent that is regarded as probable that is recoverable by offset against current or future taxable profits.

4. SEGMENTAL REPORTING

The Partnership has elected not to comply with the voluntary disclosure requirements of International Financial Reporting Standard 8 'Operating Segments', and does not disclose segmental information, as such information is disclosed in the financial statements of Barclays Bank PLC.

5. INTEREST RECEIVED AND SIMILAR INCOME

	2013 $	2012 $
Interest received from affiliates and members	31,042,112	45,238,571
	31,042,112	45,238,571

6. INTEREST PAID AND SIMILAR CHARGES

	2013 $	2012 $
Interest paid to member	(31,042,112)	(45,238,571)
	(31,042,112)	(45,238,571)

7. AUDIT FEE FOR PARTNERSHIP

The audit fee is borne by BCI, the Partnership's affiliate. The fee for auditing the Partnership financial statements amounts to $55,359 (2012:$55,409). This fee is not recognised as an expense in the financial statements.

8. MEMBERS' EMOLUMENTS

The Members did not receive any emoluments in respect of their services to the Partnership during the year (2012: £nil).

9. STAFF COSTS

There were no employees employed by the Partnership during 2013 (2012: nil).

10. GUARANTEES

The Partnership has provided a guarantee over the obligations of Barclays Bank PLC under the Collateralised Commercial Paper issued via a LLP undertaking. If Barclays Bank PLC was to default to investors, under the terms of the guarantee investors would have recourse to the Partnership's investment in its reverse repurchase agreements assets, which is collateralised by securities. Recourse under the LLP undertaking is limited only to the Collateral expressed in the Security Agreement to the respective class held by such Noteholders.

11. CASH AND CASH EQUIVALENTS

Cash equivalents of $10,000,000 (2012: $10,000,000) represent investments in a Dreyfus money market mutual fund which invests in high quality, short-term debt securities, including securities issued or guaranteed by the U.S. government or its agencies. Carrying value of cash equivalents approximates their fair value.

12. REVERSE REPURCHASE AGREEMENTS

	2013 $	2012 $
Affiliates	6,795,171,604	4,248,325,102
Members	1,361,327,264	-
	8,156,498,868	4,248,325,102

As at 31 December 2013, the Partnership has reverse repurchase agreements with its affiliates (BCI and BCSL) and its members (BBPLC). The fair value of the collateral pledged to the Partnership under the reverse repurchase agreements is $8,591,007,186 (2012: $4,549,991,510).

The carrying value of these reverse repurchase agreements as at 31 December 2013 approximates fair value due to the short-term nature of the obligation.

13. BORROWINGS

	2013 $	2012 $
Amounts due to members	(8,156,498,868)	(4,248,325,102)
	(8,156,498,868)	(4,248,325,102)

Additional details in respect of the Partnership's borrowings are detailed in note 17.

14. CALLED UP MEMBERS' CAPITAL

	2013 $
Opening Balance - 1 January 2013	10,000,000
Issuance of members' capital	-
Balance at 31 December 2013	10,000,000

	2012 $
Opening Balance - 1 January 2012	10,000,000
Issuance of members' capital	-
Balance at 31 December 2012	10,000,000

15. TAXATION

The UK corporation tax charge is based on a UK corporation tax rate of 23.25% (2012: 24.5%).

	2013 $	2012 $
Current tax charge	-	-
Deferred tax charge	-	-
Overall tax charge	-	-

An analysis of the tax charge on items charged directly to equity is as follows:

	2013 $	2012 $
Profit before tax	-	-
Tax charge at standard UK corporation tax rate of 23.25% (2012: 24.5%)	-	-
Adjustment for prior year	-	
Overall tax charge	-	-

16. PARENT UNDERTAKING AND ULTIMATE HOLDING COMPANY

The parent of the Partnership is BBPLC. The parent undertaking of the smallest group that presents consolidated financial statements is BBPLC. The ultimate holding company and the parent company of the largest group that presents group financial statements is Barclays PLC. Both companies are incorporated in the United Kingdom and registered in England. Barclays PLC's statutory financial statements are available from Barclays Corporate Secretariat, 1 Churchill Place London E14 5HP.

17. FINANCIAL RISKS

The Partnership's activities expose it to a variety of financial risks. These are liquidity risk, credit risk and market risk (which includes foreign currency risk, interest rate risk and price risk). Consequently the Partnership devotes considerable resources to maintain effective controls to manage measure and mitigate each of these risks, and regularly reviews its risk management procedures and systems to ensure that they continue to meet the needs of the business.

Liquidity risk

This is the risk that the Partnership's cash and committed facilities may be insufficient to meet its debts as they fall due. The borrowings of the Partnership are matched to the maturities of the Partnership's reverse repurchase agreements. The Partnership has the financial support of the undertaking Barclays Bank PLC, it also maintains banking facilities with Barclays Bank PLC. These facilities are designed to ensure the Partnership has sufficient available funds for operations

The table below shows the maturity of financial liabilities the Partnership is exposed to, and the undiscounted contractual maturity of the liabilities it faces:

	2013 Borrowings $	2012 Borrowings $
Financial liabilities repayable:		
Not more than three months	(3,507,223,485)	(2,469,889,021)
Over three months but not more than six months	(1,715,463,028)	(578,067,459)
Over six months but not more than one year	(2,676,449,434)	(1,200,368,622)
Over one year but not more than two years	(238,266,319)	-
Over two years but not more than three years	(19,096,602)	-
Total	(8,156,498,868)	(4,248,325,102)

17. FINANCIAL RISKS (continued)

Credit Risk

Credit risk is the risk of suffering financial loss, should any of the Partnership's customers or market counterparties fail to fulfil their contractual obligations to the Partnership. The Partnership manages its credit risk by entering into collateral lending with entities within the Barclays Group and investing in investment grade securities. The Partnership's assets are neither past due nor impaired.

The Partnership's maximum exposure to credit risk is detailed in the table on the following page. The exposure reported in the table represents the gross receivable amounts, which may not be the fair value. The exposure is reported gross and does not include any collateral or other credit risk mitigants which reduce the Partnership's exposure. The exposure by industry type relates to the financial institutions.

	2013		
	Cash Equivalents (Money Market Fund)	Reverse Repos	Total
	$	$	$
Financial institutions	10,000,000	8,156,498,868	8,166,498,868
Total	10,000,000	8,156,498,868	8,166,498,868

	2012		
	Cash Equivalents (Money Market Fund)	Reverse Repos	Total
	$	$	$
Financial institutions	10,000,000	4,248,325,102	4,258,325,102
Total	10,000,000	4,248,325,102	4,258,325,102

The $10,000,000 (2012: $10,000,000) balance in cash equivalents represents an investment grade Dreyfus Cash Management Investor account rated AAA by S&P.

17. FINANCIAL RISKS (continued)

The $8,156,498,868 (2012: $$4,248,325,102) balance in reverse repurchase agreements represents the funds lent to the counterparties detailed below:

Counterparty	Credit Rating	Geographical Location	Reverse Repos $
Barclays Capital Inc.	Strong	US	5,424,889,224
Barclays Capital Securities Limited	Strong	UK	1,370,282,380
Barclays Bank PLC	Strong	UK	1,361,327,264
Total			8,156,498,868

Collateral is held by the Partnership as an important mitigant of credit risk, and the Partnership has obtained collateral for the funds advanced. When collateral is deemed appropriate, the Partnership accepts specific, agreed classes of collateral. The partnership monitors the fair value of securities

purchased and sold under agreements to resell/repurchase on a daily basis, with additional collateral obtained or refunded as necessary.

The fair value of collateral held by the Partnership is detailed below:

	2013	2012
	$	$
Nature of Reverse Repos Collateral:		
- Debt securities	2,231,136,452	2,401,252,377
- Equity securities	6,359,870,734	2,148,739,133
Total	8,591,007,186	4,549,991,510

The assets were pledged to the Partnership by BCI, BCSL and Barclays Bank PLC as securities for reverse repurchase agreements from the Partnership to BCI, BCSL and Barclays Bank PLC. The Partnership can only seize the assets upon default (non repayment of the loan) by BCI, BCSL and Barclays Bank PLC, and otherwise has no right to sell or repledge the collateral.

Market Risk

Market risk is the risk that the Partnership's earnings or capital, or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices such as equity prices, foreign exchange rates, and interest rates.

The Partnership has no exposure to foreign exchange rates, as all assets and liabilities are matched on a currency level.

The Partnership does not hold any equity securities and is not subject to price risk.

17. FINANCIAL RISKS (continued)

Interest rate risk

Interest rate risk is the possibility that changes in interest rates will result in higher financing costs and/or reduced income from the Partnership's interest bearing financial assets and liabilities. The Partnership's interest rate risk arises from long term borrowings. The Partnership mitigates interest rate risk by matching its reverse repo interest rates with the interest rates on borrowings from BBPLC.

The Partnership's interest rate risk and market rate risk is limited to the $10,000,000 (2012: $10,000,000) exposure in the Dreyfus money market mutual fund. Through short-term corporate and asset-backed securities holdings, the fund seeks to maintain a stable value irrespective of yield prices and market volatility.

18. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions, or one other party controls both.

The definition of related parties includes parent company, ultimate parent company, subsidiary, associated and joint venture companies, as well as the Partnership's key management which includes its Members. BBPLC is the controlling party. BCI and BCSL acts as the Partnership's affiliates. The Partnership acknowledges that administration services are provided by BBPLC. During the year there have been no other transactions with related parties other than transactions disclosed in the notes to the financial statements.

19. CAPITAL MANAGEMENT

The Partnership is required to operate within the risk management policies of BBPLC which include guidelines covering capital management. The capital management objectives and policies of BBPLC can be found in the financial statements of BBPLC. The financial statements of BBPLC are available from the Barclays Corporate Secretariat, 1 Churchill Place, London E14 5HP.

The Members are responsible for capital management and have approved minimum control requirements for capital and liquidity risk management.

The Partnership regards as capital its equity reported in the Balance Sheet. Total equity for year ended 31 December 2013 is $10,000,000 (2012: $10,000,000).

20. EVENTS AFTER THE BALANCE SHEET DATE

There were no events after the balance sheet date to report.

INDEX TO SCHEDULES OF ELIGIBLE SECURITIES

Schedule of Eligible Securities with respect to which Clearstream, Luxembourg is a Custodian: A-2

[SEE ATTACHED]

Appendix A. Counterparty acceptance list and baskets

Triparty Collateral Management Services

Name of Collateral Giver	Address	TRS	TSLS		TCMS		Basket Reference	Clearstream Standardised Basket Reference[b]
			L1	L2	ToT	Pl[a]		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		

TRS = Triparty Repo Service; TSLS = Triparty Securities Lending Service (Level 1, Level 2); TCMS = Triparty Collateral Management Service (Transfer of Title, Pledge)

[a] Pledge account opened in the name of: ☐ the Collateral Giver, or ☐ the Collateral Receiver

[b] Select from among Clearstream standardised baskets, as defined in the CmaX Product Guide on www.clearstream.com.

Appendix A. Counterparty acceptance list and baskets

Triparty Collateral Management Services

Name of Collateral Giver	Address	TRS	TSLS		TCMS		Basket Reference	Clearstream Standardised Basket Reference[b]
			L1	L2	ToT	Pl[a]		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		
		☐	☐	☐	☐	☐		

TRS = Triparty Repo Service; TSLS = Triparty Securities Lending Service (Level 1, Level 2); TCMS = Triparty Collateral Management Service (Transfer of Title, Pledge)

[a] Pledge account opened in the name of: ☐ the Collateral Giver, or ☐ the Collateral Receiver

[b] Select from among Clearstream standardised baskets, as defined in the CmaX Product Guide on www.clearstream.com.

Date:

Ver: 20100715 Ticket Ver:

RM

Collateral eligibility criteria

Basket reference

Issuers

EITHER tick any issuers that are eligible **OR** confirm that all are eligible[1]

Issuer Country	Gov/ Sov	Agency	Corp	Struct	Conv Bonds	All
Argentina	☐	☐	☐	☐	☐	☐
Australia	☐	☐	☐	☐	☐	☐
Austria	☐	☐	☐	☐	☐	☐
Bahamas	☐	☐	☐	☐	☐	☐
Barbados	☐	☐	☐	☐	☐	☐
Belgium	☐	☐	☐	☐	☐	☐
Bermuda	☐	☐	☐	☐	☐	☐
Brazil	☐	☐	☐	☐	☐	☐
British Virgin Islands	☐	☐	☐	☐	☐	☐
Bulgaria	☐	☐	☐	☐	☐	☐
Canada	☐	☐	☐	☐	☐	☐
Cayman Islands	☐	☐	☐	☐	☐	☐
Chile	☐	☐	☐	☐	☐	☐
China	☐	☐	☐	☐	☐	☐
Croatia	☐	☐	☐	☐	☐	☐
Cyprus	☐	☐	☐	☐	☐	☐
Czech Republic	☐	☐	☐	☐	☐	☐
Denmark	☐	☐	☐	☐	☐	☐
Estonia	☐	☐	☐	☐	☐	☐
Finland	☐	☐	☐	☐	☐	☐
France	☐	☐	☐	☐	☐	☐
Germany	☐	☐	☐	☐	☐	☐
Greece	☐	☐	☐	☐	☐	☐
Guernsey	☐	☐	☐	☐	☐	☐
Hong Kong	☐	☐	☐	☐	☐	☐
Hungary	☐	☐	☐	☐	☐	☐
Iceland	☐	☐	☐	☐	☐	☐
India	☐	☐	☐	☐	☐	☐
Indonesia	☐	☐	☐	☐	☐	☐
Ireland	☐	☐	☐	☐	☐	☐
Israel	☐	☐	☐	☐	☐	☐
Italy	☐	☐	☐	☐	☐	☐
Japan	☐	☐	☐	☐	☐	☐
All above-listed countries	☐	☐	☐	☐	☐	☐
All countries	☐	☐	☐	☐	☐	☐

Issuer Country	Gov/ Sov	Agency	Corp	Struct	Conv Bonds	All
Jersey	☐	☐	☐	☐	☐	☐
Korea, Republic of	☐	☐	☐	☐	☐	☐
Kuwait	☐	☐	☐	☐	☐	☐
Latvia	☐	☐	☐	☐	☐	☐
Lithuania	☐	☐	☐	☐	☐	☐
Luxembourg	☐	☐	☐	☐	☐	☐
Malaysia	☐	☐	☐	☐	☐	☐
Malta	☐	☐	☐	☐	☐	☐
Mexico	☐	☐	☐	☐	☐	☐
Netherlands	☐	☐	☐	☐	☐	☐
Netherlands Antilles	☐	☐	☐	☐	☐	☐
New Zealand	☐	☐	☐	☐	☐	☐
Norway	☐	☐	☐	☐	☐	☐
Philippines	☐	☐	☐	☐	☐	☐
Poland	☐	☐	☐	☐	☐	☐
Portugal	☐	☐	☐	☐	☐	☐
Romania	☐	☐	☐	☐	☐	☐
Russia	☐	☐	☐	☐	☐	☐
Singapore	☐	☐	☐	☐	☐	☐
Slovak Republic	☐	☐	☐	☐	☐	☐
Slovenia	☐	☐	☐	☐	☐	☐
South Africa	☐	☐	☐	☐	☐	☐
Spain	☐	☐	☐	☐	☐	☐
Sweden	☐	☐	☐	☐	☐	☐
Switzerland	☐	☐	☐	☐	☐	☐
Taiwan	☐	☐	☐	☐	☐	☐
Thailand	☐	☐	☐	☐	☐	☐
Turkey	☐	☐	☐	☐	☐	☐
UAE	☐	☐	☐	☐	☐	☐
United Kingdom	☐	☐	☐	☐	☐	☐
U.S.A.	☐	☐	☐	☐	☐	☐
Venezuela	☐	☐	☐	☐	☐	☐

Supranationals

EITHER tick any issuers that are eligible **OR** confirm that all are eligible

- ☐ African Development Bank
- ☐ Asian Development Bank
- ☐ Banco Latinoamericano de Exportaciones
- ☐ Bank for International Settlements
- ☐ Caribbean Development Bank
- ☐ Corporacion Andina de Fomento
- ☐ Council of Europe Development Bank
- ☐ Eurofima
- ☐ European Atomic Energy Community
- ☐ European Bank for Reconstruction and Development
- ☐ European Central Bank
- ☐ European Coal and Steel Community
- ☐ European Investment Bank
- ☐ European Patent Organisation
- ☐ European Union
- ☐ Eutelsat
- ☐ INTELSAT
- ☐ Inter-American Development Bank
- ☐ Inter-American Investment Corporation
- ☐ International Bank for Reconstruction and Development
- ☐ International Development Association
- ☐ International Finance Corporation
- ☐ International Monetary Fund
- ☐ Korea Development Bank
- ☐ Nordic Investment Bank
- ☐ OECD
- ☐ All above-listed supranationals

1. The owner of the Collateral Account is responsible for submitting all relevant tax certification documents. If these are not in place for an issuer country selected above, Clearstream will deem assets issued in that country to be ineligible.

Collateral eligibility criteria Basket reference

Specific issuers/issues

Counterparty issues are excluded **BY DEFAULT** based on issuer name information from recognised securities data vendors.

EXCLUDE specific Issuers	EXCLUDE specific Issues

INCLUDE specific Issuers	INCLUDE specific Issues	% Margin

Security types

Please tick any **eligible** security types:

- ☐ Straight Bond
- ☐ Bill
- ☐ Commercial Paper
- ☐ Certificate of Deposit
- ☐ Short-Term Note
- ☐ Medium-Term Note
- ☐ Convertible Bond
- ☐ Equity

Denomination currencies

EITHER tick any currencies that are eligible **OR** confirm that all are eligible

- ☐ ARS Argentine Peso
- ☐ AUD Australian Dollar
- ☐ CAD Canadian Dollar
- ☐ CHF Swiss Franc
- ☐ CZK Czech Koruna
- ☐ DKK Danish Krone
- ☐ EEK Estonian Kroon
- ☐ EUR Euro (including all former in currencies)
- ☐ GBP British Pound
- ☐ HKD Hong Kong Dollar
- ☐ HRK Croatian Kuna
- ☐ HUF Hungarian Forint
- ☐ IDR Indonesia Rupiah
- ☐ ILS Israeli Shekel
- ☐ ISK Icelandic Krona
- ☐ JPY Japanese Yen
- ☐ KRW Korean Won
- ☐ KWD Kuwaiti Dinar
- ☐ LTL Lithuanian Litas
- ☐ LVL Latvian Lat
- ☐ MYR Malaysian Ringgit
- ☐ MXN Mexican Peso
- ☐ NOK Norwegian Krone
- ☐ NZD New Zealand Dollar
- ☐ PHP Philippine Peso
- ☐ PLN Polish Zloty
- ☐ RON Romanian Leu
- ☐ SAR Saudi Riyal
- ☐ SEK Swedish Krona
- ☐ SGD Singapore Dollar
- ☐ SKK Slovak Koruna
- ☐ THB Thai Baht
- ☐ TRY Turkish Lira
- ☐ USD US Dollar
- ☐ UYU Uruguayan Peso
- ☐ XAU Gold Currency
- ☐ ZAR South African Rand

- ☐ All above-listed currencies
- ☐ All currencies

Eligible currencies for cash collateral

☐ EUR (default) ☐ USD ☐ Other(s) *(Enter ISO code(s))*:

For information about cash collateral, please refer to the Triparty Collateral Management Service (CmaX) Product Guide on www.clearstream.com

Structured securities

EITHER tick any security types that are eligible **OR** confirm, per type, that all are eligible

Covered bonds	☐ All	☐ CVB	☐ Jumbo Pfandbriefe	☐ Pfandbriefe	
Asset-backed securities	☐ All	☐ ABSA	☐ ABSC	☐ ABSH	☐ ABSO
Collateralised debt obligations	☐ All	☐ CDO	☐ CLO		
Mortgage-backed securities	☐ All	☐ CMBS	☐ CMO	☐ MBS	
Credit-linked notes		☐ CLN			

Minimum collateral value (EUR):

Ver. 20 Ref: Ticket no: Date:

Collateral eligibility criteria Basket reference

Security/Issuer ratings

If security ratings are unavailable, issuer ratings are applied by default.

Please tick any issuer type for which issuer ratings should be **excluded**:

☐ Supranational + Agency ☐ Corporate
☐ Structured ☐ Convertible Bonds ☐ All issuer types

Pricing

If market prices are unavailable, evaluated prices could be used as an alternative source.

Please tick any issuer type for which evaluated prices should be **excluded**:

☐ Government + Sovereign ☐ Supranational + Agency ☐ Corporate
☐ Structured ☐ Convertible Bonds ☐ All issuer types

Indicate whether clean or dirty prices should be used to calculate collateral value:

☐ Dirty prices (default) ☐ Clean prices

Valuation method

Select the method for calculating the margined value of a security.

☐ European valuation method (default) ☐ U.S. valuation method

Indicate whether external collateral valuation parameters (prices and/or margins) should be applied. External valuation can replace the default valuation provided by Clearstream as neutral triparty agent, or it can be given priority over Clearstream's valuation:

☐ Clearstream valuation ☐ Unique data provider ☐ Preferred data provider

If you have opted for external valuation, indicate the name of the data provider:

Customised criteria

Before completing this section, please contact your GSF Sales and Relationship Manager in order to ensure that we can manage your customised criteria.

Ref: Ver. 20100715 Trckwl/Wer Date:

Margin criteria

Basket reference

Credit ratings - Please tick eligible ratings and indicate a % margin and maximum time to maturity, if applicable.

Rating (S&P/Moody's/Fitch)	Government & Sovereign			Supranational & Agency			Corporate			Structured			Convertible Bonds		
	% Margin Same ccy	% Margin Cross ccy	Time to Maturity (years)	% Margin Same ccy	% Margin Cross ccy	Time to Maturity (years)	% Margin Same ccy	% Margin Cross ccy	Time to Maturity (years)	% Margin Same ccy	% Margin Cross ccy	Time to Maturity (years)	% Margin Same ccy	% Margin Cross ccy	Time to Maturity (years)
Long Term															
All	☐			☐			☐			☐			☐		
AAA - Aaa	☐			☐			☐			☐			☐		
AA+ - Aa1	☐			☐			☐			☐			☐		
AA - Aa2	☐			☐			☐			☐			☐		
AA- - Aa3	☐			☐			☐			☐			☐		
A+ - A1	☐			☐			☐			☐			☐		
A - A2	☐			☐			☐			☐			☐		
A- - A3	☐			☐			☐			☐			☐		
BBB+ - Baa1	☐			☐			☐			☐			☐		
BBB - Baa2	☐			☐			☐			☐			☐		
BBB- - Baa3	☐			☐			☐			☐			☐		
BB+ - Ba1	☐			☐			☐			☐			☐		
BB - Ba2	☐			☐			☐			☐			☐		
BB- - Ba3	☐			☐			☐			☐			☐		
B+ - B1	☐			☐			☐			☐			☐		
B - B2	☐			☐			☐			☐			☐		
B- - B3	☐			☐			☐			☐			☐		
CCC - Caa	☐			☐			☐			☐			☐		
CC - Caa	☐			☐			☐			☐			☐		
C - Ca	☐			☐			☐			☐			☐		
D	☐			☐			☐			☐			☐		
Non-rated	☐			☐			☐			☐			☐		
Short Term															
All	☐			☐			☐			☐					
A1+ - P1	☐			☐			☐			☐					
A1 - P1	☐			☐			☐			☐					
A2 - P2	☐			☐			☐			☐					
A3 - P3	☐			☐			☐			☐					
B	☐			☐			☐			☐					
C	☐			☐			☐			☐					
D	☐			☐			☐			☐					

Dynamic margin and price quotation age

	Government & Sovereign			Supranational & Agency			Corporate			Structured		
	Dynamic Margin (business days)	Additional Margin %	Ineligible After (bus. days)	Dynamic Margin (business days)	Additional Margin %	Ineligible After (bus. days)	Dynamic Margin (business days)	Additional Margin %	Ineligible After (bus. days)	Dynamic Margin (business days)	Additional Margin %	Ineligible After (bus. days)
From	0 to days	0%		From 0 to days	0%		From 0 to days	0%		From 0 to days	0%	
From	to days			From to days			From to days			From to days		
Over	days			Over days			Over days			Over days		

Date: Ver: 20100715 Ticket Ver:

RH

Concentration limit criteria

Basket reference

Credit ratings - Please add concentration limits per credit rating, if applicable:

Rating (S&P/Moody's/Fitch)	Government & Sovereign				Supranational & Agency				Corporate				Structured				% of Rating for All
	Total Limit %	Issuer Limit %	Security Limit %	Out-standing Amount %	Total Limit %	Issuer Limit %	Security Limit %	Out-standing Amount %	Total Limit %	Issuer Limit %	Security Limit %	Out-standing Amount %	Total Limit %	Issuer Limit %	Security Limit %	Out-standing Amount %	
Long Term																	
All	☐				☐				☐				☐				
AAA - Aaa	☐				☐				☐				☐				
AA - Aa2	☐				☐				☐				☐				
A - A2	☐				☐				☐				☐				
BBB - Baa2	☐				☐				☐				☐				
BB - Ba2	☐				☐				☐				☐				
B - B2	☐				☐				☐				☐				
CCC - Caa	☐				☐				☐				☐				
CC - Caa	☐				☐				☐				☐				
C - Ca	☐				☐				☐				☐				
D	☐				☐				☐				☐				
Non-rated	☐				☐				☐				☐				
Short Term																	
All	☐				☐				☐				☐				
A1+, A1 - P1	☐				☐				☐				☐				
A2 - P2	☐				☐				☐				☐				
A3 - P3	☐				☐				☐				☐				
B	☐				☐				☐				☐				
C	☐				☐				☐				☐				
D	☐				☐				☐				☐				

Issuer countries

Please indicate the issuer countries that incur a respective % additional concentration limit. If you need more space for your list, please attach a continuation list as an annex.

Country	All %	Government & Sovereign %	Supranational & Agency %	Corporate %	Structured %	Convertible Bonds %

Ref: Date: Ver: 01/07/15 Ticket Ver:

Concentration limit criteria

Basket reference

Security types

Please add % concentration limits per security type, if applicable.

Security Type	Limit %
Straight Bond	
Bill	
Commercial Paper	
Certificate of Deposit	
Short-Term Note	
Medium-Term Note	
Convertible Bond	
Equity	

Structured securities

Please add % concentration limits per family of structured security. If you have excluded structured securities in Collateral eligibility criteria on page A-3, leave this section blank

Structured Security Family	Total Limit %
Asset-backed securities (ABSA, ABSC, ABSI, ABSO)	
Collateralised debt obligations (CDO, CLO)	
Covered Bonds (CVB, JUPF, PFBR)	
Credit-linked notes (CLN)	
Mortgage-backed securities (CMBS, CMO, MBS)	

Ref: Date: Ver: 20100715 Ticket Ver:

Made in two (2) originals dated

For and on behalf of the Collateral Receiver:

Authorised Signature	*Authorised Signature*
Name (Print)	*Name (Print)*
Title	*Title*

For and on behalf of Clearstream Banking, société anonyme:

Authorised Signature	*Authorised Signature*
Name (Print)	*Name (Print)*
Title	*Title*

Schedule of Eligible Securities with respect to which JPMorgan Chase Bank, N.A. is a Custodian:
A-3

[SEE ATTACHED]

J.P. Morgan Collateral Management Eligibility Schedule

J.P.Morgan

Authorization and Tracking

This page tracks and confirms the authorization and verification of new and amended Eligibility Schedules. Please complete Sections 1 and 3. Section 2 is optional. If you wish, you can add your own comment or identifier. Submit this Template via e mail to your J.P. Morgan Transitions Eligibility Specialist. J.P. Morgan will confirm that all requests can be supported and perform the "Call Back" Authorization process. When the Schedule is verified by us, we will submit the authenticated file back to you, via email, for your records.

1. Securities Taker Information :	
Unique Schedule Identifier (USI) :	Schedule 1
Company Abbreviated Name :	Barclays
Schedule Currency :	USD
Legal Company Entity :	Barclays
Address :	TBD
Region :	WHEM
Contact Name :	TBD
Phone :	TBD
Email :	TBD

Print Options :	
Paper Type :	Letter

2. Misc. Comments *(optional)* **:**

☐ Copy to All Pages

3. Client Authorization:

Barclays acknowledges that we have carefully and accurately completed this Eligibility Schedule

Agreement Type for this schedule : ☐ Tri-Partite ☐ CMSA ☐ CMSA Agent Taker

Product(s) this Schedule applies to : ☐ SLEC/Structured ☐ TPR/Repo

Create Transmittal Letter

J.P. Morgan Collateral Management Eligibility Schedule

J.P.Morgan

Authorization and Tracking

4. Version Control :	
File Name :	Schedule 1_Barclays_IN PROGRESS

☉ This is a New Eligibility Schedule

☐ This is an Amended Eligibility Schedule

5. J.P. Morgan Authentication: (for internal use)			Current Version v18.03
Received By :		Checked By :	
Returned to Client By :		Effective Live Date :	
Returner Phone :			Create Transmittal Letter

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays

If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager / Eligibility Manager for more information if you would like this clarified.

Equities Eligibility

Indices	Minimum Price	Instrument Type	Member Type	Minimum Issuer Rating	Ratings Test : Highest, Lowest, or Both	Discounted Value	Concentration Limits								
							Security Line Limits					Issuer Limits		Collateral Type Limits	
							Per Line Value	% Per Issue	% of Loan Value	Multiple of ADTV of Underlying Equity	Specify Period	Value	% of Loan Value	Value	% of Loan Value

J.P.Morgan

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays
If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager / Eligibility Manager for more information if you would like this clarified.

Government and Municipal Bonds Eligibility

Countries of Issue	Instrument Type	Minimum *Issue* Rating	Minimum *Issuer* Rating	Ratings Test : Highest, Lowest, or Both	Maturity Range From / Up To	Discounted Value (cross currency assets)	Concentration Limits						
							Security Line Limits			Issuer Limits		Collateral Type Limits	
							Per Line Value	% Per Issue	% of Loan Value	Value	% of Loan Value	Value	% of Loan Value

J.P.Morgan

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays
If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager / Eligibility Manager for more information if you would like this clarified.

Corporate Bonds Eligibility

Countries of Issue	Instrument Type	Minimum Issue Rating	Minimum Issuer Rating	Ratings Test : Highest, Lowest, or Both	Maturity Range From / Up To	Discounted Value (your currency here)	Concentration Limits						
							Security Line Limits			Issuer Limits		Collateral Type Limits	
							Per Line Value	% Per Issue	% of Loan Value	Value	% of Loan Value	Value	% of Loan Value

J.P.Morgan

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays

If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager/ Eligibility Manager for more information if you would like this clarified.

Convertible Bonds Eligibility

Countries/Indices	Minimum Price	Instrument Type	Minimum /Issue Rating	Minimum /Issuer Rating	Ratings Test : Highest, Lowest, or Both	Maturity Range From / Up To	Discounted Value (USD currency only)	Concentration Limits								
								Security Line Limits					Issuer Limits		Collateral Type Limits	
								Per Line Value	% Per Issue	% of Loan Value	Multiple of ADTV of Underlying Equity	Specify Period	Value	% of Loan Value	Value	% of Loan Value

J.P.Morgan

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays
If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager / Eligibility Manager for more information if you would like this clarified.

Mortgage Backed Bonds Eligibility

Countries of Issue	Instrument Type	Minimum *Issue* Rating	Minimum *Issuer* Rating	Ratings Test : Highest, Lowest, or Both	Maturity Range From / Up To	Discounted Value (also known as Haircut)	Concentration Limits						
							Security Line Limits			Issuer Limits		Collateral Type Limits	
							Per Line Value	% Per Issue	% of Loan Value	Value	% of Loan Value	Value	% of Loan Value

J.P.Morgan

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays

If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager / Eligibility Manager for more information if you would like this clarified.

Asset Backed Bonds Eligibility

Countries of Issue	Instrument Type	Minimum *Issue* Rating	Minimum *Issuer* Rating	Ratings Test : Highest, Lowest, or Both	Maturity Range From / Up To	Discounted Value	Concentration Limits						
							Security Line Limits			Issuer Limits		Collateral Type Limits	
							Per Line Value	% Per Issue	% of Loan Value	Value	% of Loan Value	Value	% of Loan Value

J.P.Morgan

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays													
If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager / Eligibility Manager for more information if you would like this clarified.													
Supranational Eligibility													
Supranationals	Minimum *Issue* Rating	Minimum *Issuer* Rating	Ratings Test : Highest, Lowest, or Both	Maturity Range From / Up To	Discounted Value *(cross currency assets)*	Concentration Limits						
						Security Line Limits			Issuer Limits		Collateral Type Limits	
						Per Linc Value	% Per Issue	% of Loan Value	Value	% of Loan Value	Value	% of Loan Value

J.P.Morgan

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays
If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager / Eligibility Manager for more information if you would like this clarified.

Short Term Debt Eligibility

Countries of Issue	Instrument Type	Minimum Issue Rating	Minimum Issuer Rating	Ratings Test : Highest, Lowest, or Both	Maturity Range From / Up To	Discounted Value	Concentration Limits						
							Security Line Limits			Issuer Limits		Collateral Type Limits	
							Per Line Value	% Per Issue	% of Loan Value	Value	% of Loan Value	Value	% of Loan Value

J.P.Morgan

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays

If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager / Eligibility Manager for more information if you would like this clarified.

Exchange Traded Funds and Other Eligible Securities *(These are subject to approval by J.P. Morgan Collateral Management)*

Group Name/Identifier *click on existing Group Name to Edit*	Minimum Price	Instrument Type	Minimum Issue Rating	Minimum Issuer Rating	Ratings Test : Highest, Lowest, or Both	Maturity Range From / Up To	Discounted Value (Value subject to haircut)	Concentration Limits *(Shaded areas indicate those limits are not supportable for the selected instrument)*								
								Security Line Limits					Issuer Limits		Collateral Type Limits	
								Per Line Value	% Per Issue	% of Loan Value	Multiple of ADTV of Underlying Equity	Specify Period	Value	% of Loan Value	Value	% of Loan Value

J.P.Morgan

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays
If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager / Eligibility Manager for more information if you would like this clarified.
Precious Metals

Precious Metals

The following precious metals are eligible*:

Precious Metal	Minimum Price per Troy Oz	Discounted Value	Issuer Limits	
			Value	% of Loan Value
<Select Instrument>				

*In order for Precious Metals to be made eligible collateral, the relevant legal documentation must be in place

Collateral Management Eligibility Schedule - Schedule 1; Taker: Barclays
If an asset is eligible under more than one classification, depending on your schedule the most restrictive concentration limit may not be used. As a general rule, the most explicit classification takes precedence over a general classification but please ask your Client Service Manager / Eligibility Manager for more information if you would like this clarified.
Cash

Currencies

The following currencies are eligible:

Currency Code	Symbol	Discounted Value	
<Select Currency Code>			

(To use the Discounted Value Calculator, click in the row for which you want to calculate a Discounted Value, then click on the Discount Calculator button)

Denominated Securities

Securities denominated in the following currencies are eligible:

Currency Code	Symbol	Instrument Type	
<Select Currency Code>			

Schedule of Eligible Securities (Global) with respect to which The Bank of New York Mellon is a Custodian: A-4

[SEE ATTACHED]

ELIGIBLE COLLATERAL SCHEDULE

relating to the provision of collateral management services to collateral providers and collateral receivers under stocklending and repo transactions

BY AND AMONG

[ ]

(Collateral provider)

[ ]

(Collateral receiver)

and

THE BANK OF NEW YORK MELLON

This Schedule shall not apply to any repurchase transaction or loan of Securities in respect of which the Collateral Provider, Collateral Receiver and BNYM have each agreed the provisions of any other agreement shall apply.

SCHEDULE OF ELIGIBLE COLLATERAL

PART I
ELIGIBLE COLLATERAL FOR LOANS

Cash and the following types of Securities shall be Eligible Collateral for Loans under the terms and conditions entered into between BNYM and Collateral Provider and the terms and conditions entered into between BNYM and the Collateral Receiver for the provision of collateral management services by BNYM under stocklending and repo transactions (together referred to as the "**Collateral Management Terms**"). Capitalised terms not defined in this part of the Schedule shall have the same meaning as in the Collateral Management Terms.

If the parties agree that different Eligible Collateral requirements and/or Margin Percentages may apply to different Loans (each set of Eligible Collateral requirements and/or Margin Percentages being an "**Eligible Collateral Profile**"), each Confirmation Instruction shall specify the Eligible Collateral Profile that applies to the Loan or Loans to which such Confirmation Instruction relates.

This schedule shall come into effect only when BNYM sends an email advice to that effect to both parties, following which it shall come into immediate effect without further formality.

Name:
Title:

Name:
Title:

THE BANK OF NEW YORK MELLON

By its duly authorised officer
Title:
Dated:

PART II
ELIGIBLE COLLATERAL FOR TRANSACTIONS

The following types of Securities shall be Eligible Collateral for Transactions under the terms and conditions entered into between [Collateral Manager] and Collateral Provider and the terms and conditions entered into between [Collateral Manager] and Collateral Receiver for the provision of collateral management services by [Collateral Manager] under stock lending and repo transactions (together referred to as the "**Collateral Management Terms**"). Capitalised terms not defined in this part of the schedule shall have the same meaning as in the collateral management terms.

If the parties agree that different Eligible Collateral requirements and/or Margin Percentages may apply to different Transactions (each set of Eligible Collateral requirements and/or Margin Percentages being an "**Eligible Collateral Profile**"), each Confirmation Instruction shall specify the Eligible Collateral Profile that applies to the Transaction or Transactions to which such Confirmation Instruction relates.

This schedule shall come into effect only when BNYM sends an email advice to that effect to both parties, following which it shall come into immediate effect without further formality.

General Terms (Only if applicable)

Concentration limits

Concentration limit will apply per trade. (You can choose across trades or across profiles also)

When applicable, concentration limits are calculated on the Market Value of the Eligible Collateral/Securities, i.e. before the Margin calculation.

Mutual funds

Collateral Provider and Collateral Receiver agree that, with respect to Freely Transferable Mutual Funds, custodian shall not be liable for determining if each Mutual Fund is "Freely Transferable", but shall rely solely upon Seller to make such determination. Each delivery of securities by Collateral Provider to Custodian will constitute Collateral Provider's certification that the Mutual Funds are "Freely Transferable" as set forth in this schedule.

Tax

JGBs will be eligible as collateral only if tax documentation acceptable to BNYM has been received from both parties.

Italian bonds (including Supranational bonds issued in Italy – IT ISIN) will be accepted as collateral upon receipt of the adequate Tax documents from both parties and if held on the Italian domestic market ".

Portuguese Fixed Income Securities (including Supranational bonds issued in Portugal – PT ISIN) will only be accepted as collateral upon receipt of the adequate Tax documents from both and if held in Euroclear.

Portuguese Equities Securities will only be accepted as collateral upon receipt of the adequate Tax documents from both parties and if held on the Portuguese domestic market.

Ratings

Where the respective long term security ratings of Moody's and S&P and Fitch are not equivalent to each other, reference will be made to the [higher/lower] of the three.

Where the respective long term issuer ratings of Moody's and S&P and Fitch are not equivalent to each other, reference will be made to the [higher/lower] of the three.

Exclusions

Collateral may not consist of Securities issued by the following ultimate parent company id(s) from Bloomberg (**ID_BB_ULTIMATE_PARENT_CO or ID_110**)

ABC has the unilateral right to exclude Eligible Collateral from this Schedule Part I by Written Instruction to BNYM.

All securities defined by GICS DIRECT Sector Name as FINANCIALS, will be excluded. (Different sector can be selected)

Subordinated debt should be excluded.

PROFILE 1

Cash (in one of the below currencies):
USD, EUR, GBP, JPY, CHF, CAD, SEK, NOK, DKK, HKD

Margin: 100%

FIXED INCOME SECURITIES

National (Stripped and unstripped) Bonds

Margin: [ ]%

Corporate Bond

Margin: [ ]%

Pfandbrief

Margin: [ ]%

Jumbo Pfandbrief

Margin: [ ]%

Government Agency

Margin: [ ]%

Municipal Assets

Margin: [ ]%

Supranational

Margin: [ ]%l
Mortgage back securities (MBS)

Margin: [ ]%

Asset Backed Securities (ABS)

Margin: [ ]%

Collateralised Mortgage Obligation (CMO)

Margin: [ ]%

Money Markets (Commercial paper and certificates of Deposit)

Margin: [ ]%

EQUITY SECURITIES

EQUITIES

Margin: [ ]%

EQUITY INDICES

Margin: [ ]%

CONVERTIBLES

Margin: [ ]%

[ ]

Name:
Title:

[ ]

Name:
Title:

THE BANK OF NEW YORK MELLON

By its duly authorised officer
Title:
Dated:

Schedule of Eligible Securities (United States) with respect to which The Bank of New York Mellon is a Custodian: A-5

[SEE ATTACHED]

SAMPLE

SCHEDULE I
SCHEDULE OF ELIGIBLE SECURITIES

	Margin %
U.S. TREASURIES	
AGENCY DEBENTURES	
INTERNATIONAL AGENCIES	
FDIC Guaranteed Debt under TLGP	
GTC (Government Trust Certificate)	
SBA (Small Business Administration)	
SVRN (Sovereign Debt)	
CASH	

	Margin %
GNMA	
AGENCY MORTGAGE BACKS	
AGENCY REMICS/CMOS	
MUNICIPAL BOND	

	Margin %
PRIVATE LABELS CMOS	
ASSET BACKED SECURITIES	
CORPORATES *	
MONEY MARKETS	

Schedule of Eligible Equity Securities

SAMPLE

	Margin %
EQUITIES	
EXCHANGES	
EQUITY INDICES	

	Margin %
CONVERTIBLES	
EQUITY INDICES OF UNDERLYING STOCK	

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Registered Office
1 Churchill Place
London E14 5HP
United Kingdom

PROVIDER OF LIMITED RECOURSE UNDERTAKING

Barclays CCP Funding LLP
Registered Office
1 Churchill Place
London E14 5HP
United Kingdom

DEALERS

Barclays Bank plc
5 The North Colonade
Canary Wharf
London E14 4BB
United Kingdom

Barclays Capital Inc.
745 Seventh Avenue
New York, NY 10019
United States of America

CUSTODIANS

Clearstream Banking, société anonyme
Clearstream Banking S.A.
One Canada Square, Floor 42
Canary Wharf
London E14 5DR
United Kingdom

JPMorgan Chase Bank, N.A.
1 Chase Manhattan Plaza, 58th Floor
New York, NY 10005
United States of America

The Bank of New York Mellon,
acting through its London Branch
One Canada Square
London E14 5AL
United Kingdom

ISSUE AND PAYING AGENT

The Bank of New York Mellon,
acting through its London branch
One Canada Square
London E14 5AL
United Kingdom

APPLICABLE ENFORCEMENT PARTY

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acting through its London branch
One Canada Square
London E14 5AL
United Kingdom

The Bank of New York Mellon
101 Barclay Street
New York, NY 10286
United States of America

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London E14 5HP
United Kingdom

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acting through its London branch
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London E14 5AL
United Kingdom

NEW YORK AGENT
AND NEW YORK REGISTRAR
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New York, NY 10286
United States of America

LUXEMBOURG AGENT
AND LUXEMBOURG REGISTRAR
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