



BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)

(Guaranteed by Barclays Bank PLC)

GLOBAL STRUCTURED SECURITIES PROGRAMME

Programme

Barclays Bank PLC or Barclays Capital (Cayman) Limited or any Accession Issuer may issue Securities that are Notes, Certificates or Warrants under this Programme. This document, as supplemented by any Supplemental Base Prospectus comprises the Base Prospectus. The Conditions of the Securities will comprise the Base Conditions, subject to amendment and as supplemented in accordance with any applicable Relevant Annex and the applicable Final Terms. The Base Prospectus, any Supplemental Base Prospectus, any Relevant Annex and the Final Terms for a Series will comprise the Offering Documents.

Guarantee

Securities issued by Barclays Capital (Cayman) Limited will be guaranteed by the Bank.

Listing and Admission to Trading

This Base Prospectus has been approved by the UK Financial Services Authority, which is the United Kingdom competent authority for the purposes of the Prospectus Directive and relevant implementing measures in the United Kingdom, as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the UK for the purpose of providing information on Securities issued under the Programme within 12 months of the date of this document. Applications may be made to admit Securities to listing on the Official List of the UK Financial Services Authority and to trading on the London Stock Exchange plc's Regulated Market. The London Stock Exchange plc's Regulated Market is a regulated market for the purposes of Directive 2004/39/EC. Application may be made to any other stock exchange for a listing of particular Securities. Unlisted Securities may also be issued. If any Securities are to be listed, the applicable Final Terms will specify the exchange(s) they will be listed on.

Offer and Sale of Securities

Any person intending to acquire or acquiring any Securities from any Offeror should be aware that, in the context of an offer to the public as defined in section 102B of the Financial Services and Markets Act 2000, the Issuer may be responsible to the investor for the Base Prospectus under section 90 of the Financial Services and Markets Act 2000 if the Issuer has authorised that Offeror to make the offer to the investor. Investors should enquire whether the Offeror is so authorised by the Issuer. If the Offeror is not authorised by the Issuer, the investor should check with the Offeror whether anyone is responsible for the Base Prospectus for the purposes of section 90 of the Financial Services and Markets Act 2000 in the context of the offer to the public, and, if so, who that person is. If the investor is in doubt about whether it can rely on the Base Prospectus and/or who is responsible for its contents, it should take legal advice. **Where information relating to the terms of the relevant offer required pursuant to the Prospectus Directive is not contained in the Offering Documents, it will be the responsibility of the relevant Offeror at the time of such offer to provide the investor with such information.**

Definitions

Unless otherwise defined, capitalised terms used in this Base Prospectus have the meanings set out in the Conditions.

Investment Risks

Prospective investors should have regard to the factors described under the sections headed "Risk Factors" herein.

Arranger

Barclays Capital

5 August 2009

Base Prospectus: This document, as supplemented from time to time by any supplemental base prospectus (a “**Supplemental Base Prospectus**”), comprises the Base Prospectus (the “**Base Prospectus**”). This Base Prospectus comprises a base prospectus for the purpose of Article 5.4 of Directive 2003/71/EC (the “**Prospectus Directive**”) and for the purpose of giving information with regard to Barclays Bank PLC (the “**Bank**”), Barclays Capital (Cayman) Limited (“**BCCL**”) and any Accession Issuer (the Bank, BCCL, and Bank Accession Issuer together, the “**Issuers**”), the Guarantor and their subsidiaries and affiliates taken as a whole and the securities (“**Securities**”) issued under the programme described herein (the “**Programme**”) which, according to the particular nature of the relevant Issuer, the Guarantor (if applicable) and the Securities, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and, where applicable, the Guarantor. This Base Prospectus is valid for one year from the date hereof.

Responsibility: The Issuers and the Guarantor accept responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuers and the Guarantor (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.

Offers in Relevant Member States: This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Securities in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Securities. Accordingly any person making or intending to make an offer in that Relevant Member State of Securities which are the subject of an offering contemplated in this Prospectus as completed by the applicable Final Terms and any applicable Relevant Annex in relation to the offer of those Securities may only do so (i) in circumstances in which no obligation arises for the relevant Issuer or any Manager 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, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by final terms which specify that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable. Except to the extent sub-paragraph (ii) above may apply, no Issuer nor any Manager have authorised, nor do they authorise, the making of any offer of Securities in circumstances in which an obligation arises for the relevant Issuer or any Manager to publish or supplement a prospectus for such offer.

Group: References herein to the “**Group**” are to the Bank and its subsidiaries.

Independent Investigation: Neither this Base Prospectus or any financial statements or any financial information supplied in connection with the Programme or any Securities is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by the Issuers that any recipient of this Base Prospectus or any financial statements or any other information supplied in connection with the Programme or any Securities should purchase any Securities. Investors should conduct their own independent investigations into the financial condition and affairs, and their own appraisal of the creditworthiness, of the relevant Issuer (and the Guarantor, if applicable) and of the suitability of the relevant Securities as an investment in the light of their own circumstances and financial condition and after due consideration of an investment linked to any relevant Reference Asset and, in deciding whether to purchase Securities, 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 this Base Prospectus or any Final Terms. Prospective investors should have regard to the factors described in the section headed “**Risk Factors**”.

Reference Assets: The applicable Final Terms will (if applicable) specify the nature of the responsibility taken by the relevant Issuer and/or Guarantor for the information relating to any Reference Asset to which relevant Securities relate and which is contained in such Final Terms. Investors should conduct their own investigations into the relevant Reference Asset(s) and, in deciding whether to purchase Securities, 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 Base Prospectus, any applicable Relevant Annex and/or any applicable Final Terms.

Change of Circumstances: The delivery of any of the Base Prospectus, any Supplemental Base Prospectus, any Relevant Annex and the applicable Final Terms for a Series (together, the “**Offering Documents**”) and any sale of Securities pursuant hereto shall not, in any circumstances, create any impression that the information contained herein concerning the Issuers or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme 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 relevant Issuer and the Guarantor, if applicable, when deciding whether to purchase any Securities.

Distribution: The distribution of the Offering Documents and the offer or sale of the Securities 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 Securities 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 Issuers and the Guarantor to inform themselves about and to observe any such restrictions. The Securities and the Guarantee and, in certain cases, the Reference Assets or Entitlement, as the case may be, 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 the Securities may be in the form of Bearer Securities and therefore subject to US tax law requirements. Subject to certain exceptions, Securities may not be offered, sold or, in the case of Bearer Securities, delivered within the United States or to US persons 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). Details of selling restrictions for various jurisdictions are set out in the section headed “Purchase and Sale”. The information contained therein may be amended from time to time by any applicable Relevant Annex and/or the applicable Final Terms.

Representations: In connection with the issue and sale of Securities, 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 Issuers, the Guarantor or any Manager. None of the Issuers or the Guarantor accept responsibility for any information not contained in the Offering Documents. None of the Issuers, the Guarantor (if applicable) or any Manager makes any representation or warranty whatsoever or accepts any responsibility with respect to any Reference Asset. None of the Issuers, the Guarantor (if applicable) or any Manager makes any representation or warranty whatsoever or accepts any responsibility as to the effect or possible effect of the linking of any exercise rights, payments or deliveries due under the Securities to the performance of any Reference Asset(s).

No Investment Advice: None of this Base Prospectus, any Relevant Annex or any Final Terms is, nor does it purport to be, investment advice. None of the Issuers, the Guarantor or any Manager is acting as an investment adviser or providing advice of any other nature, or assumes any fiduciary obligation, to any investor in Securities.

References: In this Base Prospectus, references to “\$”, “US\$” and “US dollars” are to United States dollars, references to “GBP”, “sterling” and “£” are to pounds sterling and references to “yen” and “¥” are to

Japanese yen. References to “EUR”, “euro” and “€” are to the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty establishing the European Community as amended from time to time. In this Base Prospectus references to the “Conditions” are to the terms and conditions of the relevant Securities and references to “Offeror” are to any person from whom any investor acquires or intends to acquire Securities. References in this Base Prospectus to Securities being “listed” on the London Stock Exchange shall mean that such Securities have been admitted to trading on the London Stock Exchange plc’s (the “London Stock Exchange”) regulated market. The London Stock Exchange’s regulated market and each market that is a regulated market for the purposes of Directive 2004/39/EC shall be referred to herein as a “Regulated Market”.

Securities Act: The Securities are being offered and sold outside the United States to non-US persons in reliance on Regulation S (“Regulation S”) under the Securities Act and, in the case of Registered Securities, within the United States to Qualified Institutional Buyers (“QIBs”) in reliance on Rule 144A (“Rule 144A”) under the Securities Act. Prospective investors are hereby notified that sellers of the Securities 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 Securities and distribution of the Offering Documents see “Purchase and Sale” and “Clearance, Settlement and Transfer Restrictions” herein and in any applicable Relevant Annex or Final Terms.

THE SECURITIES AND THE GUARANTEE 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 HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Swiss Federal Act: The Securities do not constitute collective investment schemes within the meaning of the Swiss Federal Act on Collective Investment Schemes (“CISA”). Accordingly, holders of the Securities do not benefit from protection under the CISA or supervision by the Swiss Federal Banking Commission.

Verification: The Managers have not separately verified the information contained in this Base Prospectus. To the fullest extent permitted by law, none of the Managers 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 the Managers or on its behalf in connection with the Issuer, the Guarantor, or the issue and offering of the Securities. Each Manager accordingly disclaims all and any liability whether arising in tort, contract, or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Guarantor or the Managers that any recipient of this Base Prospectus or any other financial statements should purchase the Securities. Each potential purchaser of Securities should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Securities should be based upon such investigation, as it deems necessary. None of the Managers undertake to review the financial condition or affairs of the Issuers or the Guarantor during the life of the arrangements contemplated by this Base Prospectus or to advise any investor or prospective investor in the Securities of any information coming to the attention of any of the Managers.

Regulatory Review: The contents of this Base Prospectus have not been reviewed or approved by any regulatory authority (other than the United Kingdom Financial Services Authority (the “FSA”), which is the United Kingdom competent authority (the “Regulatory Authority”) for the purposes of the Prospectus Directive).

Stabilisation: In connection with the issue and distribution of any Series of Securities, the Manager or Managers (if any) named as the Stabilising Manager(s) (the “Stabilising Manager(s)”) (or persons acting on

behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Securities or effect transactions with a view to supporting the price of the Securities 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 any Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin at any time on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Securities has been made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Securities and 60 days after the date of the allotment of the relevant Tranche of Securities. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

Accession Issuer: Subject to (i) the provision of a new base prospectus relating to such Accession Issuer or a supplement to the Base Prospectus and (ii) the terms of the Master Agency Agreement, a company or other entity may become an Issuer under the Programme pursuant to an Accession Deed.

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.

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SUMMARY

This summary has been prepared in accordance with Article 5(2) of the Prospectus Directive and must be read as an introduction to this Base Prospectus relating to the Securities referred to below. Any decision to invest in the Securities should be based on a consideration of the sections of this Base Prospectus which relate to the relevant Securities as a whole, including the documents incorporated by reference.

*Following implementation of the relevant provisions of the Prospectus Directive in a Member State of the European Economic Area (“**EEA Member State**”), no civil liability in such EEA Member State will attach to the responsible persons in any Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus. Where a claim relating to the information contained in this Base Prospectus is brought before a court in an EEA Member State, the plaintiff may, under the national legislation of the EEA Member State where the claim is brought, be required to bear the costs of translating the relevant Base Prospectus before the legal proceedings are initiated. Unless otherwise defined, capitalised terms used in this Summary shall have the meaning given to them in the Base Conditions set out in this Base Prospectus.*

General Description of the Issuers

THE BANK AND THE GROUP

Barclays Bank PLC (the “**Bank**”) 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. 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 Act 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 Bank and its subsidiary undertakings (taken together, the “**Group**”) is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services. The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC (the “**Holding Company**”), which is the ultimate holding company of the Group.

BARCLAYS CAPITAL (CAYMAN) LIMITED

Barclays Capital (Cayman) Limited (“**BCCL**”) was incorporated in the Cayman Islands on 24 July 1989 for an unlimited duration and registered on 26 July 1989. BCCL operates under Cayman Islands law with limited liability. BCCL’s registered office is at the offices of Barclays Private Bank & Trust (Cayman) Limited, P.O. Box 487GT, 4th Floor, FirstCaribbean House, 25 Main Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Its registration number is 32968. BCCL is a wholly owned direct subsidiary of the Bank.

BCCL was established for the purpose of inter alia issuing notes, certificates and warrants and buying and selling options. It is the policy of the Directors to hedge fully the liabilities of BCCL arising under notes and warrants issued by BCCL.

BCCL is resident for tax purposes in the United Kingdom.

Summary of the Programme

Description: Programme for the issue of Securities that are Notes,

Certificates or Warrants.

The Issuers may, subject to all applicable laws, regulations and directives, issue Securities pursuant to the Master Agency Agreement.

The terms of any Securities comprise the Base Conditions, as modified and supplemented by the Final Terms and any applicable Relevant Annex. If listed the Final Terms will be delivered to the Relevant Stock Exchange.

Issuers:	The Bank, BCCL or any Accession Issuer.
Guarantor:	Securities issued by BCCL only are guaranteed by the Bank.
Managers:	The Bank and any other Manager specified in the Final Terms.
Issue and Paying Agent, and Transfer Agent:	The Bank of New York Mellon
New York Agent and NY Registrar:	The Bank of New York Mellon
Luxembourg Registrar, Paying Agent and Transfer Agent:	The Bank of New York Mellon (Luxembourg) S.A.
Determination Agent:	The Bank or Barclays Capital Securities Limited
Distribution:	Syndicated or non-syndicated.
Status of the Securities:	Direct, unsubordinated and unsecured obligations of the Issuer ranking equally among themselves and with all other present and future unsecured and unsubordinated obligations of such Issuer (except for obligations preferred by law). The Securities do not evidence deposits, are not insured or guaranteed by any government or agency and are not guaranteed under the UK Government credit guarantee scheme.
Status of the Guarantee:	A direct, unsecured and general obligation of the Guarantor ranking equally with all its existing and future unsecured obligations (except for obligations preferred by law).
Securities may be listed on:	London Stock Exchange and/or any other recognised stock exchange. Unlisted Securities may be issued.
Applications may be made to admit Securities to:	The Official List and to trading on the London Stock Exchange regulated market or to any other Relevant Stock Exchange.
Rating:	Securities may be rated or unrated.
Relevant Clearing Systems:	Euroclear, Clearstream, DTC, and/or any other clearing system specified in the Final Terms.
Expenses and Taxation:	Securityholders must pay all Taxes and/or Settlement Expenses, arising from the ownership, transfer, sale, redemption, exercise, cancellation of the Securities and/or receipt or transfer of any Entitlement (or Settlement Amount).

Unless otherwise required by law, all payments on the Securities 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 or the Guarantor (if applicable) will, pay certain additional amounts to Securityholders.

Governing Law:	English Law.
Issue Price:	Fully paid or Partly Paid Securities may be issued. The Issue Price may be par or at a discount to, or premium over, par.
Currencies:	Subject to compliance with all relevant laws, regulations and directives, Securities may be issued in any currency.
Specified Denomination:	Notes may be issued in any specified denomination.
Calculation Amount per Security:	Notes: As at the Issue Date the Specified Denomination or an integral amount thereof. Payments and deliveries will be determined on a Calculation Amount per Security basis. Certificates and Warrants: No specified denomination. For the purposes of calculating payments and deliveries, each Warrant and each Certificate will have a specified Calculation Amount per Security as at the Issue Date.
Maturities:	Any maturity, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Method of Issue:	Securities are issued in one or more Series. Each Series may be issued in Tranches on the same or different issue dates. Securities fungible with an existing Series may also be issued.
Form:	Securities will be Bearer Securities or Registered Securities and will not be exchangeable.
Terms:	Securities of any kind may be issued, including interest bearing, non interest bearing and Securities where the Settlement Amount(s), Entitlement(s) and/or any exercise right is linked to and/or contingent upon the performance of, or factor relating to, one or more Reference Asset(s). Reference Assets may include indices, shares, debt instruments, currencies, commodities, funds and FX rates and/or a currency pair. Notes and Certificates (other than Exercisable Certificates) are redeemable Securities. Warrants and Exercisable Certificates are exercisable Securities. Warrants and Exercisable Certificates may be European Style Securities, American Style Securities, Bermudan Style Securities or Other Exercise Style Securities.
Settlement:	Cash or physical settlement (subject to satisfaction of all applicable conditions to settlement, including payment or deduction of Taxes, Settlement Expenses and any Exercise Price (if applicable)).

Settlement Amounts and Entitlements may be adjusted for costs, 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 Securities.

The Issuer or the Securityholder may have the option to elect for cash or physical settlement if specified in the Final Terms.

If all conditions to settlement to be satisfied by a Securityholder are not satisfied on or prior to any scheduled settlement date, settlement will be postponed until the conditions to settlement have been satisfied in full. No additional amounts will be payable or deliverable in connection with any such postponement. If all conditions to settlement have not been satisfied within 180 calendar days of the relevant date, the Issuer and the Guarantor shall cease to have any obligation to make the relevant payment or delivery and the Securityholder will have no claim against the Issuer or the Guarantor in relation to the Settlement Amount or Entitlement that would have been paid or delivered had the conditions to settlement been satisfied in full within the relevant period.

Redemption of Securities:

Notes and Certificates (other than Exercisable Certificates) will be redeemed at maturity at their Final Cash Settlement Amount or by delivery of the Final Physical Redemption Entitlement, as applicable.

Put Option for Notes and Certificates (other than Exercisable Certificates):

If applicable and validly exercised, the relevant Note(s) or Certificate(s) will be redeemed early at their Optional Cash Settlement Amount or by delivery of the Optional Physical Redemption Entitlement, as applicable.

Call Option and Nominal Call Event:

Notes or Certificates (other than Exercisable Certificates) may be redeemed early by the Issuer exercising its Call Option or if a Nominal Call Event occurs, at their Optional Cash Settlement Amount, or by delivery of the Optional Physical Redemption Entitlement.

If a Nominal Call Event occurs, Warrants and Exercisable Certificates may be cancelled early subject to payment of the Early Cash Settlement Amount or delivery of the Early Physical Cancellation Entitlement, as applicable.

Consequences of an Additional Disruption Event:

The Conditions of the Securities may be adjusted and/or the Securities may be redeemed or cancelled early at their Early Cash Settlement Amount or Early Cash Cancellation Amount, as applicable.

Specified Early Redemption Event for Notes and Certificates (other than Exercisable Certificates):

The Issuer may, or will if automatic early redemption applies, redeem the Securities early if a Specified Early Redemption Event occurs, at their Specified Early Cash Settlement Amount or by delivery of the Specified Early Physical Redemption Entitlement, as applicable.

Exercise of Securities:

Warrants and Exercisable Certificate will, if validly or automatically exercised, subject to satisfaction of all conditions to settlement, be settled by payment of the Exercise Cash Settlement Amount or by delivery of the Exercise Physical Settlement Entitlement, as applicable.

American Style Securities: Exercisable on any Exercise Business Day during the Exercise Period.

Bermudan Style Securities: Exercisable only on Potential Exercise Business Dates during the Exercise Period and on the Expiration Date.

European Style Securities: Exercisable only on the Exercise Date.

Other Exercise Style Securities: Exercisable as specified in the applicable Final Terms.

Multiple Exercise Securities may be exercised on any Eligible Exercise Date.

Warrants and Exercisable Certificates may be automatically exercised in whole or in part if so specified in the applicable Final Terms.

Exercise may be contingent upon the performance of, or other factor(s) relating to one or more Reference Asset(s).

Expiry of Warrants and Exercisable Certificates

If no valid Security Exercise Notice is delivered on or prior to the relevant time and date specified in the Conditions such Securities shall become void.

Selling Restrictions

The offer and sale of the Securities and the distribution of the Offering Documents may be restricted in certain jurisdictions.

Summary of Risk Factors under the Programme

Certain factors which may affect the Issuer's and/or the Guarantor's ability

The Issuers and the Guarantor are subject to the same risks as the Group, which include:

to fulfil its obligations under the Securities:

- the Group's financial performance may be affected by general business and geopolitical conditions, borrower, customer and counterparty credit quality, and by fluctuations in the value or effectiveness of any credit protection it has purchased or any collateral it holds;
- the Group's businesses, earnings and financial condition have been and will continue to be affected by changes in the overall conditions of the global economy and instability and volatility in global financial markets;
- the following have affected and will continue to affect the Group's businesses:
 - changes in the level and/or volatility of interest rates, foreign exchange rates, credit spreads, debt, equity and commodity prices and other market factors; and
 - constraints on increasing capital and changes to capital targets and the calculation of capital;
- liquidity risk, legal risk and insurance risk are inherent in the Group's businesses;
- operation and financial crime risks are inherent in the Group's operations;
- governmental policy and regulation may have an adverse effect on the Group's results and operations;
- the Group may be subject to the special resolution regime under The Banking Act 2009. Any share transfer order, asset and liability transfer or exercise of powers by the FSA, the Bank of England and/or HM Treasury under The Banking Act may have an adverse effect on the Group;
- the Group's participation in the Financial Services Compensation Scheme may have a material impact on the Group's results and financial condition;
- the Group's earnings depend in part on the success of its strategic decisions regarding organic growth and potential acquisitions;
- the Group operates in highly competitive markets and if unable to perform effectively, its business and results will be adversely affected; and
- the Group is exposed to the risk of changes in tax legislation and its interpretation and to increases in corporate and other tax rates in the jurisdictions in which it operates.
- the Securities are complex financial instruments and may involve a high degree of risk;

Certain factors are material for the purpose of assessing the risks associated with investing in Securities

**and which may affect the return on,
and value of the Securities including:**

- the Securities are unsecured obligations of the Issuer;
- settlement disruptions may occur;
- settlement is subject to satisfaction of all conditions to settlement to be satisfied by the Securityholder within the relevant period;
- leverage may magnify the impact of the negative performance of the Reference Asset(s) on the value of the Securities;
- Securityholders will have no claim against any Reference Asset;
- the return and value of the Securities will be affected by exchange rate risks, exchange controls, interest rate fluctuations and other rate and price movements;
- limitations on the redemption or exercise of Securities may apply;
- Securities may be redeemed or cancelled early for less than the amount invested by the Securityholder;
- disruption events may result in adjustments to the terms of the Securities or the redemption or cancellation thereof;
- exercise of Issuer options, including a call on the Securities, substitution of assets and/or settlement method elections;
- any time lag between valuation and settlement;
- inducements, commissions, fees paid by the Issuer to a distributor;
- the Securities may not provide an effective hedge against the market risk associated with any asset;
- the proceeds of realisation of any Entitlement may be less than the amount the Securityholder may have received if the Security had been cash settled;
- additional taxes and delivery constraints may apply to Physically Delivered Securities;
- there may be no secondary market for and limited liquidity in the Securities;
- potential conflicts of interest may arise relating to the trading activities of the Issuers, the Guarantor and their affiliates and the interests of Securityholders and the Issuers, their Guarantor and their affiliates have no obligation to consider the interests of Securityholders;
- market disruptions or other events may occur in respect of the relevant Reference Asset(s);
- payments, deliveries and settlement under the

Securities may be subject to deduction of Taxes and Settlement Expenses;

- the Issuer may be substituted; and
- the market value of the Securities may be affected by the creditworthiness of the Issuer and/or the Group.

Prospective investors should understand the risks associated with the Securities and investments and transactions relating to any Reference Asset(s). Prospective investors must reach an investment decision only after careful consideration, with their advisers, of the suitability of such Securities in light of their particular financial circumstances, the information in the relevant Offering Documents and its own investigations into the Issuer, the Guarantor, their affiliates and any applicable Reference Asset(s).

PROSPECTIVE INVESTORS MUST REVIEW ANY APPLICABLE RELEVANT ANNEXES AND THE APPLICABLE FINAL TERMS BEFORE MAKING ANY DECISION TO PURCHASE ANY SECURITIES.

RISK FACTORS

*Words and expressions defined elsewhere in this Base Prospectus have the same meanings in this section. Investing in Securities involves certain risks. Prospective investors should ensure that they also consider any additional risks specific to the type of Securities they are considering purchasing, including the factors set out on pages 176-188 in respect of Commodity Linked Securities, 235-242 in respect of Credit Linked Securities, 306-308 in respect of Equity Linked Securities, 337-343 in respect of Fund Linked Securities, 355-356 in respect of FX Linked Securities and 384-391 in respect of Inflation Linked Securities, (together the “**Product Specific Risk Factors**”).*

Each of the risks highlighted below could have a material adverse effect on the Issuers’ businesses, operations, financial condition or prospects, which, in turn, could have a material adverse effect on the return which investors will receive in respect of Securities. In addition, each of the risks highlighted below and the Product Specific Risk Factors could adversely affect the trading price of Securities or the rights of investors under the Securities and, as a result, investors could lose some or all of their investment.

Prospective investors should note that the risks described below and in the Product Specific Risk Factors are not the only risks that the Issuers face or that may arise because of the nature of any particular Securities. The Issuers have described only those risks relating to their operations and to the types of Securities which may be issued that they consider to be material. There may be additional risks that the Issuers currently consider not to be material or of which they are not currently aware, and any of these risks could have the negative effects set forth above. Prospective investors should seek independent financial advice where they do not fully understand the risks relating to the Securities.

Risks Relating to the Issuers

Risks relating to the Bank and the Group

Business conditions and general economy

The profitability of the Group’s businesses could be adversely affected by the worsening of general economic conditions in the United Kingdom, globally or in certain individual markets such as the United States, Spain or South Africa. Factors such as interest rates, inflation, investor sentiment, the availability and cost of credit, foreign exchange risk, creditworthiness of counterparties, the liquidity of the global financial markets and the level and volatility of equity prices could significantly affect the Group’s customers’ activity levels and financial position. For example:

- the current economic downturn or significantly higher interest rates or continued lack of credit availability to the Group’s customers could adversely affect the credit quality of the Group’s on-balance sheet and off-balance sheet assets by increasing the risk that a greater number of the Group’s customers and counterparties would be unable to meet their obligations;
- a market downturn or further worsening of the economy could cause the Group to incur further mark to market losses in its trading portfolios;
- a further decline in the value of Sterling relative to other currencies could increase risk weighted assets and therefore the capital requirements of the Group;
- a further market downturn could reduce the fees the Group earns for managing assets. For example, a downturn in trading markets could affect the flows of assets under management; and

- a further market downturn would be likely to lead to a decline in the volume of transactions that the Group executes for its customers and, therefore, lead to a decline in the income it receives from fees and commissions and interest.

Current market volatility and recent market developments

The global financial system has been experiencing difficulties since August 2007 and financial markets have deteriorated dramatically since the bankruptcy filing of Lehman Brothers in September 2008. Despite measures taken by the United Kingdom and United States governments and the European Central Bank and other central banks to stabilise the financial markets, the volatility and disruption of the capital and credit markets have continued. Together with the significant declines in the property markets in the United Kingdom, the United States, Spain and other countries, these events over the past two years have contributed to significant write-downs of asset values by financial institutions, including government-sponsored entities and major retail, commercial and investment banks. These write-downs have caused many financial institutions to seek additional capital, to merge with larger and stronger institutions, to be nationalised and, in some cases, to fail. Reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors have substantially reduced and, in some cases, stopped their funding to borrowers, including other financial institutions.

While the capital and credit markets have been experiencing difficulties for some time, the volatility and disruption reached unprecedented levels in the final months of 2008 and economic activity started to contract in many of the economies in which the Group operates. These conditions have produced downward pressure on stock prices and credit capacity for certain issuers. The resulting lack of credit, lack of confidence in the financial sector, increased volatility in the financial markets and reduced business activity could continue to materially and adversely affect the Group's business, financial condition and results of operations.

Credit risk

Credit risk is the risk of suffering financial loss, should any of the Group's customers, clients or market counterparties fail to fulfil their contractual obligations to the Group. The credit risk that the Group faces arises mainly from wholesale and retail loans and advances. However, credit risk may also arise where the downgrading of an entity's credit rating causes the fair value of the Group's investment in that entity's financial instruments to fall.

In a recessionary environment, such as that ongoing in the United Kingdom, the United States and other economies, credit risk increases. Credit risk may also be manifested as country risk where difficulties may arise in the country in which the exposure is domiciled, thus impeding or reducing the value of the assets, or where the counterparty may be the country itself.

Another form of credit risk is settlement risk, which is the possibility that the Group may pay a counterparty but fail to receive the corresponding settlement in return. The Group is exposed to many different industries and counterparties in the normal course of its business, but its exposure to counterparties in the financial services industry is particularly significant. This exposure can arise through trading, lending, deposit-taking, clearance and settlement and many other activities and relationships. These counterparties include brokers and dealers, commercial banks, investment banks, mutual and hedge funds and other institutional clients. Many of these relationships expose the Group to credit risk in the event of default of a counterparty and to systemic risk affecting its counterparties. Where the Group holds collateral against counterparty exposures, it may not be able to realise it or liquidate it at prices sufficient to cover the full exposures. Many of the hedging and other risk management strategies utilised by the Group also involve transactions with financial services counterparties. The failure of these counterparties to settle or the perceived weakness of these counterparties may impair the effectiveness of the Group's hedging and other risk management strategies.

Market risk

Market risk is the risk that the Group'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 interest rates, credit spreads, commodity prices, equity prices and foreign exchange rates. Market risk has increased due to the volatility of the current financial markets. The main market risk arises from trading activities. The Group is also exposed to market risk through non-traded interest rate risk and the pension fund.

The Group's future earnings could be affected by depressed asset valuations resulting from a deterioration in market conditions. Financial markets are sometimes subject to stress conditions where steep falls in asset values can occur, as demonstrated by recent events affecting asset backed collateralised debt obligations ("CDOs") and the US sub-prime residential mortgage market and which may occur in other asset classes during an economic downturn. Severe market events are difficult to predict and, if they continue to occur, could result in the Group incurring additional losses.

In 2007 and in 2008, the Group recorded material net losses on certain credit market exposures, including asset backed CDO super senior exposures. As market conditions change, the fair value of these exposures could fall further and result in additional losses or impairment charges, which could have a material adverse effect on the Group's earnings. Such losses or impairment charges could derive from: a decline in the value of exposures; a decline in the ability of counterparties, including monoline insurers, to meet their obligations as they fall due; or the ineffectiveness of hedging and other risk management strategies in circumstances of severe stress.

Liquidity risk

This is the risk that the Group is unable to meet its obligations when they fall due as a result of customer deposits being withdrawn, cash requirements from contractual commitments, or other cash outflows, such as debt maturities. Such outflows would deplete available cash resources for client lending, trading activities and investments. In extreme circumstances lack of liquidity could result in reductions in balance sheet and sales of assets, or potentially an inability to fulfil lending commitments. This risk is inherent in all banking operations and can be affected by a range of institution-specific and market-wide events including, but not limited to, credit events, merger and acquisition activity, systemic shocks and natural disasters. The Group's liquidity risk management has several components:

- intra-day monitoring to maintain sufficient liquidity to meet all settlement obligations;
- mismatch limits to control expected cash flows from maturing assets and liabilities;
- monitoring of undrawn lending commitments, overdrafts and contingent liabilities; and
- diversification of liquidity sources by geography and provider.

During periods of market dislocation, such as those currently ongoing, the Group's ability to manage liquidity requirements may be impacted by a reduction in the availability of wholesale term funding as well as an increase in the cost of raising wholesale funds. Asset sales, balance sheet reductions and the increasing costs of raising funding will affect the earnings of the Group.

In illiquid markets, the Group may decide to hold assets rather than securitising, syndicating or disposing of them. This could affect the Group's ability to originate new loans or support other customer transactions as both capital and liquidity are consumed by existing or legacy assets.

Capital risk

Capital risk is the risk that the Group has insufficient capital resources to:

- meet minimum regulatory capital requirements in the UK and in other jurisdictions such as the United States and South Africa where regulated activities are undertaken. The Group's authority to operate as a bank is dependent upon the maintenance of adequate capital resources;
- support its strong credit rating. A weaker credit rating would increase the Group's cost of funds; and
- support its growth and strategic options.

During periods of market dislocation, increasing the Group's capital resources may prove more difficult or costly. Regulators have also recently increased the Group's capital targets and amended the way in which capital targets are calculated and may further do so in future. This would constrain the Group's planned activities and contribute to adverse impacts on the Group's earnings.

Operational risk

Operational risk is the risk of direct or indirect losses resulting from human factors, external events, and inadequate or failed internal processes and systems. Operational risks are inherent in the Group's operations and are typical of any large enterprise. Major sources of operational risk include operational process reliability, IT security, outsourcing of operations, dependence on key suppliers, implementation of strategic change, integration of acquisitions, fraud, human error, customer service quality, regulatory compliance, recruitment, training and retention of staff, and social and environmental impacts.

Notwithstanding anything in this risk factor, this risk factor should not be taken to imply that the Bank will be unable to comply with its obligations as a company with securities admitted to the Official List of the FSA (the "Official List") or that any member of the Group will be unable to comply with its obligations as a supervised firm regulated by the FSA.

Financial crime risk

Financial crime risk is a category of operational risk. It arises from the risk that the Group might fail to comply with financial crime legislation and industry laws on anti-money laundering or might suffer losses as a result of internal or external fraud, or might fail to ensure the security of personnel, physical premises and the Bank's assets.

Regulatory compliance risk

Regulatory compliance risk arises from a failure or inability to comply fully with the laws, regulations or codes applicable specifically to the financial service industry. Non-compliance could lead to fines, public reprimands, damage to reputation, enforced suspension of operations or, in extreme cases, withdrawal of authorisations to operate.

Notwithstanding anything in this risk factor, this risk factor should not be taken to imply that any member of the Group will be unable to comply with its obligations as a supervised firm regulated by the FSA.

In addition, the Group's businesses and earnings can be affected by the fiscal or other policies and other actions of various governmental and regulatory authorities in the United Kingdom, the European Union, the United States, South Africa and elsewhere. All these are subject to change, particularly in the current market environment where recent developments in the global markets have led to an increase in the involvement of various governmental and regulatory authorities in the financial sector and in the operations of financial institutions. In particular, governmental and regulatory authorities in the United Kingdom, the United States and elsewhere are implementing measures to increase regulatory control in their respective banking sectors, including by imposing enhanced capital requirements or by imposing conditions on direct capital injections

and funding. Any future regulatory changes may potentially restrict the Group's operations, mandate certain lending activity and impose other compliance costs. It is uncertain how the more rigorous regulatory climate will impact financial institutions, including the Group.

Areas where changes could have an impact include:

- the monetary, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policy that may significantly influence investor decisions in particular markets in which the Group operates;
- general changes in the regulatory requirements, for example, prudential rules relating to the capital adequacy framework and rules designed to promote financial stability and increase depositor protection;
- changes in competition and pricing environments;
- further developments in the financial reporting environment;
- differentiation amongst financial institutions by governments with respect to the extension of guarantees to customer deposits and the terms attaching to those guarantees; and
- implementation of, or costs related to, local customer or depositor compensation or reimbursement schemes.

Two specific matters that directly impact the Group are the Banking Act 2009 and the Financial Services Compensation Scheme:

Banking Act 2009

On 21 February 2009, the Banking Act 2009 (the “**Banking Act**”) came into force which provides a permanent regime to allow the FSA, the HM Treasury in the UK and the Bank of England (the “**Tripartite Authorities**”) to resolve failing banks in the UK. The Banking Act aims to balance the need to protect depositors and prevent systematic failure with the potentially adverse consequences that using powers to deal with those events could have on private law rights, and, as a consequence, wider markets and investor confidence.

These powers, which apply regardless of any contractual restrictions, include (a) power to issue share transfer orders pursuant to which there may be transferred to a commercial purchaser or Bank of England entity, all or some of the securities issued by a bank. The share transfer order can extend to a wide range of “securities” including shares and bonds issued by a UK Bank (including the Bank) or its holding company, Barclays PLC, and warrants for such and (b) the power to transfer all or some of the property, rights and liabilities of the UK bank to a purchaser or Bank of England entity. In certain circumstances encumbrances and trusts can be over-reached. Power also exists to over-ride any default provisions in transactions otherwise affected by these powers. Compensation may be payable in the context of both share transfer orders and property appropriation. In the case of share transfer orders any compensation will be paid to the person who held the security immediately before the transfer, who may not be the encumbrancer.

The Banking Act also vests power in the Bank of England to over-ride, vary or impose contractual obligations between a UK bank or its holding company and its former group undertakings (as defined in the Banking Act), for reasonable consideration, in order to enable any transferee or successor bank of the UK bank to operate effectively. There is also power for the HM Treasury to amend the law (save for a provision made by or under the Banking Act) by order for the purpose of enabling it to use the special resolution regime powers effectively, potentially with retrospective effect.

Financial Services Compensation Scheme

The Financial Services Compensation Scheme (the “FSCS”) was created under the Financial Services and Markets Act 2000 (“FSMA”) and is the UK’s statutory fund of last resort for customers of authorised financial services firms. The FSCS can pay compensation to customers if a firm is unable, or likely to be unable, to pay claims against it.

In 2008, a number of institutions were declared in default by the FSA. In order to meet its obligations to the depositors of these institutions, the FSCS obtained facilities from HM Treasury on an interest only basis which totalled £18.2 billion as at 31 March 2009. The majority of the facilities are anticipated to be repaid wholly from recoveries from the institutions concerned, although some shortfalls are anticipated in the smaller facilities. The FSCS raises annual levies from the banking industry to meet its management expenses and compensation costs. Individual institutions make payments based on their level of market participation (in the case of deposits, the proportion that their protected deposits represent of total market protected deposits) at 31 December each year. If an institution is a market participant on this date it is obligated to pay a levy. The Bank was a market participant at 31 December 2007 and 2008. The Group has accrued £37 million in 2009 (£101 million for the year ended 31 December 2008) for its share of levies that will be raised by the FSCS including the interest on the loan from HM Treasury. The accrual includes estimates for the interest FSCS will pay on the loan and estimates of the Group’s market participation in the relevant periods. Interest will continue to accrue on the FSCS facilities and will form part of future FSCS management expenses levies. To the extent that the facilities have not been repaid in full by 31 March 2012, the FSCS will agree a schedule of repayments with HM Treasury, which will be recouped from the industry in the form of additional levies. Under the Banking Act 2009, in April 2009, HM Treasury issued a Notification to the FSCS requiring a contribution to the resolution costs of a further institution. The timing and size of any actual payments by the FSCS under the Notification and the consequent need for levies on the industry, is unclear.

In the event that the FSCS raises funds from the authorised firms, raises those funds more frequently or significantly increases the levies to be paid by such firms, the associated costs to the Group may have a material impact on the Group’s results of operations and financial condition.

Legal risk

The Group is subject to a comprehensive range of legal obligations in all countries in which it operates. As a result, the Group is exposed to many forms of legal risk, which may arise in a number of ways. Primarily:

- the Group’s business may not be conducted in accordance with applicable laws around the world;
- contractual obligations may either not be enforceable as intended or may be enforced against the Group in an adverse way;
- the intellectual property of the Group (such as its trade names) may not be adequately protected; and
- the Group may be liable for damages to third parties harmed by the conduct of its business.

The Group faces risk where legal proceedings are brought against it. Regardless of whether such claims have merit, the outcome of legal proceedings is inherently uncertain and could result in financial loss. Defending legal proceedings can be expensive and time-consuming and there is no guarantee that all costs incurred will be recovered even if the Group is successful. Although the Group has processes and controls to manage legal risks, failure to manage these risks could impact the Group adversely, both financially and by reputation.

Insurance risk

Insurance risk is the risk that the Group will have to make higher than anticipated payments to settle claims arising from its long-term and short-term insurance businesses.

Business risk

The Group devotes substantial management and planning resources to the development of strategic plans for organic growth and identification of possible acquisitions, supported by substantial expenditure to generate growth in customer business. If these strategic plans are not delivered as anticipated, the Group's earnings could grow more slowly or decline. In addition, potential sources of business risk include revenue volatility due to factors such as macroeconomic conditions, inflexible cost structures, uncompetitive products or pricing and structural inefficiencies.

Competition

The global financial services markets in which the Group operates are highly competitive. Innovative competition for corporate, institutional and retail clients and customers comes both from incumbent players and a steady stream of new market entrants, as well as recent consolidation among banking institutions in the United Kingdom, the United States and throughout Europe. The landscape is expected to remain highly competitive in all areas, which could adversely affect the Group's profitability if the Group fails to retain and attract clients and customers.

Tax risk

The Group is subject to the tax laws in all countries in which it operates, including tax laws adopted at an EU level. A number of double taxation agreements entered between two countries also impact on the taxation of the Group. Tax risk is the risk associated with changes in tax law or in the interpretation of tax law. It also includes the risk of changes in tax rates and the risk of failure to comply with procedures required by tax authorities. Failure to manage tax risks could lead to an additional tax charge. It could also lead to a financial penalty for failure to comply with required tax procedures or other aspects of tax law. If, as a result of a particular tax risk materialising, the tax costs associated with particular transactions are greater than anticipated, it could affect the profitability of those transactions.

The Group takes a responsible and transparent approach to the management and control of its tax affairs and related tax risk:

- tax risks are assessed as part of the Group's formal governance processes and are reviewed by the Executive Committee, the Group Finance Director and the Board Risk Committee;
- the tax charge is also reviewed by the Board Audit Committee;
- the tax risks of proposed transactions or new areas of business are fully considered before proceeding;
- the Group takes appropriate advice from reputable professional firms;
- the Group employs high-quality tax professionals and provides ongoing technical training;
- the tax professionals understand and work closely with the different areas of the business;
- the Group uses effective, well-documented and controlled processes to ensure compliance with tax disclosure and filing obligations; and
- where disputes arise with tax authorities with regard to the interpretation and application of tax law, the Group is committed to addressing the matter promptly and resolving the matter with the tax authority in an open and constructive manner.

Risks relating to BCCL

BCCL was established for the purpose of *inter alia* issuing notes, certificates and warrants and buying and selling options. It is the policy of the Directors of BCCL to hedge fully the liabilities of BCCL arising under

notes, certificates and warrants issued by BCCL. If, for any reason, BCCL's hedging strategy did not prove effective, the operations of BCCL could be materially adversely affected.

BCCL is a special purpose financing entity with no business operations other than the entry into financing arrangements (including the issuance of Securities under the Programme), the lending of the proceeds to the Bank or other members of the Group, and the entry into certain ancillary arrangements. BCCL's only material assets will be the Bank's or the relevant Group recipient's obligation to repay such amounts. Therefore, BCCL is subject to all risks to which the Bank and the Group are subject, to the extent that such risks could limit the Bank's or the relevant Group recipient's ability to satisfy in full and on a timely basis its obligations under such loan. See "Risks Relating to the Bank and the Group" above for a description of certain of these risks.

Risks Relating to the Securities

General Considerations

The Securities involve a degree of risk, which may include interest rate, corporate, market, foreign exchange, time value and/or political risks, as well as other risks arising from fluctuations in the level, price, value or performance of, or events impacting, the relevant Reference Asset(s) or other factor(s) to which the Securities are linked and any applicable Relevant Annex(es) to which the return on the Securities and/or exercise or redemption may be linked, and general risks applicable to the stock market (or markets) and capital markets.

In order to realise a return upon an investment in a Security linked to one or more Reference Assets, an investor must have correctly anticipated the direction, timing and magnitude of an anticipated change in the value of the relevant Reference Asset(s) relative to the Issue Price. If the value of the Reference Asset(s) does not increase, or decreases, as the case may be, before such Security is redeemed or exercised, as the case may be, part or all of the investor's investment in such Security may be lost on such redemption or exercise.

Assuming all other factors are held constant, the lower the value of a Security and the shorter the remaining term of a Security to redemption, exercise or expiration, the greater the risk that the purchaser of such Security will lose all or part of their investment. Unless "Put Option" is specified in the applicable Final Terms, the only means through which a Securityholder can realise value from a Security, prior to its scheduled redemption date or exercise date(s), as applicable, in relation to such Security is to sell it at its then market price in an available secondary market. See "Possible Illiquidity of the Securities in the Secondary Market" below.

There can be no assurance that a Securityholder will be able to sell any Securities prior to their scheduled redemption date or exercise date(s), as applicable, at a price equal to or greater than the market value of the Securities on the Issue Date and such holder may only be able to sell Securities at a discount, which may be substantial, to the Issue Price. Furthermore, if any Securityholder sells its Securities, the purchaser will likely be charged a commission for secondary market transactions, or the price will likely reflect a dealer discount.

A variety of Securities may be issued under the Programme including Securities where:

- (i) Settlement Amounts;
- (ii) Entitlements;
- (iii) the event(s) which may result in early redemption, cancellation, automatic exercise of a call option, automatic exercise of the Securities and/or an Additional Disruption Event;
- (iv) the quantum and/or payment of interest; and/or
- (v) the right to exercise an option in respect of the Securities,

may be dependent upon the level, price, value or performance of one or more Reference Assets and/or such factor as compared to a specified level, price, value, barrier, threshold, trigger or other factor, as specified in the applicable Final Terms.

Prospective investors in Securities linked to one or more Reference Assets should not take the past performance of any Reference Asset as an indication of the future performance of that Reference Asset during the term of any Security.

Interest

The Securities may bear interest at a rate that may be contingent and/or may vary from one interest period to the next. The interest payable on such Securities may be calculated by reference to:

- (i) the number of days in a specified period on which a specified rate and/or price, value or level of one or more Reference Assets has a particular value, is within a specified range or is above/below a specified value, price or level; and/or
- (ii) the rate for the immediately preceding Interest Calculation Period; and/or
- (iii) a range accrual fraction, multiplier or other factor; and/or
- (iv) such other method or formulae as may be specified in the applicable Final Terms.

The interest for any Interest Calculation Period may be less than the rate that the Bank (or any other bank) may pay in respect of deposits for an equivalent period and may be zero.

The Securities may not be a suitable investment for all investors

Each prospective investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each prospective investor should:

- (i) have sufficient knowledge and experience to evaluate the Securities the merits and risks of investing in the Securities and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement and all information contained in the applicable Final Terms and applicable Relevant Annex(es);
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Securities and the impact the Securities will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Securities, including Cash Settled Securities where the relevant Settlement Amount(s) may be payable in one or more currencies, or where the settlement currency is different from the prospective investor's currency;
- (iv) understand thoroughly the terms of the relevant Securities, as the case may be, and be familiar with any relevant assets, indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

In addition, an investment in Equity Linked Securities, FX Linked Notes, Credit Linked Securities, Fund Linked Securities, Inflation Linked Securities or Commodity Linked Securities, as the case may

be, or Securities linked to other assets or bases of reference, may entail significant risks not associated with investments in conventional securities such as debt or equity securities, including, but not limited to, the risks set out in this section, “Risks Relating to the Securities” and the Product Specific Risk Factors set out in this Base Prospectus.

The Securities are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A prospective investor should not invest in the Securities unless it has the expertise (either alone or with a financial adviser) to evaluate how the relevant Security will perform under changing conditions, the resulting effects on the value of the relevant Security and the impact this investment will have on the prospective investor’s overall investment portfolio.

Settlement Risk

Payments of Settlement Amounts and deliveries of Entitlements are subject to certain conditions to settlement. If the Issuer determines in its sole and absolute discretion that any condition to settlement to be satisfied by a Securityholder has not been satisfied in full in respect of the Securities, payment or delivery of the relevant Settlement Amount or Entitlement to such Securityholder will be postponed until all conditions to settlement have been satisfied in full. No additional amounts will be payable or deliverable by the Issuer or the Guarantor because of any such postponement. Prospective investors should familiarise themselves with, and understand, the conditions to settlement relating to the Securities.

If the conditions to settlement to be satisfied by a Securityholder have not been satisfied by the relevant time on the day that is 180 calendar days following the Redemption Date, the Optional Cash Redemption Date, the Optional Physical Redemption Date, the Early Cash Redemption Date, the Specified Early Cash Redemption Date, the Specified Early Physical Redemption Date, the Actual Exercise Date or Automatic Exercise Date, as applicable, as determined by the Determination Agent, the Issuer and Guarantor will cease to have any obligation to pay or deliver the relevant Settlement Amount or Entitlement to that Securityholder. With effect from such date the relevant Securityholder will have no right to receive any payment or delivery of the Settlement Amount or Entitlement in relation to which the conditions to settlement were not satisfied by the Securityholder within the relevant time period and the Securityholder will have no claim against the Issuer or the Guarantor in relation thereto.

If the applicable Final Terms in respect of any Securities indicates that “Cash or Physical Settlement” is applicable, the Securities will be cash settled if the conditions to cash settlement specified in the applicable Final Terms are satisfied or physically settled if the conditions to cash settlement specified in the applicable Final Terms are satisfied.

If the applicable Final Terms in respect of any Securities indicates that Securityholder Settlement Option is applicable and the relevant Securityholder does not comply with the settlement election notification requirements within the relevant time period in accordance with the Conditions, the Securityholder will not be entitled to elect whether cash settlement or physical settlement is to apply to its Securities and the Securities will be cash settled.

If the applicable Final Terms in respect of any Securities indicates that Issuer Settlement Option is applicable, the relevant Issuer may, at its sole and unfettered discretion, elect whether cash settlement or physical settlement is to apply to such Securities.

Settlement Disruption Risk

In the case of Physically Delivered Securities, the Determination Agent may determine that a Settlement Disruption Event is subsisting. Any such determination may affect the value of the relevant Security and/or may delay settlement in respect of the Security. In the case of a Physically Delivered Security, if delivery of the relevant Entitlement using the method of delivery specified in the applicable Final Terms is or is likely to become impossible or impracticable by reason of a Settlement Disruption Event having occurred and continuing on the Physical Delivery Date, then the relevant Physical Delivery Date shall be postponed to the first following Relevant Settlement Day in respect of which there is no such Settlement Disruption Event. The relevant Issuer in these circumstances also has the right to either (i) deliver some or all of the relevant Reference Assets using such other commercially reasonable manner as it may select in order to deliver the relevant Entitlement, or (ii) pay the Disruption Cash Settlement Price in lieu of delivering the relevant Entitlement. Such a determination may have an adverse effect on the value of the relevant Security.

Entitlement Substitution

If the applicable Final Terms in respect of any Securities indicates that “Entitlement Substitution” is applicable and the Issuer determines in its sole and absolute discretion that (i) all or part of the Entitlement is comprised of securities, instruments or obligations that are not freely transferable, and/or (ii) it is not able (or reasonably expects not to be able to) to acquire all or part of the Entitlement in the secondary market in time to deliver the Entitlement when due under the Securities as a result of illiquidity, and/or (iii) the price of all or part of the Entitlement has been materially affected as a result of illiquidity, the Issuer may, in its sole and absolute discretion, elect to either (a) substitute the affected entitlement components and deliver substitute assets, or (b) not deliver the affected entitlement components and to pay an amount in lieu thereof to Securityholders.

Certain Factors Affecting the Value and Trading Price of Securities

Generally, Securities offer investment diversification opportunities, but also pose some additional risks with regard to interim value during the term of the Securities. The interim value of the Securities is affected by a number of factors, including but not limited to:

- (i) market interest rates;
- (ii) fluctuations in currency exchange rates;
- (iii) fluctuations in commodities prices;
- (iv) the liquidity of the Securities in the secondary market;
- (v) the time remaining to any redemption date, exercise date or expiration date, as applicable; and
- (vi) economic, financial, regulatory, political, terrorist, military or other events in one or more jurisdictions, including factors affecting capital markets generally or the stock exchanges on which any Securities may be traded.

In addition to the factors above, the interim value of Securities linked to one or more Reference Assets will also vary with the price and/or level of the applicable Reference Asset(s) and is affected by a number of other factors, including but not limited to:

- (i) the value and volatility of the Reference Asset(s);
- (ii) where the Reference Asset(s) is/are equity securities, the dividend rate on the Reference Asset(s) and the financial results and prospects of the issuer of each Reference Asset;
- (iii) where the Reference Assets are credit linked, the creditworthiness of the specified reference entity or entities;
- (iv) the liquidity of any Reference Asset(s) in the secondary market; and
- (v) economic, financial, regulatory, political, terrorist, military or other events in one or more jurisdictions, including factors affecting the stock exchange(s) on which any Reference Asset(s) may be traded.

Due to the additional risk characteristics of such Securities, prospective investors of Securities linked to one or more Reference Assets should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Securities and should reach an investment decision only after careful consideration, with their advisers when appropriate, of the suitability of such Securities in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Securities and the particular index (or basket of indices), share (or basket of shares), debt instrument (or basket of debt instruments), currency (or basket of currencies), commodity (or basket of commodities), fund (or basket of funds) or other asset or basis of reference to which the value of the relevant Securities and/or rights of exercise may relate, as specified in the applicable Final Terms.

Before selling Securities or exercising any Securities in the form of Warrants or Exercisable Certificates, holders of such Securities should carefully consider, among other things, (a) the trading price of the relevant Securities, (b) the value and volatility of the Reference Asset as specified in the applicable Final Terms (if applicable), (c) the time remaining to redemption (or exercise and/or expiration in the case of Warrants and Exercisable Certificates), (d) in the case of a Cash Settled Security, the probable range of Settlement Amounts, (e) any change(s) in interim interest rates and dividend yields if applicable, (f) any change(s) in currency exchange rates, (g) the depth of the market or liquidity of any applicable Reference Asset(s) and (h) any related transaction costs.

A credit rating reduction may result in a reduction in the trading value of the Securities

The value of the Securities may be expected to be affected, in part, by investors general appraisal of the creditworthiness of the Group. Such perceptions are generally influenced by the ratings accorded to the outstanding securities of the Bank by standard statistical rating services, such as Moodys Investors Service Limited (“**Moodys**”), Standard & Poor’s Ratings Services, a division of The McGraw Hill Companies, Inc. (“**Standard & Poors**”) and Fitch Ratings Ltd. (“**Fitch**”). A reduction in the rating, if any, accorded to outstanding debt securities of the Bank by one of these or other rating agencies could result in a reduction in the trading value of the Securities.

Use of leverage factors over 100 per cent. or 1.00 can amplify losses and gains on Securities

Where the terms and conditions of the Securities provide that interest, the relevant Settlement Amount or Entitlement or any right of exercise of such Securities is based upon the performance,

price, value or level of one or more Reference Asset(s) multiplied by a leverage factor which is over 100 per cent. or 1.00, the purchaser may participate disproportionately in any positive performance and/or may have a disproportionate exposure to any negative performance of the Reference Asset(s). Due to this leverage effect, such Securities represent a very speculative and risky form of investment since any loss in the value of the Reference Asset(s) carries the risk of a correspondingly higher loss.

Securityholders will have no claim against any Reference Asset

A Security linked to one or more Reference Assets will not represent a claim in respect of any Reference Asset (or any issuer, sponsor, manager, obligor or other connected person in respect of a Reference Asset) and, in the event that the amount paid by the relevant Issuer on redemption or exercise of the Security is less than the Aggregate Nominal Amount or the Issue Price (as the case may be) of such Security, a holder will not have recourse under such Security to any Reference Asset (or any issuer, sponsor, manager, obligor or other connected person in respect of a Reference Asset). Securities linked to one or more Reference Assets are not in any way sponsored, endorsed or promoted by any issuer, sponsor, manager, obligor or other connected person in respect of any Reference Asset(s) and such entities have no obligation to take into account the consequences of their actions on any Securityholder.

Securities with foreign exchange risks

Where the applicable Final Terms of the Securities provide that the Settlement Currency is different to the currency of the Reference Asset(s), the investors in such Securities may be exposed not only to the performance of the Reference Asset(s) but also to the performance of such Settlement Currency which cannot be predicted as well as the relative performance of the Settlement Currency and the currency of the relevant Reference Asset(s). Prospective investors should be aware that foreign exchange rates are, and have been, highly volatile and determined by supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks (e.g., imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates as well as the availability of a specified currency). Foreign exchange fluctuations between an investor's home currency and the Settlement Currency may affect investors who intend to convert gains or losses from the exercise or sale of Securities into their home currency.

Limitations on Redemption

Other than in respect of Notes and Certificates (other than Exercisable Certificates) in respect of which a "Put Option" is specified in the applicable Final Terms, the only means by which a Securityholder can realise value from their Notes or Certificates prior to their scheduled redemption date is to sell such Notes or Certificates at their then market price in the secondary market (if available) (see "Possible Illiquidity of the Secondary Market" below).

If so indicated in the applicable Final Terms, the relevant Issuer will have the option to impose a minimum number or minimum nominal amount of Notes or Certificates which any Securityholders

(whether or not acting in concert) may require the relevant Issuer to redeem on any particular Business Day or to impose a daily maximum amount of Notes or Certificates which may be redeemed by a Securityholder on any particular Business Day (see Condition 5.6 of the Base Conditions).

In the event that the number or nominal amount of Notes or Certificates that a Securityholder wishes to redeem on any particular Business Day are fewer than the minimum number or less than the minimum nominal amount, Securityholders with fewer than the specified minimum number or amount of Notes or Certificates will either have to sell their Notes or Certificates in the secondary market or purchase additional Notes or Certificates, incurring transaction costs in each case, in order to realise their investment. Furthermore, holders of such Notes or Certificates incur the risk that there may be differences between the trading price of such Notes or Certificates in the secondary market and the applicable redemption amount, or the value of any Entitlement, as the case may be.

In the event that the total amount of Notes or Certificates which Securityholders have requested the relevant Issuer to redeem on any date exceeds any daily maximum amount specified in the applicable Final Terms, a Securityholder may not be able to redeem all the Notes or Certificates that such holder desires to redeem on such date. Notes or Certificates to be redeemed on such date will be selected on a pro rata basis. Unless otherwise specified in the applicable Final Terms, the Notes or Certificates in respect of which the relevant Issuer has received requests for redemption from Securityholders but which are not redeemed on such date will be redeemed on the next date on which Notes or Certificates may be redeemed, subject to the same daily maximum amount limitation and in accordance with Condition 5.6(b) of the Base Conditions.

The Securities may be redeemed prior to their scheduled redemption date

The applicable Final Terms for a particular Series of Securities in the form of Notes or Certificates (other than Exercisable Certificates) may provide that the Issuer has a right to redeem the Securities prior to their scheduled Redemption Date. Such right of early redemption is often provided for in periods of high interest rates. If the market interest rates decrease, the risk to Securityholders that the relevant Issuer will exercise its right of early redemption increases. As a consequence, the yields received upon redemption may be lower than expected, and the relevant Settlement Amount or value of the Entitlement in respect of the Securities may be lower than the Issue Price for the Securities paid by the Securityholder and may be zero. As a consequence, the Securityholder may not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Securities.

The Final Terms for a particular Series of Securities may provide for early redemption at the option of Securityholders. A prospective investor in such a Security should understand the consequences of liquidating any investment in such Securities by redeeming such investment as opposed to selling it. This includes knowing when the Securities are redeemable and how to redeem them.

The applicable Final Terms for a particular Series of Notes or Certificates (other than Exercisable Certificates) may provide that the Issuer may, or will (if automatic early redemption is specified in the applicable Final Terms), redeem the Securities prior to their Redemption Date if a Specified Early Redemption Event occurs. A Specified Early Redemption Event may relate to the level, price, value or performance of one or more Reference Assets and/or such factor as compared to a specified level, price, value, barrier, threshold, trigger or other factor, as specified in the applicable Final Terms. The relevant Settlement Amount or value of the Entitlement received by Securityholders in

such circumstances may be lower than the Issue Price for the Securities paid by the Securityholder and may be zero. As a consequence, upon such redemption the Securityholder may not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Securities. Such early redemption may affect the return on, and value of, the Securities.

Principal protected Securities are only principal protected to the extent that the Securities are held to maturity. As such, if principal protected Securities are redeemed or cancelled early Securityholders may lose some or all of their principal.

The Securities may be redeemed or cancelled early in connection with a Nominal Call Event

The applicable Final Terms for a particular Series of Securities may provide that the Issuer may redeem or cancel the Securities prior to their Redemption Date or Expiration Date, as applicable, if a Nominal Call Event occurs. In such circumstances Securities that are Notes or Certificates (other than Exercisable Certificates) will be redeemed at their Optional Cash Settlement Amount or Optional Physical Redemption Entitlement and Securities that are Warrants or Exercisable Certificates will be cancelled subject to payment of the Early Cash Settlement Amount or delivery of the Early Physical Cancellation Entitlement. Such Settlement Amount or the value of any such Entitlement may be lower than the Issue Price for the Securities paid by the Securityholder and may be zero. As a consequence, upon such redemption or cancellation the Securityholder may not receive a payment or assets with a value equal to the total amount of their capital invested. In addition, investors that choose to reinvest any monies they receive through an early redemption or cancellation may be able to do so only in securities with a lower yield than the redeemed Securities. Such early redemption or cancellation may affect the return on, and value of, the Securities.

Adjustment to or early redemption or cancellation of the Securities and reinvestment risk following an Additional Disruption Event

If an Additional Disruption Event occurs, the relevant Issuer will either (i) request the Determination Agent to adjust the terms and conditions of the Securities (without the consent of the Securityholders) or (ii) procure the early redemption or cancellation of such Securities, in each case, in accordance with the Base Conditions, any applicable Relevant Annex and the applicable Final Terms. An investor in such Securities should be aware that depending on the terms and conditions of the Security in question, the Early Cash Settlement Amount may be less than the Securityholder's initial investment. Following any such early redemption or cancellation of Securities, an investor in such Securities may not be able to reinvest the Early Cash Settlement Amount at any effective interest rate as high as the interest rate or yield on the Securities being redeemed or cancelled and may only be able to do so at a significantly lower rate. Investors in Securities should consider reinvestment risk in light of other investments available at that time.

Early Redemption or Cancellation of Securities

If the Securities are redeemed or cancelled prior to their Redemption Date (including as a result of an exercise of any Call Option or Put Option or the occurrence of a Nominal Call Event or a Specified Early Redemption Event) or prior to their Exercise Date(s) or Expiration Date, as applicable, the Issuer will take into account when determining the relevant Settlement Amount or Entitlement, and deduct therefrom an amount in respect of all costs, 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 Securities, including without duplication or limitation, hedging unwind and funding breakage costs and Emerging Market Expenses (if any). Such costs, losses and expenses will reduce the amount received by Securityholders on redemption or cancellation and may reduce the Settlement Amount or Entitlement to zero. The Issuers and the Guarantor are not under any duty to hedge themselves at all or in any particular manner, and are not required to hedge themselves in a manner that would (or may be expected to) result in the lowest costs, losses and expenses.

Disrupted Days and Disruption Events

Where the Determination Agent has determined that a day on which a valuation or determination is to be made is a disrupted day or that a relevant disruption event (including for example, a failure to open of an Exchange or Related Exchange on a Valuation Date or an Averaging Date, as applicable) has occurred, any such determination may have an effect on the timing of valuation and consequently may adversely affect the value of such Securities and/or may delay exercise of any rights in relation to the Securities and/or settlement (or the Valuation Date or Averaging Date or other observation date as applicable) in respect of those Securities. Prospective investors should review the relevant conditions of the Securities, any applicable Relevant Annex and the applicable Final Terms to ascertain whether and how such provisions apply to any Securities they are considering purchasing. See also “Time Lag After Redemption or Exercise” below.

Time Lag After Redemption

Unless otherwise specified in the applicable Final Terms, in the case of Notes or Certificates (other than Exercisable Certificates) which the relevant Issuer is required to redeem prior to their scheduled Redemption Date at the option of the Securityholder, there will be a time lag between the time a Securityholder gives the instruction to redeem and the time the relevant Settlement Amount or, in the case of a Physically Delivered Security, the relevant Entitlement due on the Physical Delivery Date, as the case may be, is determined by the Determination Agent. Such time lag could be significantly longer, however, particularly in the case of a delay in the redemption of Notes or Certificates due to there being a limit on the maximum number of Securities redeemable on any one day, following the imposition of any exchange controls or similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies), or following a determination by the Determination Agent that there is any Settlement Disruption Event or that a Disrupted Day has occurred. The applicable Settlement Amount or Entitlement, as the case may be, may change significantly during any such period, and such movement or movements could decrease the Settlement Amount or Entitlement.

Valuation of the Securities: commissions and/or fees

Prospective investors in the Securities should be aware that the Issue Price may include commissions and/or other fees paid by the relevant Issuer to distributors as payment for distribution services. This can cause a difference between the theoretical value of the Securities and any bid and offer prices quoted by the relevant Issuer, the Guarantor (if applicable), any Group affiliate or any third party. Information with respect to the amount of these inducements, commissions and fees will be included in the applicable Final Terms and/or may be obtained from the relevant Issuer or distributor upon request.

Hedging

Prospective purchasers intending to purchase Securities to hedge against the market risk associated with investing in a reference index (or basket of indices), share (or basket of shares), debt instrument (or basket of debt instruments), currency (or basket of currencies), commodity (or basket of commodities), fund (or basket of funds) or other asset or basis of reference which may be specified in the applicable Final Terms, should recognise the complexities of utilising Securities in this manner. For example, the value of the Securities may not exactly correlate with the value of the Reference Asset(s) or basis of reference. Due to fluctuating supply and demand for the Securities there is no assurance that their value will correlate with movements of the Reference Asset(s) or basis of reference. For these reasons, among others, it may not be possible to purchase or liquidate Securities in a portfolio at the prices used to calculate the value of any Reference Asset or basis of reference.

Certain Additional Risk Factors Associated with Physically Delivered Securities

The applicable Final Terms may provide that the payment obligations of the relevant Issuer under the Securities are discharged by physical settlement, that the relevant Issuer may elect to discharge its payment obligations under the Securities by physical settlement or that the Securityholder may elect that the payment obligations of the relevant Issuer under the Securities are discharged by physical settlement. When such Securities are physically settled, the relevant Issuer will not pay the investor cash in discharge of its payment obligations, whether in respect of principal, interest or otherwise, under the Securities but will deliver to the investor the Reference Assets, which may, for example, be shares (or any other form of securities), bonds (or any other form of debt securities), commodities or other non-cash assets specified in the applicable Final Terms. There is no guarantee that there will be any market or liquidity in relation to such assets or that the investor will be able to dispose of or realise such reference assets for an amount equivalent to the payment obligations of the relevant Issuer under such Securities. Therefore, if the relevant Issuer physically settles the Securities, the investor may upon realisation of such reference assets receive less than if the relevant Issuer had settled the Securities by way of cash settlement and payment of a Settlement Amount. Prospective investors should note that they may be required to take delivery of such Reference Assets and should ensure that they have the capacity to receive such obligations on purchasing the Securities. Adverse tax consequences and regulatory implications could also ensue when the Securities are physically settled which may not have arisen had the Securities been cash settled. Each prospective investor should consult its own tax and legal advisors concerning the relevant tax and legal implications of physical settlement under the Securities and the tax and regulatory treatment thereof.

Certain Additional Risk Factors Associated with the Reference Assets

An investment in the Securities should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the relevant Reference Assets, and/or the composition, method of calculation or settlement of the Reference Assets, as the return of any such investment will be dependent upon such changes. More than one risk factor may have simultaneous effect with regard to the Securities such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Securities.

Certain Additional Tax Considerations Associated with Physically Delivered Securities

The summaries set out under the heading “Taxation” do not describe the tax consequences for a holder of Physically Delivered Securities and/or any tax consequences after the moment of exercise, settlement or redemption. It also does not describe the stamp duties and the indirect taxes (including transfer taxes, stock exchange taxes and taxes on the physical delivery of bearer securities) that may be due following the acquisition, transfer or disposal of the Securities.

Potential purchasers of Physically Delivered Securities should note that the tax treatment of such Securities may be different (and in some cases significantly different) from that set out in those summaries.

Possible Illiquidity of the Secondary Market

There can be no assurance as to how Securities will trade in the secondary market or whether such market will be liquid or illiquid, which may adversely affect the value of the Securities and/or the ability of the Securityholder to dispose of them. The number of Securities of any Series may be relatively small, further adversely affecting the liquidity of such Securities. The relevant Issuer may list Securities on the London Stock Exchange or any other exchange as is specified in the applicable Final Terms or may issue Securities which are not listed on any exchange. However, no assurance can be given that any secondary trading market will develop for the Securities. If Securities are not listed or traded on any exchange, pricing information for such Securities may be more difficult to obtain and the liquidity of such Securities may be adversely affected. The fact that Securities are listed will not necessarily lead to greater liquidity.

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

Certain Securities are also subject to transfer restrictions. See “Base Conditions — Form, Title and Transfer” below.

Cancellation of the Securities in the Event of Illegality or Physical Impossibility

If the relevant Issuer or the Guarantor (if applicable) determines that the performance of any of its absolute or contingent obligations under the Securities has become illegal or a physical impossibility in whole or in part for any reason, the relevant Issuer may redeem or cancel the Securities by paying each holder of such Securities an amount equal to the relevant Settlement Amount of such Security, notwithstanding such illegality. Such cancellation may result in an investor not realising a return on an investment in the relevant Securities.

Issuer/Guarantor and Conflicts of Interest

The relevant Issuer and its affiliates may engage in trading and market-making activities and may hold long or short positions in the relevant Reference Asset(s) and other instruments or derivative products based on or related to the relevant Reference Asset(s) for their proprietary accounts or for other accounts under their management. The Issuers and their respective affiliates may also issue Securities in respect of the relevant Reference Asset(s) which are securities, or issue derivative instruments in respect thereof. To the extent that any Issuer, directly or through its affiliates, serves

as issuer, agent, manager, sponsor or underwriter of such securities or other instruments, its interests with respect to such products may be adverse to those of the Securityholders. The Issuers or their affiliates may also act as underwriter in connection with future offerings of securities which comprise the Reference Assets. Such activities could present certain conflicts of interest, could influence the prices of such Reference Assets and could adversely affect the value of the Securities.

Certain affiliates of the Issuers may from time to time, by virtue of their status as underwriter, advisor or otherwise, possess or have access to information relating to the Securities, the Reference Asset(s) and any derivative instruments referencing them. Such affiliates will not be obliged to and will not disclose any such information to a purchaser of Securities.

In connection with the offering of the Securities, the relevant Issuer, the Guarantor (if applicable) and/or any of its affiliates may enter into one or more hedging transactions with respect to the Reference Asset(s) or related derivatives. In connection with such hedging activities or with respect to proprietary or other trading activities by the relevant Issuer, the Guarantor (if applicable) and/or any of its affiliates, the relevant Issuer, Guarantor (if applicable) and/or any of its affiliates may enter into transactions in the Reference Asset(s) or related derivatives which may, but are not intended to, affect the market price, liquidity or value of the Securities and which could be deemed to be adverse to the interest of the relevant Securityholders.

Determination Agent and Conflicts of Interest

As the Determination Agent is an affiliate of the Bank (or may be the same legal entity as the Bank or the same division of the Bank), potential conflicts of interest may exist between the Determination Agent and the Securityholders, including with respect to the exercise of the very broad discretionary powers of the Determination Agent. The Determination Agent has the authority (i) to determine whether certain specified events and/or matters so specified in the conditions relating to a series of Securities have occurred, and (ii) to determine any resulting adjustments and calculations as described in such conditions. Prospective investors should be aware that any determination made by the Determination Agent may have an impact on the value and financial return of the Securities. Any such discretion exercised by, or any calculation made by, the Determination Agent (in the absence of manifest or proven error) shall be binding on the relevant Issuer and all Securityholders.

Proprietary Index Sponsor and Conflicts of Interest

An Issuer or certain affiliates of an Issuer may be the sponsor of a proprietary index which is referenced by a Security. Such index may be developed, owned, calculated and maintained by an affiliate of the Issuers, who would be responsible for the composition, calculation and maintenance of such index. In such circumstances, the index sponsor would be under no obligation to take into account the interests of the Securityholders referenced by such index. In such capacity as index sponsor, they will have the authority to make determinations that could materially affect the value of the Security.

Status of the Securities

The Securities are unsecured and unsubordinated obligations of the relevant 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 relevant Issuer. Each issue of Securities by BCCL will be unconditionally and irrevocably guaranteed by the Bank pursuant to the Guarantee. The Guarantee constitutes a direct,

unsecured and general obligation of the Bank and ranks and will rank equally with all other existing and future unsecured obligations of the Bank, including those in respect of deposits, but excluding any debts for the time being preferred by operation of law in bankruptcy or other legal proceeding of a similar nature.

Global Bearer Securities where denominations involve integral multiples; Definitive Bearer Securities

In relation to any issue of Securities which have a minimum Specified Denomination consisting of a minimum denomination plus one or more integral multiples of another smaller amount, it is possible that such Securities may be traded in amounts in excess of such minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a Securityholder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a Definitive Bearer Security in respect of such holding (should Definitive Bearer Securities be printed) and would need to purchase a principal amount of Securities such that its holding amounts to such minimum Specified Denomination to receive a Definitive Bearer Security.

If Definitive Bearer Securities are issued, Securityholders should be aware that Definitive Bearer Notes which have a denomination that is not an integral multiple of any minimum Specified Denomination may be illiquid and difficult to trade.

Minimum Settlement Amounts

Global Securities may, if specified in the applicable Final Terms, be subject to a Minimum Settlement Amount, in which case such Securities will, for so long as they are Cleared Securities, be transferable only in a nominal amount in the case of Notes or in a number in the case of Certificates and Warrants, of not less than such Minimum Settlement Amount. Notwithstanding the foregoing, such Securities will only be transferable in accordance with the Relevant Rules for the time being of the Relevant Clearing Systems.

Nominee Arrangements

Where a distributor and/or a nominee service provider is used by an investor to invest in the Securities, such investor will only receive payments and/or deliveries of Reference Assets on the basis of arrangements entered into by the investors with the distributor or nominee service provider as the case may be. Such investors must look exclusively to the distributor or nominee service provider for all payments and/or deliveries attributable to the Securities. Neither the relevant Issuer, Guarantor, Manager, Determination Agent nor any other person will be responsible for the acts or omissions of the distributor or nominee service provider, nor make any representation or warranty, express or implied, as to the services provided by the distributor or nominee service provider.

Taxation

Potential purchasers of Securities should be aware that duties and other taxes and/or expenses, including any applicable depository charges, transaction charges, stamp duty and other charges may be levied in accordance with the laws and practices in the countries where the Securities are transferred and/or where Reference Assets are delivered.

A holder of Securities must pay all Taxes and Settlement Expenses relating to the Securities. As used in the Base Conditions, "Settlement Expenses" includes 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 Security or Securities, 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.

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

The summaries set out under the heading “Taxation” in this document do not consider the tax treatment of Physically Delivered Securities or Securities where the payments or deliveries are determined by reference to the value of any Reference Asset(s). Prospective investors of such Securities should note that the tax treatment of payments or deliveries in respect of Physically Delivered Securities and Securities linked to one or more Reference Assets may be different (and in some cases significantly different) from that set out in those summaries.

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

Potential purchasers of Securities 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.

Certain Additional Risk Factors Associated with Securities which are Warrants and Exercisable Certificates

Time Lag after Exercise

Unless otherwise specified in the applicable Final Terms, in the case of any exercise of Warrants or Exercisable Certificates, there will be a time lag between the time a Securityholder gives instructions to exercise and in the case of a Security that is a Cash Settled Security, the time the relevant Settlement Amount or, in the case of a Physically Delivered Security, the relevant Entitlement due on the Physical Delivery Date, relating to such exercise is determined. Any such delay between the time of exercise and the determination of the relevant Settlement Amount or Entitlement will be determined in accordance with the Base Conditions, any applicable Relevant Annex or the applicable Final Terms. However, such delay could be significantly longer, particularly in the case of a delay in exercise of Securities arising from any daily maximum exercise limitation, the occurrence of a market disruption event or failure to open when scheduled of an exchange or related exchange (if applicable) or following the imposition of any exchange controls or other similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies) in the case of a Security that is an FX Linked Security. The applicable Settlement Amount or Entitlement may change significantly during any such period, and such movement or movements could decrease the

Settlement Amount or Entitlement of the Securities being exercised and may result in such Settlement Amount being zero.

General risks relating to Reference Asset(s) or basis of reference

Any Securities that are Warrants or Exercisable Certificates involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Prospective purchasers of Warrants and Exercisable Certificates should recognise that their Warrants or Exercisable Certificates, other than any Warrants and Exercisable Certificates having a minimum expiration value, may expire worthless. Purchasers should be prepared to sustain a total loss of the Issue Price paid for their Warrants or Exercisable Certificates, except, if so indicated in the applicable Final Terms, to the extent of any minimum expiration value attributable to such Securities. This risk reflects the nature of a Warrant and an Exercisable Certificate as an asset which, other factors held constant, tends to decline in value over time and which may become worthless when it expires (except to the extent of any minimum expiration value). See “Certain Factors Affecting the Value and Trading Price of Warrants and Exercisable Certificates” below. Prospective purchasers of Warrants and Exercisable Certificates should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Warrants or Exercisable Certificates and should reach an investment decision only after careful consideration, with their advisers when appropriate, of the suitability of such Securities in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Securities and the particular Reference Asset(s) or basis of reference to which the value of the relevant Securities may relate, as specified in the applicable Final Terms.

The risk of the loss of some or all of the Issue Price paid for a Warrant or an Exercisable Certificate upon expiration means that, in order to recover and realise a return upon his or her investment, a purchaser of a Warrant or an Exercisable Certificate must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant Reference Asset(s) or basis of reference which may be specified in the applicable Final Terms. Assuming all other factors are held constant, the more a Warrant or an Exercisable Certificate is “out-of-the-money” and the shorter its remaining term to expiration, the greater the risk that purchasers of such Securities will lose all or part of their investment. With respect to European Style Securities, the only means through which a holder can realise value from the Security prior to the relevant Exercise Date(s) in relation to such Security is to sell it at its then market price in an available secondary market. See “Possible Illiquidity of the Securities in the Secondary Market” above.

Each Issuer may issue several Series of Warrants or Exercisable Certificates relating to various reference securities, currencies, commodities, funds or other assets or bases of reference which may be specified in the applicable Final Terms. However, no assurance can be given that the relevant Issuer will issue any Warrants or Exercisable Certificates other than the Warrants or Exercisable Certificates to which a particular Final Terms relates. At any given time, the number of Warrants or Exercisable Certificates outstanding may be substantial. Warrants and Exercisable Certificates provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the Reference Asset(s) or basis of reference. In general, certain of the risks associated with the Warrants and Exercisable Certificates are similar to those generally applicable to other options or warrants of private corporate issuers. Options or warrants on equities or debt securities are priced primarily on the basis of the value of underlying securities whilst Currency and Commodity Linked Warrants and Exercisable Certificates are priced primarily on the basis of present and expected

values of the reference currency (or basket of currencies) or commodity (or basket of commodities) specified in the applicable Final Terms.

Certain Factors Affecting the Settlement Value and Trading Price of Warrants and Exercisable Certificates

The relevant Settlement Amount (in the case of Warrants and Exercisable Certificates which are Cash Settled Securities) or the difference in the value of the Entitlement and the Exercise Price (the “Physical Settlement Value”) (in the case of Warrants and Exercisable Certificates which are Physically Delivered Securities) at any time prior to expiration is typically expected to be less than the trading price of such Warrants or Exercisable Certificates at that time. The difference between the trading price and the relevant Settlement Amount or the Physical Settlement Value, as the case may be, will reflect, among other things, the “time value” of the relevant Security. The “time value” of the Securities will depend partly upon the length of the period remaining to expiration and expectations concerning the value of the Reference Asset(s) or basis of reference as specified in the applicable Final Terms. Warrants and Exercisable Certificates offer hedging and investment diversification opportunities but also pose some additional risks with regard to interim value. The interim value of the Warrants and Exercisable Certificates varies with the price level of the Reference Asset(s) or basis of reference as specified in the applicable Final Terms, as well as by a number of other interrelated factors, including those specified herein.

Minimum and Maximum Limitations on Exercise

If specified in the applicable Final Terms, the relevant Issuer will have the option to impose a minimum number of Warrants or Exercisable Certificate which may be exercised on any Actual Exercise Date or Automatic Exercise Date and any exercise notice purporting to exercise Securities below such number will be void.

If specified in the applicable Final Terms, the relevant Issuer will have the option to impose a maximum number of Warrants or Certificates which may be exercised and may stagger the exercise of such Securities over a number of Exercise Business Days.

Securityholders may not therefore be able to exercise all the Securities they wish to exercise on any specific date.

Non-registration under the Securities Act and Restrictions on Transfer

The Securities 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 Securities are being issued and sold in reliance upon exemptions from registration provided by such laws. Consequently, the transfer of the Securities 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 Securities 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 Securities.

Additional Risk Factors, Disclaimers and Considerations Associated with Certain Securities

Securities may be issued subject to additional disclaimers and considerations in respect of risk and tax consequences involved in investing in such Securities. The text of such additional disclaimers

and considerations (if any) will be set out in full in the applicable Relevant Annex and/or Final Terms. Prospective purchasers should understand the risks, regulatory and tax implications associated with an investment in the Securities and should only reach an investment decision after careful consideration with their legal, tax, accounting and other advisers, of the suitability of an investment in the Securities in the light of all the information set out in this Base Prospectus, any supplement thereof and the applicable Final Terms.

INFORMATION INCORPORATED BY REFERENCE

The following information (unless otherwise expressly stated below) has been filed with the FSA and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

In respect of information relating to the Securities, for the purpose of facilitating admission to trading on the Relevant Stock Exchange of further securities of any series having the same terms and conditions as securities previously issued pursuant to the programmes referred to below:

- the terms and conditions set out on pages 35 to 119 of the Offering Circular dated 31 August 2000 as supplemented, and the terms and conditions set out on pages 19 to 62 of the Offering Circular dated 31 August 2001 as supplemented and the terms and conditions set out on pages 19 to 59 of the Offering Circular dated 6 September 2002 as supplemented and the terms and conditions set out on pages 21 to 85 of the Offering Circular dated 19 December 2003 as supplemented, and the terms and conditions set out on pages 23 to 79 of the Offering Circular dated 20 December 2004 as supplemented, and the terms and conditions set out on pages 42 to 98 of the Base Prospectus dated 16 December 2005 as supplemented, and the terms and conditions set out on pages 42 to 99 of the Base Prospectus dated 14 December 2006 as supplemented, and the terms and conditions set out on pages 49 to 106 of the Base Prospectus dated 14 December 2007 as supplemented, and the terms and conditions set out on pages 62 to 126 of the Base Prospectus dated 28 March 2008 as supplemented and the terms and conditions set out on pages 72 to 141 of the Base Prospectus dated 27 March 2009 as supplemented each of which produced in relation to Barclays' programme for the issuance of notes and other similar instruments; and
- the terms and conditions set out on pages 17 to 43 of the Offering Circular dated 20 January 2005 as supplemented, and the terms and conditions set out on pages 28 to 61 of the Offering Circular dated 24 March 2006 as supplemented, and the terms and conditions set out on pages 28 to 61 of the Base Prospectus dated 29 March 2007 as supplemented, and the terms and conditions set out on pages 142 to 193 of the Base Prospectus dated 28 March 2008 as supplemented, and the terms and conditions set out on pages 155 to 214 of the Base Prospectus dated 27 March 2009 as supplemented each of which produced in relation to Barclays' programme for the issuance of certificate and other similar instruments; and
- the terms and conditions set out on pages 22 to 81 of the Offering Circular dated 29 January 1999 as supplemented, the terms and conditions set out on pages 20 to 66 of the Offering Circular dated 19 January 2001 as supplemented, the terms and conditions set out on pages 24 to 70 of the Offering Circular dated 7 March 2002 as supplemented, the terms and conditions set out on pages 15 to 40 of the Offering Circular dated 30 January 2004 as supplemented, the terms and conditions set out on pages 15 to 40 of the Offering Circular dated 12 May 2005 as supplemented, the terms and conditions set out on pages 27 to 52 of the Offering Circular dated 2 June 2006 as supplemented, and the terms and conditions set out on pages 33 to 64 of the Base Prospectus dated 11 June 2007 as supplemented, and the terms and conditions set out on pages 210 to 243 of the Base Prospectus dated 28 March 2008 as supplemented, and the terms and conditions set out on pages 231 to 270 of

the Base Prospectus dated 27 March 2009 as supplemented, each of which produced in relation to Barclays' programmes for the issuance of warrants and other similar instruments.

In respect of information relating to the Bank, the Group and the Holding Company:

- the joint Annual Report of the Bank and Barclays PLC, as filed with the U.S. Securities and Exchange Commission (“SEC”) on Form 20-F in respect of the years ended 31 December 2007 and 31 December 2008 (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; and
- the Annual Reports of the Bank containing the audited consolidated accounts of the Bank in respect of the years ended 31 December 2007 (the “**2007 Bank Annual Report**”) and 31 December 2008 (the “**2008 Bank Annual Report**”), respectively; and
- the unaudited Interim Results Announcement of Barclays PLC as filed with the SEC on Form 6-K on Film Number 09979041 on 3 August 2009 in respect of the six months ended 30 June 2009 (the “**Interim Results Announcement**”) and the unaudited Interim Results Announcement of the Bank in respect of the six months ended 30 June 2009 (the “**Bank Interim Results Announcement**”) with the exception of the sections headed “Performance Highlights”, “Group Chief Executive’s Review” and “Group Finance Director’s Review” on pages 2-8 inclusive of the Bank Interim Results Announcement which shall not be deemed to be incorporated in this Base Prospectus; and
- the announcement of Barclays PLC issued on 12 June 2009 in relation to the receipt of a binding offer of US\$13.5 billion (£8.2 billion) by BlackRock, Inc. for Barclays Global Investors business (the “**BGI Announcement**”). The information contained in the paragraph on page 2 of such announcement commencing “Together with the conversion of the Mandatorily Convertible Notes...” and in section 2 headed “Financial Information” of such announcement the paragraph on page 5 commencing “Taking into account the expected net gain on the sale of BGI and conversion of the Mandatorily Convertible Notes...” shall not be deemed to be incorporated in, and shall not form part of, this Base Prospectus.

In respect of information relating to BCCL:

- the Annual Reports of BCCL containing the audited accounts of BCCL in respect of the years ended 31 December 2007 (the “**2007 BCCL Annual Report**”) and 31 December 2008 (the “**2008 BCCL Annual Report**”), respectively.

The above documents may be inspected at the registered office of each Issuer and at the specified office of the Issue and Paying Agent as described in the section entitled “**GENERAL INFORMATION**” of this Base Prospectus.

The table below sets out the relevant page references for all of the information contained within the Joint Annual Report as filed on Form 20-F:

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Each of the Bank and Barclays PLC has applied International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union ("IFRS") 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 2007 Bank Annual Report and the 2008 Bank Annual Report.

INFORMATION RELATING TO THE ISSUERS

DESCRIPTION OF THE ISSUERS

THE BANK AND THE GROUP

The Bank 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, 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 Act 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 Bank and its subsidiary undertakings (taken together, the “**Group**”) is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services. The whole of the issued ordinary share capital of the Bank is beneficially owned by Barclays PLC, which is the ultimate holding company of the Group.

As of the date of this Base Prospectus, the short term unsecured obligations of the Bank are rated A-1+ by Standard & Poor’s, P-1 by Moody’s and F1+ by Fitch Ratings Limited and the long-term obligations of the Bank are rated AA- by Standard & Poor’s, Aa3 by Moody’s and AA- by Fitch Ratings Limited. These ratings may be subject to change or withdrawal.

Based on the Group’s audited financial information for the year ended 31 December 2008, the Group had total assets of £2,053,029 million (2007: £1,227,583 million), total net loans and advances¹ of £509,522 million (2007: £385,518 million), total deposits² of £450,443 million (2007: £386,395 million), and total shareholders’ equity of £43,574 million (2007: £31,821 million) (including minority interests of £2,372 million (2007: £1,949 million)). The profit before tax of the Group for the year ended 31 December 2008 was £6,035 million (2007: £7,107 million) after impairment charges on loans and advances and other credit provisions of £5,419 million (2007: £2,795 million). The financial information in this paragraph is extracted from the audited Annual Report of the Group for the year ended 31 December 2008.

Based on the Group’s unaudited financial information for the six months ended 30 June 2009, the Group had total assets of £1,545,528 million, total net loans and advances¹ of £464,748 million, total deposits² of £424,908 million, and total shareholders’ equity of £48,846 million (including minority interests of £2,533 million). The profit before tax of the Group for the six months ended 30 June 2009 was £2,965 million after impairment charges and other credit provisions of £4,556 million. The financial information in this paragraph is extracted from the unaudited Interim Results Announcement of the Group for the six months ended 30 June 2009.

¹ Total net loans and advances include balances relating to both banks and customers.

² Total deposits include deposits from banks and customer accounts.

Acquisitions, Disposals and Recent Developments

Acquisitions

2009

On 2 February 2009, the Bank completed the acquisition of PT Bank Akita, which was announced initially on 17 September 2008, following the approval of the Central Bank of Indonesia. As at 31 December 2008, PT Bank Akita had total assets of £53.7 million.

2008

On 6 November 2008, the Bank purchased the Italian residential mortgage business of Macquarie Bank Limited. The acquired business includes a mortgage portfolio with a total outstanding balance of approximately £813 million as well as Macquarie's operational support functions, including staff. The total consideration paid was £765 million.

On 22 September 2008, the Bank completed the acquisition of Lehman Brothers North American business. The Lehman Brothers North American businesses include Lehman Brothers North American fixed income and equities sales, trading and research and investment banking businesses, Lehman Brothers New York Head Office at 745 Seventh Avenue and two data centres in New Jersey. The total consideration paid was £874 million.

On 1 July 2008, the Group acquired 100 per cent. of the ordinary shares of Expobank. Expobank is based in Moscow and its main products and services are issuance and servicing of debt and credit cards, mortgages and loans, currency transactions, internet banking, retail discount cards and other services. The total consideration paid was £393 million.

On 31 March 2008, the Group completed the acquisition of Discover Financial Services' UK credit card business, Goldfish. The total consideration paid was £38 million.

Disposals

2008

On 31 October 2008, the Group completed the sale of Barclays Life Assurance Company Limited to Swiss Reinsurance Company for a net consideration of £729 million.

Recent developments

Life insurance joint venture

The Bank and CNP Assurances SA ("**CNP**") have agreed to establish a long-term life insurance joint venture in Spain, Portugal and Italy. As part of this transaction, Barclays will sell a 50 per cent. stake in Barclays Vida y Pensiones Compañía de Seguros ("**BVP**"), Barclays Iberian life insurance and pensions subsidiary, to CNP. The transaction is conditional on, amongst other things, receipt of the necessary regulatory approvals and is expected to be completed this year. CNP will pay an initial upfront consideration of EUR140 million in cash on completion. This is subject to a post-completion adjustment by reference to BVP's net assets as at closing.

Sale of Barclays Global Investors

On 12 June 2009, Barclays PLC announced receipt of a binding offer for the Barclays Global Investors business and on 16 June 2009 announced acceptance of such offer. Further information is included in the BGI Announcement incorporated by reference.

UK Government measures concerning its financial support to the banking sector

On 8 October 2008 and 13 October 2008 the UK Government announced a package of measures and schemes designed to provide financial support to the banking industry. The Group has participated and continues to participate in certain of these schemes, including the credit guarantee scheme. Following these UK Government announcements, Barclays PLC and the Group conducted the Capital Raising described in more detail below.

On 19 January 2009 the UK Government announced a further package of measures and schemes designed to inject liquidity in the UK economy and restore confidence in the financial system. These include, among others, the extension of the credit guarantee scheme and the implementation of an asset protection scheme to protect participating banks from credit losses, beyond and up to an agreed point, on eligible assets placed within the scheme. The FSA also published considerations relating to appropriate long-term changes to the bank capital regulatory framework, including a programme of work to reduce the requirement for additional capital resulting from the pro-cyclical effects of the International Basel Accord and a preference for the capital regime to incorporate counter-cyclical measures which would lead to banks building up capital buffers in good years which can be drawn down during economic downturns. However, this continues to be a supervisory framework and not a new set of rules.

On 30 March 2009, Barclays PLC announced that following discussions with major shareholders and careful assessment of the potential benefits and costs of participation in HM Treasury's Asset Protection Scheme, the Board of directors had determined that it would not be in the interests of its investors, depositors and clients to participate in the Asset Protection Scheme.

The Capital Raising

On 31 October 2008, the Board made an announcement of a proposal to raise more than £7 billion of additional capital (the "**Capital Raising**") from existing and new strategic and institutional investors. The Capital Raising satisfied the target capital levels agreed with the FSA.

The Capital Raising included:

- An issue of £3 billion of Reserve Capital Instruments (the "**RCIs**") by the Bank to Qatar Holding LLC and entities representing the beneficial interests of HH Sheikh Mansour Bin Zayed Al Nahyan, a member of the Royal Family of Abu Dhabi ("**HH Sheikh Mansour Bin Zayed Al Nahyan**"). The RCIs will pay an annual coupon of 14 per cent. until June 2019. On 18 November 2008, the Board announced that Qatar Holding LLC and HH Sheikh Mansour Bin Zayed Al Nahyan had each offered to make available up to £250 million of RCIs for clawback by existing Barclays PLC institutional investors at par. By consequence £500 million of RCIs (excluding Capital Raising Warrants described below) were placed with Barclays PLC institutional investors by way of a bookbuild placing on 18 November 2008.
- In conjunction with the issue of the RCIs, Qatar Holding LLC and HH Sheikh Mansour Bin Zayed Al Nahyan have also subscribed (for a nominal consideration) for warrants (the

“**Capital Raising Warrants**”) to subscribe at their option for up to 1,516,875,236 new ordinary shares of Barclays PLC with an exercise price of 197.775 pence per share or £3 billion in aggregate, representing 18.1 per cent. of the then existing issued ordinary share capital. The Capital Raising Warrants are exercisable at any time for a five-year term from the date of issue of the RCIs until 31 October 2013.

- An issue of £2.8 billion of Mandatorily Convertible Notes (the “**MCNs**”) by the Bank to Qatar Holding LLC, Challenger Universal Limited (a company representing the beneficial interests of His Excellency Sheikh Hamad Bin Jassim Bin Jabr Al-Thani, the chairman of Qatar Holding LLC, and his family) (“**Challenger**”) and HH Sheikh Mansour Bin Zayed Al Nahyan, and a further issue of £1.25 billion of MCNs to existing institutional shareholders and other institutional investors by way of an accelerated non-underwritten bookbuild placing implemented on 31 October 2008. The MCNs were converted into Barclays PLC ordinary shares on or before 30 June 2009 resulting in the issue of 2,642,292,334 new Barclays PLC ordinary shares.

Qatar Holding LLC agreed to invest £500 million in MCNs and £1.5 billion in RCIs, and subscribed for Capital Raising Warrants to purchase up to £1.5 billion of Barclays PLC ordinary shares. Challenger agreed to invest £300 million in MCNs. Following conversion of their MCNs and assuming the full exercise of their Capital Raising Warrants, Qatar Holding LLC would hold ordinary shares, representing 12.5 per cent. of the fully diluted share capital of Barclays PLC. Following conversion of their MCNs, Challenger holds ordinary shares, representing 2.8 per cent. of the current share capital of Barclays PLC. In addition to any other fees and commissions payable in connection with the issue of the securities, Qatar Holding LLC received a fee of £66 million for having arranged certain of the subscriptions in the Capital Raising.

HH Sheikh Mansour Bin Zayed Al Nahyan agreed to invest £2 billion in MCNs and £1.5 billion in RCIs, and subscribed for Capital Raising Warrants to purchase up to £1.5 billion of Barclays PLC ordinary shares.

On 2 June 2009, the Abu Dhabi government investment vehicle which funded HH Sheikh Mansour Bin Zayed Al Nahyan’s investment in the Capital Raising Warrants, MCNs and the RCIs, International Petroleum Investment Company (“**IPIC**”), announced its intention to dispose of 1,304,835,721 Barclays PLC shares for which its entire holding of MCNs were exchangeable. IPIC continues to hold Capital Raising Warrants exercisable into a further 758,437,618 Barclays PLC shares at a price of 197,775 pence per share.

Dividend Policy

On 13 October 2008 Barclays PLC announced that its Board would not be recommending the payment of a final dividend on Barclays PLC’s ordinary shares for 2008. This dividend, amounting to approximately £2 billion, would otherwise have been payable in April 2009. Barclays PLC intends to resume dividend payments on its ordinary shares in the second half of 2009.

The Placing

On 18 September 2008, the Board announced the completion of a placing. A total of 226 million new Barclays PLC ordinary shares of 25 pence each (the “**Placing Shares**”) issued by Barclays PLC were placed with certain institutions at a price of 310 pence per Placing Share. Based on the placing price, the gross proceeds were £701 million.

The Firm Placing and Placing and Open Offer

On 25 June 2008, Barclays PLC announced a share issue to raise approximately £4.5 billion through the issue of 1,576 million new Barclays PLC ordinary shares (the “**Firm Placing and Placing and Open Offer**”). The Firm Placing and Placing and Open Offer includes:

- approximately £500 million raised through a firm placing of 169 million new Barclays PLC ordinary shares at 296 pence per new Barclays PLC ordinary share to Sumitomo Mitsui Banking Corporation;
- approximately £4.0 billion raised through a placing of 1,407 million new Barclays PLC ordinary shares at 282 pence per new Barclays PLC ordinary share to Qatar Investment Authority, Challenger, China Development Bank, Temasek Holdings (Private) Limited and certain leading institutional shareholders and other investors, which shares were available for clawback in full by means of an open offer to existing shareholders. Pursuant to such open offer, existing shareholders were offered the opportunity to subscribe for up to a maximum of their pro rata entitlement on the basis of three open offer shares for every 14 existing ordinary shares they held.

The firm placing of 169 million new Barclays PLC ordinary shares was completed on 4 July 2008 and the placing and open offer was completed on 22 July 2008. Valid applications under the open offer were received from qualifying shareholders in respect of approximately 267 million Barclays PLC shares in aggregate, representing 19.0 per cent. of the Barclays PLC shares offered pursuant to the open offer. Accordingly, the remaining 1,140,310,966 Barclays PLC shares were allocated to the various investors with whom they had been conditionally placed.

Other

On 17 February 2009 the Group announced that Barclays Capital will discontinue operations at its Equifirst subsidiary.

Competition and regulatory matters

The scale of regulatory change remains challenging and the global financial crisis is resulting in a significant tightening of regulation and changes to regulatory structures globally, especially for banks that are deemed to be of systemic importance. Concurrently, there is continuing political and regulatory scrutiny of the operation of the retail banking and consumer credit industries in the UK and elsewhere. The nature and impact of future changes in the legal framework, policies and regulatory action cannot currently be fully predicted and are beyond the Group’s control, but, especially in the area of banking regulation, are likely to have an impact on the Group’s businesses and earnings.

The market for payment protection insurance (“PPI”) has been under scrutiny by the UK competition authorities and financial services regulators. In September 2005, the Office of Fair Trading (“OFT”) received a super-complaint from the Citizens Advice Bureau relating to PPI. As a result, the OFT commenced a market study on PPI in April 2006. In October 2006 the OFT announced the outcome of the market study and the OFT referred the PPI market to the UK Competition Commission (“CC”) for an in-depth inquiry in February 2007. In June 2008, the CC published its provisional findings. The CC published its final report into the PPI market on 29 January 2009. The CC’s conclusion is that the businesses which offer PPI alongside credit face little or no competition when selling PPI to their credit customers. The CC has set out a package of measures which it considers will introduce

competition into the market (the “**Remedies**”). The Remedies, which are expected to be implemented (following consultation) in 2010, are: a ban on sale of PPI at the point of sale; a prohibition on the sale of single premium PPI; mandatory personal PPI quotes to customers; annual statements for all regular premium policies, including the back book (for example credit card and mortgage protection policies); measures to ensure that improved information is available to customers; obliging providers to give information to the OFT to monitor the Remedies and to provide claims ratios to any person on request. The Group is reviewing the report, the CC’s draft Remedies order and considering the next steps, including how this might affect the Group’s different products. In March 2009, Barclays submitted an appeal of part of the CC’s final report to the Competition Appeal Tribunal (“**CAT**”). The targeted appeal is focussed on the point of sale prohibition remedy which it is felt is not based on sound analysis, and is unduly draconian. The Group is also challenging the technical aspects of the CC’s PPI market definition. A case management conference was held at the CAT on 28 April 2009 at which Lloyds Banking Group, Shop Direct and the FSA were granted permission to intervene. The hearing is listed for four days starting 7 September 2009.

Separately, in October 2006, the FSA published the outcome of its broad industry thematic review of PPI sales practices in which it concluded that some firms fail to treat customers fairly and that the FSA would strengthen its actions against such firms. Tackling poor PPI sales practices remains a priority for the FSA, with their most recent update on their thematic work published in September 2008. The Group voluntarily complied with the FSA’s request to cease selling single premium PPI by the end of January 2009. There has been no enforcement action against the Group in respect of its PPI products. The Group has cooperated fully with these investigations into PPI and will continue to do so.

The OFT has carried out investigations into Visa and MasterCard credit card interchange rates. The decision by the OFT in the MasterCard interchange case was set aside by the Competition Appeals Tribunal in June 2006. The OFT is progressing its investigations in the Visa interchange case and a second MasterCard interchange case in parallel and both are ongoing. The outcome is not known but these investigations may have an impact on the consumer credit industry in general and therefore on the Group’s business in this sector. In February 2007, the OFT announced that it was expanding its investigation into interchange rates to include debit cards.

In September 2006, the OFT announced that it had decided to undertake a fact find on the application of its statement on credit card fees to current account unauthorised overdraft fees. The fact find was completed in March 2007. On 29 March 2007, the OFT announced its decision to conduct a formal investigation into the fairness of bank current account charges. The OFT initiated a market study into personal current accounts (“**PCAs**”) in the UK on 26 April 2007. The study’s focus was PCAs but it also included an examination of other retail banking products, in particular savings accounts, credit cards, personal loans and mortgages in order to take into account the competitive dynamics of UK retail banking. On 16 July 2008, the OFT published its market study report, in which it concluded that certain features of the UK PCA market were not working well for consumers. The OFT reached the provisional view that some form of regulatory intervention is necessary in the UK PCA market. On 16 July 2008, the OFT also announced a consultation to seek views on the findings and possible measures to address the issues raised in its report. The consultation period closed on 31 October 2008. The Group has participated fully in the market study process and will continue to do so.

US laws and regulations require compliance with US economic sanctions, administered by the Office of Foreign Assets Control, against designated foreign countries, nationals and others. HM Treasury

regulations similarly require compliance with sanctions adopted by the UK government. The Group has been conducting an internal review of its conduct with respect to US Dollar payments involving countries, persons and entities subject to these sanctions and has been reporting to governmental authorities about the results of that review. The Group received inquiries relating to these sanctions and certain US Dollar payments processed by its New York branch from the New York County District Attorney's Office and the US Department of Justice, which along with other authorities, has been reported to be conducting investigations of sanctions compliance by non-US financial institutions. The Group has responded to those inquiries and is cooperating with the regulators, the Department of Justice and the District Attorney's Office in connection with their investigations of the Group's conduct with respect to sanctions compliance. Barclays has also received a formal notice of investigation from the FSA, and has been keeping the FSA informed of the progress of the US investigations and the Group's internal review. The Group's review is ongoing. It is currently not possible to predict the ultimate resolution of the issues covered by the Group's review and the investigations, including the timing and potential financial impact of any resolution, which could be substantial.

The Financial Services Compensation Scheme (the "FSCS") provides compensation to customers of financial institutions in the event that an institution is unable, or is likely to be unable, to pay claims against it. In 2008, a number of institutions were declared in default by the FSA. In order to meet its obligations to the depositors of these institutions, the FSCS obtained facilities from HM Treasury on an interest only basis which totalled £18.2 billion as at 31 March 2009. The majority of the facilities are anticipated to be repaid wholly from recoveries from the institutions concerned, although some shortfalls are anticipated in the smaller facilities. The FSCS raises annual levies from the banking industry to meet its management expenses and compensation costs. Individual institutions make payments based on their level of market participation (in the case of deposits, the proportion that their protected deposits represent of total market protected deposits) at 31 December each year. If an institution is a market participant on this date it is obligated to pay a levy. The Bank was a market participant at 31 December 2007 and 2008. The Group has accrued £37 million in 2009 (£101 million for the year ended 31 December 2008) for its share of levies that will be raised by the FSCS including the interest on the loan from HM Treasury. The accrual includes estimates for the interest FSCS will pay on the loan and estimates of the Group's market participation in the relevant periods. Interest will continue to accrue on the FSCS facilities and will form part of future FSCS management expenses levies. To the extent that the facilities have not been repaid in full by 31 March 2012, the FSCS will agree a schedule of repayments with HM Treasury, which will be recouped from the industry in the form of additional levies. Under the Banking Act 2009, in April 2009, HM Treasury issued a Notification to the FSCS requiring a contribution to the resolution costs of a further institution. The timing and size of any actual payments by the FSCS under the Notification and the consequent need for levies on the industry, is unclear. It is not currently possible to estimate whether there will ultimately be additional levies on the industry, the level of the Group's market participation or other factors that may affect the amounts or timing of amounts that may ultimately become payable, nor the effect that such levies may have upon operating results in any particular financial period.

Directors

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

<i>Name</i>	<i>Function(s) within the Group</i>	<i>Principal outside activities</i>
Marcus Agius	Group Chairman	Non-Executive Director, British Broadcasting Corporation
John Varley	Group Chief Executive	Non-Executive Director, AstraZeneca PLC
Chris Lucas	Group Finance Director	—
Robert E Diamond Jr	President, Barclays PLC, Chief Executive, Investment Banking and Investment Management	Chairman, Old Vic Productions PLC
Frederik (Frits) Seegers	Chief Executive, Global Retail and Commercial Banking	—
Sir Richard Broadbent	Deputy Chairman, Senior Independent Director and Non-Executive Director	Chairman, Arriva plc
David Booth	Non-Executive Director	—
Leigh Clifford	Non-Executive Director	Chairman, Qantas Airways Limited
Fulvio Conti	Non-Executive Director	Chief Executive Officer, Enel SpA, Director, AON Corporation
Simon Fraser	Non-Executive Director	Non-Executive Director, Fidelity Japanese Values Plc and Fidelity European Values Plc
Reuben Jeffery III	Non-Executive Director	Senior Adviser, Center for Strategic & International Studies
Sir Andrew Likierman	Non-Executive Director	Professor of Management Practice in Accounting, London Business School, Chairman, National Audit Office
Sir Michael Rake	Non-Executive Director	Chairman, BT Group PLC, Director, McGraw-Hill Companies, Director, Financial Reporting Council, Chairman, UK Commission for Employment and Skills
Stephen Russell	Non-Executive Director	Non-Executive Director, Network Rail Limited
Sir John Sunderland	Non-Executive Director	Director, Financial Reporting Council

No potential conflicts of interest exist between any duties to the Bank of the Board of Directors listed above and their private interests or other duties.

Employees

The average number of persons employed by the Group worldwide during 2008, excluding agency staff, was 151,500 (2007: 128,900).

Litigation

The Group has for some time been party to proceedings, including a class action, in the United States against a number of defendants following the collapse of Enron; the class action claim is commonly known as the Newby litigation. On 19 March 2007 the United States Court of Appeals for the Fifth Circuit issued a decision that the case could not proceed against the Group as a class action because the plaintiffs had not alleged a proper claim against the Group. On 22 January 2008, the United States Supreme Court denied the plaintiffs' request for review of the Fifth Circuit's 19 March 2007 decision. On 5 March 2009, the District Court granted summary judgment in the Group's favour in relation to the plaintiffs' claims against the Group. The District Court also denied the plaintiffs' request to amend the complaint to assert revised claims against the Group on behalf of the class. The plaintiffs' time in which to file an appeal regarding the District Court's 5 March 2009 decision has not yet expired. The Group considers that the Enron related claims against it are without merit and is defending them vigorously. It is not possible to estimate the Group's possible loss in relation to these matters, nor the effect that they might have upon operating results in any particular financial period.

Like other UK financial services institutions, the Group faces numerous County Court claims and complaints by customers who allege that its unauthorised overdraft charges either contravene the Unfair Terms in Consumer Contracts Regulations 1999 ("UTCCR") or are unenforceable penalties or both. In July 2007, by agreement with all parties, the OFT commenced proceedings against seven banks and one building society, including the Bank, to resolve the matter by way of a "test case" process. Preliminary issues hearings took place in January, July and December 2008 with judgments handed down in April and October 2008 and January 2009 (a further judgment not concerning the Bank's terms). As to current terms, in April 2008 the Court held in favour of the banks on the issue of the penalty doctrine. The OFT did not appeal that decision. In the same judgment the Court held in favour of the OFT on the issue of the applicability of the UTCCR. The banks appealed that decision. As to past terms, in a judgment on 8 October 2008, the Court held that the Bank's historic terms, including those of Woolwich, were not capable of being penalties. The OFT indicated at the January 2009 hearing that it was not seeking permission to appeal the Court's findings in relation to the applicability of the penalty doctrine to historic terms. Accordingly, it is now clear that no declarations have or will be made against the Bank that any of its unauthorised overdraft terms considered in the test case are capable of constituting unenforceable penalties and that the OFT will not pursue this aspect of the test case further.

The proceedings have since concentrated exclusively on UTCCR issues. The banks' appeal against the decision in relation to the applicability of the UTCCR (to current and historic terms) was heard in late October 2008 and dismissed by the Court of Appeal's judgment on 26 February 2009. Subsequently, the banks were granted leave to appeal to the House of Lords which heard the banks' appeal on 23-25 June 2009 with judgment reserved. It is not clear yet when the House of Lords' ruling will become available. If the banks' appeal is upheld the test case should be at an end. If it is

dismissed then it is likely that the proceedings will still take a significant period of time to conclude. Pending resolution of the test case process, existing and new claims in the County Courts remain stayed, and there is an FSA waiver of the complaints handling process (which is reviewable December 2009) and a standstill of Financial Ombudsman Service decisions. The Group is defending the test case vigorously. It is not practicable to estimate the Group's possible loss in relation to these matters, nor the effect that they may have upon operating results in any particular financial period. Barclays PLC will comply with its obligations as a listed company admitted to the Official List in connection with further disclosures in relation to this litigation, including its potential impact on the Group.

Barclays PLC and the Group is engaged in various other litigation proceedings both in the United Kingdom and a number of overseas jurisdictions, including the United States, involving claims by and against it which arise in the ordinary course of business. The Bank does not expect the ultimate resolution of any of the proceedings to which the Group is party to have a significant adverse effect on the financial position of the Group and the Bank has not disclosed the contingent liabilities associated with these claims either because they cannot reasonably be estimated or because such disclosure could be prejudicial to the conduct of the claims.

Save as disclosed in paragraphs 1, 2 and 3 of this section entitled "Litigation", no member of the Group is or has been involved in any 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.

Significant Change Statement

There has been no significant change in the financial or trading position of the Bank or the Group since 30 June 2009.

Material Adverse Change Statement

There has been no material adverse change in the prospects of the Bank or the Group since 31 December 2008.

Auditors

The annual consolidated and unconsolidated financial statements of the Bank for the two years ended 31 December 2007 and 31 December 2008 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). The financial information contained in this Base Prospectus in relation to the Bank does not constitute its statutory accounts for the two years ended 31 December 2008. The Bank's annual report and accounts (containing its consolidated and unconsolidated audited financial statements), which constitute the Bank's statutory accounts within the meaning of section 434 of the Companies Act 2006 relating to each complete financial year to which such information relates, have been delivered to the Registrar of Companies in England. PricewaterhouseCoopers has reported on the Bank's statutory accounts, and such reports were unqualified and did not contain a statement under section 498(2) or section 498(3) of the Companies Act 2006. PricewaterhouseCoopers' report contained the following statement: "Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory

requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose to any person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing".

BARCLAYS CAPITAL CAYMAN LIMITED

Barclays Capital (Cayman) Limited ("**BCCL**") was incorporated in the Cayman Islands on 24 July 1989 for an unlimited duration and registered on 26 July 1989. BCCL operates under Cayman Islands law with limited liability. BCCL's registered office is at the offices of Barclays Private Bank & Trust (Cayman) Limited, P.O. Box 487GT, 4th Floor, FirstCaribbean House, 25 Main Street, George Town, Grand Cayman, Cayman Islands, British West Indies. Its registration number is 32968. BCCL is a wholly-owned direct subsidiary of the Bank.

BCCL was established for the purpose of *inter alia* issuing notes, certificates and warrants and buying and selling options. It is the policy of the Directors to hedge fully the liabilities of BCCL arising under notes and warrants issued by BCCL.

BCCL is resident for tax purposes in the United Kingdom.

Share Capital

The following table sets out the capitalisation of BCCL as at the date of this Base Prospectus.

Authorised:	1,000 Ordinary shares of U\$10 each
	100,000,000,000 Preference Shares of £0.01 each
Allotted and fully paid:	10 Ordinary shares of U\$10 each

As at the date hereof, BCCL does not have any loan capital outstanding or created but unissued, term loans, any other borrowings or indebtedness in the nature of borrowing, bank overdrafts or liabilities under acceptances, acceptance credits, hire purchase commitments, obligations under finance leases, guarantees or other contingent liabilities.

Directors

The Board of Directors of BCCL consists of:

<i>Name</i>	<i>Function within BCCL</i>	<i>Principal Occupation</i>
Eric Didier Bommensath	Director	Investment Banker
Benoit de Vitry	Director	Investment Banker
Dixit Aswin Joshi	Director	Investment Banker
Kate Elizabeth Pothalingam	Director	Investment Banker

The business address of all the above Directors is 5 The North Colonnade, Canary Wharf, London E14 4BB, United Kingdom.

No potential conflicts of interest exist between any duties to BCCL of the Directors listed above and their private interests or other duties.

Related Parties

In the ordinary course of business, the Issuers participate in transactions with parent and fellow subsidiary companies. Such transactions are disclosed in the consolidated audited financial statements of the Barclays PLC which are publicly available and hereby incorporated by reference.

Litigation Statement

BCCL is not and/or has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BCCL 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 BCCL.

Ultimate Parent Company

The ultimate holding company and the parent company of the largest group that presents group accounts within which BCCL's accounts are consolidated is Barclays PLC. Barclays PLC is incorporated in Great Britain. The statutory accounts of both the Bank and Barclays PLC are available from the Company Secretary, One Churchill Place, London E14 5HP.

Auditors

The annual financial statements of BCCL for the two years ended 31 December 2007 and 31 December 2008 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).

The Guarantee of the Bank

The Bank has entered into a Guarantee dated 5 August 2009 under which the Bank undertakes unconditionally and irrevocably to guarantee the proper, punctual and complete performance by BCCL of its obligations under all Securities issued by BCCL under the Programme. The Bank undertakes to pay or procure the making of any payment in cash in the currency in which the particular Securities are expressed to be payable in accordance with the terms and conditions thereof upon demand being made under the Guarantee by the relevant holder of the Securities. Information about the Bank is set out elsewhere in this document.

Recent Developments

BCCL issued US\$120,000,000 2007-CDX-2 Credit Range Accrual Notes due 2008, Series 9751 with Rule 144A ISIN US06739LAA61 and with Reg S ISIN USG06567AA28 on 29 June 2007. These notes were redeemed and cancelled at maturity on 20 March 2008.

Material and Significant Change Statement

There has been no significant change in the financial or trading position of BCCL since 31 December 2008 and there has been no material adverse change in the prospects of BCCL since 31 December 2008 (the date at which the most recent annual audited financial statements of BCCL were prepared).

PRO FORMA FINAL TERMS

PRO FORMA FINAL TERMS FOR NOTES AND CERTIFICATES (OTHER THAN EXERCISABLE CERTIFICATES)

The Final Terms for each Series of Notes and Certificates (other than Exercisable Certificates) will include such of the following information as is applicable with respect to such Notes and Certificates and such other information as may be required from time to time by any applicable Relevant Stock Exchange.

Final Terms

BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)

GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

[[BARCLAYS CAPITAL (CAYMAN) LIMITED]/[BARCLAYS BANK PLC]]

[title of the Notes/Certificates]

under the Global Structured Securities Programme

[Guaranteed by Barclays Bank PLC]

Issue Price: [*issue price*] [of par]

This document constitutes the final terms of the [Notes/Certificates] (the "**Final Terms**") described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the "**Bank**") and Barclays Capital (Cayman) Limited ("**BCCL**") and is supplemental to and should be read in conjunction with the Base Prospectus dated 5 August 2009, as supplemented and amended from time to time, which constitutes a base prospectus (the "**Base Prospectus**") for the purpose of the Directive 2003/71/EC. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue 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.

[Subject as provided below,] the Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. To the best of [its/their] 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. [The information relating to [●] [and] contained herein has been accurately extracted from [*insert information source(s)*]. [The Issuer [and the Guarantor] confirm that this information has been accurately reproduced and that as far as the

issuer is aware and is able to ascertain from information published by [●] [and], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date

This document constitutes the final terms of the Securities (the “**Final Terms**”) described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Structured Securities Programme established by Barclays Bank PLC (the “**Bank**”) and Barclays Capital (Cayman) Limited (“**BCCL**”) and is supplemental to and should be read in conjunction with the Base Prospectus dated 5 August 2009, as supplemented and amended from time to time, which constitutes a base prospectus (the “**Base Prospectus**”) for the purpose of the Directive 2003/71/EC, save in respect of the Conditions which are extracted from the [[Base Prospectus]/[Offering Circular]] dated [original date] (the “**Original Offering Document**”), as incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Original Offering Document. The Base Prospectus and the Original Offering Document are available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue 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.

[Subject as provided below,] the Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. To the best of [its/their] 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. [The information relating to [●] [and] contained herein has been accurately extracted from [*insert information source(s)*]. [The Issuer [and the Guarantor] confirm that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by [●] [and], no facts have been omitted which would render the reproduced information inaccurate or misleading.]]

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 Securities.

Barclays Capital

Final Terms dated [*Issue Date*]

The distribution of this document and the offer of the Securities 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 “Purchase and Sale” in the Base Prospectus. In particular, the Securities 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. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

Part A
Terms and Conditions of the Securities

[Rule 144A Securities may be deposited in DTC, Euroclear and Clearstream, Luxembourg.]

Notwithstanding anything to the contrary contained in the Base Prospectus, Registered Securities of each Series sold to qualified institutional buyers within the meaning of Rule 144A under the Securities Act may initially be represented by a global restricted certificate (each a “Rule 144A Global Security”) without interest coupons, which will be deposited with a common depository on behalf of DTC, Clearstream, Luxembourg and Euroclear. For purposes of transfers of Rule 144A Global Securities, the first legend in paragraph 3 under “Transfer and Restrictions for Registered Securities” will apply equally to the Rule 144A Global Securities.]

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(ex) set out in the Base Prospectus dated 5 August 2009.

[When adding any other terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base prospectus under Article 16 of the Directive 2003/71/EC]

Parties

Issuer:	[Barclays Bank PLC] [Barclays Capital (Cayman) Limited]
Guarantor:	[Barclays Bank PLC] [N/A]
Manager[s]:	[Barclays Bank PLC] [and] [Other (<i>specify</i>)]
Determination Agent:	[Barclays Capital Securities Limited] [Barclays Bank PLC]
Issue and Paying Agent:	[The Bank of New York Mellon]
Stabilising Manager:	[N/A] [●]
Registrar:	[The Bank of New York Mellon (Luxembourg) S.A.] [The Bank of New York Mellon (New York branch)] [N/A]
Transfer Agent:	[The Bank of New York Mellon] [The Bank of New York (Luxembourg S.A.)] [The Bank of New York Mellon (New York Branch)] [N/A]
Exchange Agent:	[The Bank of New York Mellon (New York branch)] [Other (<i>specify</i>)]

[N/A]

Additional Agents:

[●]

[N/A]

Insert the following paragraph for Bearer Securities: [THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND THE SECURITIES COMPRISE BEARER SECURITIES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS [AND THE SUPPLEMENTAL PROSPECTUS] SEE “PURCHASE AND SALE” IN THE BASE PROSPECTUS.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.]

Insert the following paragraphs for Registered Securities: [THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF [THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S][AND][WITHIN THE UNITED STATES TO “QUALIFIED INSTITUTIONAL BUYERS” IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) [AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN]. [PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE SECURITIES 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 AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS [AND THE SUPPLEMENTAL PROSPECTUS], SEE “PURCHASE AND SALE [OF REGISTERED SECURITIES]” IN THE [SUPPLEMENTAL] PROSPECTUS [AND “TRANSFER RESTRICTIONS” IN THE SUPPLEMENTAL PROSPECTUS].

EACH PURCHASER OF REGISTERED SECURITIES WILL BE DEEMED, BY ITS ACCEPTANCE OF PURCHASE OF ANY SUCH REGISTERED SECURITIES, TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS INTENDED TO RESTRICT THE RESALE OR OTHER TRANSFER OF SUCH REGISTERED SECURITIES AS SET OUT IN “TRANSFER RESTRICTIONS FOR REGISTERED SECURITIES”.

THE SECURITIES 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, AND NONE OF THE FOREGOING AUTHORITIES HAS PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THESE FINAL TERMS OR THE BASE PROSPECTUS [OR THE SUPPLEMENTAL PROSPECTUS]. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES 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 THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE 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.]

[These Securities are APK Registered Securities. Securityholders should refer to the provisions of the Finnish Securities Annex of the Base Prospectus which shall apply to the Securities.]

[These Securities are VPS Registered Securities. Securityholders should refer to the provisions of the Norwegian Securities Annex of the Base Prospectus which shall apply to the Securities.]

[These Securities are Spanish Securities. Securityholders should refer to the provisions of the Spanish Securities Annex of the Base Prospectus which shall apply to the Securities.]

[These Securities are Swedish Registered Securities. Securityholders should refer to the provisions of the Swedish Securities Annex of the Base Prospectus which shall apply to the Securities.]

Provisions relating to the Securities

1	Title:	[<i>Title of the Securities</i>]
2	[(i)] Series:	[•]
	[(ii)] Tranche:	[•]
3	Currency:	[•]
4	Notes:	[Applicable]
		[N/A]
	(i) Aggregate Nominal Amount as at the Issue Date:	[•]
	[(a) Series:	[•]
	[(b) Tranche:	[•]
	(ii) Specified Denomination:	[•]

		<i>[For multiple Specified Denominations greater than EUR50,000 (or equivalent) insert:</i>
		[EUR50,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR99,000].] [Notes will not be issued in definitive form with a Specified Denomination above [EUR99,000].]
5	Certificates:	[Applicable] [N/A]
	(i) Number of Certificates:	[•]
	(ii) Calculation Amount per Certificate as at the Issue Date:	[•]
6	Form:	
	(i) Global/Definitive/Uncertificated and dematerialised:	[Global Bearer Securities:] [Temporary Global Security, exchangeable for a Permanent Global Security/Permanent Global Security] [Global Registered Securities:] [Regulation S Global Security; and/or Rule 144A Global Security available on the Issue Date] <i>[For APK Registered Securities/ VPS Registered Securities/Spanish Securities:</i> The Securities are in uncertificated and dematerialised book-entry form] [For Swedish Registered Securities: Dematerialised Uncertificated Securities in book-entry form in accordance with the Swedish Financial Instruments Accounts Act (1998:1479), as amended. Cleared and settled in Euroclear Sweden AB.] [Definitive Registered Securities]
	(ii) NGN Form:	[Applicable] [N/A]
	(iii) CGN Form:	[Applicable] [N/A]
7	Trade Date:	[•]
8	Issue Date:	[•]
9	Issue Price:	[Notes – [•] per cent. of the [Aggregate

- Nominal Amount] [plus accrued interest from [insert date] (*in the case of fungible issues only, if applicable*)] (*Required only for listed issues – check with relevant stock exchange*)
[Certificates – [●] per Security]
- 10 Relevant Stock Exchange[s]: [London Stock Exchange]
[Other (*specify*)]
[N/A]
- 11 The following Relevant Annex(es) shall apply to the Securities (*specify each applicable Relevant Annex*): [Credit Linked Annex]
[Commodity Linked Annex]
[Equity Linked Annex]
[Fund Linked Annex]
[FX Linked Annex]
[Inflation Linked Annex]
[Finnish Securities Annex]
[Norwegian Securities Annex]
[Spanish Securities Annex]
[Swedish Securities Annex]
[Other (*specify*)]
[N/A]
- Provisions relating to interest (if any) payable on the Securities**
- 12 Interest: [Applicable]
[N/A]
- 13 Calculation Amount per Security as at the Issue Date: [●]
[N/A]
- 14 Interest Amount: [*Where single Interest Calculation Period which is less than 1 year and rate provided is not a rate per annum: [In respect of the Interest Calculation Period shall be equal to [●] per cent. of the Calculation Amount as at the Issue Date]*]
[As per Conditions 4 and 24 of the Base Conditions]
[Other (*specify*)]
[N/A]
- 15 Interest Basis: [Fixed Rate]
[Floating Rate]
[Variable Rate: [[Index Linked Interest]/[Equity Linked Interest]/[Credit

- Linked Interest]/[Commodity Linked Interest]/[Fund Linked Interest]/[FX Linked Interest]]
- [Zero Coupon]
- [Other (*specify*)]
- [N/A]
- (further particulars specified below)
- 16 Interest Rate[s]:
- (i) Fixed Rate: [●] per cent. per annum
[N/A]
- (ii) Floating Rate: [Screen Rate Determination]
[ISDA Determination]
[N/A]
- (iii) Variable Rate: [*Specify basis/methodology/formula for Interest Rate*]
[N/A]
- (a) Credit Event Accrued Interest: [Applicable]
[N/A]
- (b) Extension Interest: [Applicable]
[N/A]
(Specify for Credit Linked Securities only)
- (iv) Zero Coupon: [*Specify methodology/internal rate of return*]
[N/A]
- 17 Screen Rate Determination: [Applicable]
[N/A]
(if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Reference Rate: [●]
- (ii) Relevant Screen Page: [Reuters Screen LIBOR01 Page]
[Reuters Screen EURIBOR01 Page]
[Other (*specify*)]
- 18 ISDA Determination: [Applicable]
[N/A]
(if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Floating Rate Option: [●]
- (ii) Designated Maturity: [●]

	(iii) Reset Date:	[●]
19	Margin:	[●] [N/A]
20	Minimum/Maximum Interest Rate:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Minimum Interest Rate	[●] per cent. per annum [N/A]
	(ii) Maximum Interest Rate	[●] per cent. per annum [N/A]
21	Interest Commencement Date:	[Issue Date] [Other (<i>specify</i>)] [N/A]
22	Interest Determination Date:	[As per Conditions 4 and 24 of the Base Conditions] [Arrears Setting applicable] [Other (<i>specify</i>)]
23	Interest Calculation Periods:	[As defined in Condition 24 of the Base Conditions] [Other (<i>specify</i>)] [N/A]
	(i) Interest Period End Dates:	[Each Interest Payment Date] [Other (<i>specify</i>)] [N/A]
	(ii) Interest calculation method for short or long Interest Calculation Periods:	[Linear Interpolation] [Other (<i>specify</i>)] [N/A]
24	Interest Payment Dates:	[[●] in each year] [Redemption Date] [Other (<i>specify</i>)] [N/A]
25	Day Count Fraction:	[Actual/Actual (ISMA)] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360]

		[30/360]
		[360/360]
		[Bond Basis]
		[30E/360]
		[Eurobond Basis]
		[30E/360 (ISDA)]
26	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions:	[●]
Provisions relating to Redemption		
27	Redemption Date:	[●]
28	Settlement Method:	<p><i>[For each relevant Base Condition(s) specify the Settlement Method to apply to that Condition. Note that a different Settlement Method may apply to different Conditions –</i></p> <p>(i) For the purposes of Condition 5.1] of the Base Conditions:</p> <p>[Cash]/[Physical]/[Cash or Physical Settlement: The Securities shall be cash settled if [●] and physically settled if [●]]/[Issuer Settlement Option]/[Securityholder Settlement Option]; and</p> <p>(ii) For the purposes of Condition[s] [5.2]/[5.3]/[5.5]] of the Base Conditions:</p> <p>[Cash]/[Physical]/[Issuer Settlement Option]/[Securityholder Settlement Option]</p>
29	Settlement Currency:	[●]
30	Calculation Amount per Security as at the Issue Date:	[●]
31	Terms relating to Cash Settled Securities:	
	(i) Final Cash Settlement Amount:	<p>[[●] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]</p> <p>[[●] per cent. of the Calculation Amount per Security as at the Redemption Date]</p> <p>[Other (<i>specify methodology or formula for calculation</i>)]</p> <p>[N/A]</p>
	(ii) Early Cash Settlement Amount:	[[●] (<i>Specify formula or methodology for</i>

		<i>calculation]</i>
		[[●] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]
		[[●] per cent. of the relevant Calculation Amount per Security]
		[As defined in Condition 24 of the Base Conditions]
		<i>[Specify if Early Cash Settlement Amount is or is not to include accrued interest (if applicable)]</i>
(iii)	Early Cash Redemption Date:	[As defined in Condition 24 of the Base Conditions]
		[●]
(iv)	Disruption Cash Settlement Price:	[[●] <i>(Specify methodology or formula for calculation)</i>]
		[N/A]
32	Terms relating to Physically Delivered Securities:	
(i)	Final Physical Redemption Entitlement:	[[●] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]
		<i>[Other (specify methodology or formula for calculation)]</i>
		[N/A]
(ii)	Final Physical Redemption Date:	[As defined in Condition 24 of the Base Conditions]
		<i>[Other (specify)]</i>
		[N/A]
(iii)	Physical Delivery Date(s):	[As defined in Condition 24 of the Base Conditions]
		<i>[Other (specify)]</i>
		[N/A]
(iv)	Entitlement Substitution:	[Applicable]
		[N/A]
33	Nominal Call Event:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Nominal Call Threshold Amount:	[As defined in Condition 24 of the Base

		Conditions]
		[●]
		[N/A]
(ii)	Nominal Call Threshold Percentage:	[As defined in Condition 24 of the Base Conditions]
		[●]
		[N/A]
(iii)	Cash Settled Securities:	
	(a) Optional Cash Settlement Amount:	[[●] (Specify formula or methodology for calculation)]
		[[●] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]
		[As defined in Condition 24 of per the Base Conditions]
		[N/A]
	(b) Optional Cash Redemption Date	[As defined in Condition 24 of the Base Conditions]
		[Other (<i>specify</i>)]
		[N/A]
(iv)	Physically Delivered Securities:	
	(a) Optional Physical Redemption Entitlement:	[[●] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]
		[Other (specify methodology or formula for calculation)]
		[N/A]
	(b) Optional Physical Redemption Date(s):	[As defined in Condition 24 of the Base Conditions]
		[Other (<i>specify</i>)]
		[N/A]
(v)	Issuer Notice Period:	[As per Condition 5.3 of the Base Conditions]
		[Other (<i>specify</i>)]
		[N/A]
34	Call Option:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Cash Settled Securities:	

	(a) Optional Cash Settlement Amount:	<p>[[●] (Specify formula or methodology for calculation)]</p> <p>[[●] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]</p> <p>[As defined in Condition 24 of per the Base Conditions]</p> <p>[N/A]</p>
	(b) Optional Cash Redemption Date	<p>[As defined in Condition 24 of the Base Conditions]</p> <p>[Other (<i>specify</i>)]</p> <p>[N/A]</p>
	(ii) Physically Delivered Securities:	
	(a) Optional Physical Redemption Entitlement:	<p>[[●] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]</p> <p>[Other (specify methodology or formula for calculation)]</p> <p>[N/A]</p>
	(b) Optional Physical Redemption Date(s):	<p>[As defined in Condition 24 of the Base Conditions]</p> <p>[Other (<i>specify</i>)]</p> <p>[N/A]</p>
	(iii) Issuer Option Exercise Period:	<p>[As defined in Condition 24 of the Base Conditions]</p> <p>[[●]]</p> <p>[N/A]</p>
	(iv) Issuer Notice Period:	<p>[As per Condition 5.3 of the Base Conditions]</p> <p>[Other (<i>specify</i>)]</p> <p>[N/A]</p>
35	Put Option:	<p>[Applicable]</p> <p>[N/A]</p> <p><i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i></p>
	(i) Cash Settled Securities:	
	(a) Optional Cash Settlement Amount:	<p>[[●] (Specify formula or methodology for calculation)]</p> <p>[[●] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of</p>

		the Base Conditions]
		[As defined in Condition 24 of per the Base Conditions]
	(b) Optional Cash Redemption Date(s):	[As defined in Condition 24 of the Base Conditions] [Other (<i>specify</i>)] [N/A]
	(ii) Physically Delivered Securities:	
	(a) Optional Physical Redemption Entitlement:	[[●] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [Other (specify methodology or formula for calculation)]
	(b) Optional Physical Redemption Date(s):	[As defined in Condition 24 of the Base Conditions] [Other (<i>specify</i>)] [N/A]
	(iii) Put Option Exercise Period:	[As defined in Condition 24 of the Base Conditions] [Other(<i>specify</i>)] [N/A]
	(iv) Put Notice Period:	[As per Condition 5.2 of the Base Conditions] [Other (<i>specify</i>)]
36	Specified Early Redemption Event:	[Applicable (<i>specify</i>): [●]] [N/A]
	(i) Automatic Early Redemption	[Applicable] [N/A]
	(ii) Cash Settled Securities:	
	(a) Specified Early Cash Settlement Amount:	[[●] (Specify formula or methodology for calculation)] [[●] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [Other (specify)] [N/A]
	(b) Specified Cash Redemption Date(s):	[As defined in Condition 24 of the Base Conditions] [Other (specify)] [N/A]

	(iii) Physically Delivered Securities:	
	(a) Specified Early Physical Redemption Entitlement:	[[●] per Calculation Amount as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [Other (<i>specify methodology or formula for calculation</i>)]
	(b) Specified Early Physical Redemption Date(s):	[As defined in Condition 24 of the Base Conditions] [Other (specify)] [N/A]
37	Maximum and Minimum Redemption Requirements:	
	(i) Daily Maximum Amount:	[Applicable] [N/A]
	(ii) Minimum Number/Minimum Nominal Amount:	[●] [N/A]
	(iii) Daily Maximum Number/Daily Maximum Amount:	[●] [N/A]
38	Valuation Date(s):	[●] [N/A]
39	Valuation Time:	[●] [N/A]
40	Averaging Date(s):	[●] [N/A]
41	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:	
	(i) Other Additional Disruption Event:	[Applicable (<i>specify</i>)] [N/A]
	(ii) Affected Jurisdiction Hedging Disruption:	[Applicable] [N/A]
	(iii) Affected Jurisdiction Increased Cost of Hedging:	[Applicable] [N/A]
	(iv) Affected Jurisdiction:	[●] [N/A]
42	Share Linked Securities:	[Applicable] [N/A]

- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Share(s) (each a “**Reference Asset**”): [Define and specify details of each share or basket and the related Share Company]
 - (ii) Exchange[s]: [●]
 - (iii) Related Exchange[s]: [●]
[All Exchanges]
[N/A]
 - (iv) Exchange Rate: [Specify]
[N/A]
 - (v) Weighting for each Reference Asset comprising the Basket of Reference Assets: [Specify]
[N/A]
 - (vi) Initial Price of each Reference Asset: [●]
 - (vii) Number of Shares: [●]
[N/A]
 - (viii) Substitution of Shares: [Applicable]
[N/A]
 - (ix) Averaging: [Applicable]
[N/A]
- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Averaging Dates: [●]
 - (b) Consequence of an Averaging Date being a Disrupted Day: [Omission]
[Postponement]
[Modified Postponement]
 - (x) Additional Disruption Event in respect of Share Linked Securities: [Insolvency Filing]
[Increased Cost of Stock Borrow:
Initial Stock Loan Rate: [●]]
[Loss of Stock Borrow:
Maximum Stock Loan Rate: [●]]
[Fund Disruption Event]
[Other (specify)]
[N/A]
 - (xi) FX Disruption Event: [Applicable]
[N/A]
- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*

	(a) Specified Currency:	[●]
	(b) Specified Jurisdiction:	[●]
(xii)	Market Access Dividend and Rights Issue Provisions:	[Applicable] [N/A]
(xiii)	Dividend Exchange Rate:	[●] [N/A]
(xiv)	Other adjustments:	[● (<i>specify</i>)] [N/A]
43	Index Linked Securities (<i>Equity indices only</i>):	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Index/Indices (each a “ Reference Asset ”):	[<i>Define and specify details of each index or basket, the related Index Sponsor and whether the Index is a Multi-exchange Index</i>]
(ii)	Exchange[s]:	[●]
(iii)	Related Exchange[s]:	[●] [All Exchanges] [N/A]
(iv)	Exchange Rate:	[<i>Specify</i>] [N/A]
(v)	Weighting for each Reference Asset comprising the Basket of Reference Assets:	[<i>Specify</i>] [N/A]
(vi)	Index Level of each Reference Asset:	[●]
(vii)	Averaging:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(a)	Averaging Dates:	[●]
(b)	Consequence of an Averaging Date being a Disrupted Day:	[Omission] [Postponement] [Modified Postponement]
(viii)	Additional Disruption Event in respect of Index Linked Securities:	[Insolvency Filing] [Increased Cost of Stock Borrow: Initial Stock Loan Rate: [●]] [Loss of Stock Borrow: Maximum Stock Loan Rate: [●]]

		[Fund Disruption Event]
		[Other (<i>specify</i>)]
		[N/A]
	(ix) FX Disruption Event:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Specified Currency:	[•]
	(b) Specified Jurisdiction:	[•]
	(x) Other adjustments:	[• (<i>specify</i>)]
		[N/A]
44	Inflation Linked Securities:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Single inflation index or basket of inflation indices (each a “ Reference Asset ”) and details of the relevant sponsors (the “ Index Sponsor(s) ”):	[Single Index: [•]]
		[Basket of Indices: [•]]
		Index Sponsor(s): [•]
		<i>(Define and include details for each relevant index)</i>
	(ii) Related Bond:	[Applicable (<i>specify details</i>)]
		[N/A]
	(iii) Fallback Bond:	[Applicable (<i>specify details</i>)]
		[N/A]
	(iv) Related Bond Redemption Event:	[Applicable]
		[N/A]
	(v) Use of Re-based Index:	[Applicable]
		[N/A]
	(vi) Acceleration upon Re-basing of Index:	[Applicable]
		[N/A]
	(vii) Cut-Off Date:	[As per the Inflation Linked Annex]
		[•]
	(viii) Reference Month:	[As per the Inflation Linked Annex]
		[Other (<i>specify</i>)]
45	Fund Linked Securities:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining sub-</i>

		<i>paragraphs of this paragraph)</i>
(i)	Single fund or portfolio of funds (each a “ Reference Asset ”):	[Single Fund: [●]] [Portfolio of Funds: [●] (the “ Portfolio ”)] [Index: [●]] <i>(Define and include details for each relevant Reference Asset and components as applicable)</i>
(ii)	Calculation Date:	[As per the Fund Linked Annex] [Other (<i>specify</i>)]
(iii)	Leverage:	[Applicable] [N/A]
(iv)	Expected Redemption Date:	[●]
(v)	FX Hedging Cost:	[●]
(vi)	Final Redemption Dealing Date:	[●]
(vii)	Fund Administrator:	[●]
(viii)	Fund Custodian:	[●]
(ix)	Fund Manager:	[●]
(x)	Fund Service Provider	[●]
(xi)	Currency for Fund Unit and Fund Unit Value determination:	[●]
(xii)	Minimum Protection:	[[●] per Calculation Amount per Security as at the Issue Date] [[●] per cent. per [Specified Denomination /Calculation Amount]] [Other (<i>specify</i>)] [N/A]
(xiii)	NAV Barrier:	[●]
(xiv)	NAV Deadline Date:	[●]
(xv)	Number of NAV Publication Days:	[●]
(xvi)	Number of NAV Publication Days	[●]
(xvii)	Strike Date:	[●]
(xviii)	Target Allocation:	[●]
(xix)	Extraordinary Fund Event:	[As per the Fund Linked Annex] [Other (<i>specify</i>)] [N/A]
(xx)	Additional Extraordinary Fund Event:	[N/A] [●]

(xxi)	Consequences of an Extraordinary Fund Event:	[●] [N/A]
(xxii)	Potential Adjustment of Index Event:	[As per the Fund Linked Annex] [Other (<i>specify</i>)] [N/A]
(xxiii)	Fees, Premiums and Charges:	[●] [N/A]
46	FX Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Single FX Rate, Basket of FX Rates, Currency Pair, FX index, or FX-linked product or transaction (each a “Reference Asset”):	[FX Rate: [●]] [Basket of FX Rates: [●]] [Currency Pair: [●]] [FX index: [<i>insert formula</i>]] <i>(Define and include details for each relevant Reference Asset and components as applicable)</i>
(ii)	FX Rate Source(s):	[●]
(iii)	Specified Time:	[●]
(iv)	Reference Currency:	[As per the FX Linked Annex] [Other (<i>specify</i>)]
(v)	Specified Rate:	[●]
(vi)	Spot rate:	[●]
(vii)	Principal Financial Centre:	[As per the FX Linked Annex] [Other (<i>specify</i>)]
(viii)	Elective FX Disruption Event:	[Applicable – [As per the FX Linked Annex.]/[The following event shall also constitute an Elective FX Disruption Event: [<i>specify</i>]]] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(a)	Benchmark Obligation Default:	[Applicable (<i>specify</i>)] [N/A]
(b)	Price Materiality:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-</i>

		<i>paragraphs of this paragraph)</i>
	- Primary Rate:	[●]
	- Secondary Rate:	[●]
	- Price Materiality Percentage:	[●]
(ix)	FX Disruption Event:	[Applicable – [As per the FX Linked Annex.]/[The following event shall also constitute a FX Disruption Event: <i>[specify]</i>]] [N/A]
(x)	Averaging:	[<i>Insert methodology</i>] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Averaging Dates:	[●]
	(b) Consequences of an Averaging Date being a Disrupted Day:	[Omission] [Postponement] [Modified Postponement]
(xi)	Rate Calculation Date:	[●]
47	Credit Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Type of Credit Linked Security:	[Single Name CLS] [Nth-to-Default CLS] [Portfolio CLS] [Index CLS] [Other (<i>specify</i>)]
(ii)	Determination Agent City:	[New York] [London] [Tokyo] [Singapore] [Hong Kong] [As set out in respect of the applicable Transaction Type in Annex 2]
	<i>Credit Provisions</i>	
(iii)	Reference Entity[ies] (together with the related Reference Obligation(s), Obligation(s) and/or Deliverable	[●] [<i>For Portfolio CLSs, set out the Reference Portfolio (Reference Entity, Reference</i>

	Obligation(s) thereof, as applicable, each a “ Reference Asset ”):	<i>Obligation, Transaction Type, Reference Entity Notional Amount, whether Monoline Provisions applicable) in an annex – As set out in Annex 1]</i>
(iv)	Reference Entity Notional Amount(s):	[●] [As set out in Annex 1]
(v)	Reference Obligation[s]:	[As set out in Annex 1] <i>(if using Annex 1 delete rest of subparagraph)</i>
	The obligation[s] identified as follows:	[●]
	Primary Obligor:	[●]
	Guarantor:	[●]
	Maturity:	[●]
	Coupon:	[●]
	CUSIP/ISIN:	[●]
(vi)	All Guarantees:	[Applicable] [N/A] [As set out in respect of the applicable Transaction Type in Annex 2]
<i>Terms relating to Credit Events</i>		
(vii)	Credit Events:	[As set out in respect of the applicable Transaction Type in Annex 2] [Bankruptcy] [Failure to Pay] [Grace Period Extension: [Applicable/N/A]] [Grace Period: [●]] [Obligation Default] [Obligation Acceleration] [Repudiation/Moratorium] [Restructuring] - [Restructuring Maturity Limitation and Fully Transferable Obligation [Applicable / N/A]] - [Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation [Applicable / N/A]] [Other (<i>specify</i>)]
(viii)	For Nth-to-Default Securities only,	[●]

- specify N:
- (ix) Default Requirement: [●]
(Specify if not the fallback definition in the Credit Conditions)
- (x) Payment Requirement: [●]
(Specify if not the fallback definition in the Credit Conditions)
- (xi) Conditions to Settlement: [Credit Event Notice]
 [Notice of Publicly Available Information]
(if applicable)
 Specified Number: [Two]
 [Notice of Physical Settlement]
- (xii) Obligation(s):
Obligation Category: [As set out in respect of the applicable Transaction Type in Annex 2]
(select one only)
 [Payment]
 [Borrowed Money]
 [Reference Obligations Only]
 [Bond]
 [Loan]
 [Bond or Loan]
- Obligation Characteristics: [As set out in respect of the applicable Transaction Type in Annex 2]
(select all of which apply)
 [Not Subordinated][Specified Currency: *(specify currency)*]
 [Not Sovereign Lender]
 [Not Domestic Currency:]
 [Domestic Currency means: *(specify currency)*]
- (xiii) Additional Obligation(s): [Not Domestic Law]
 [Domestic Law means: *(specify law)*]
 [Listed]
 [Not Domestic Issuance]
- (xiv) Excluded Obligation(s): [●]
Terms relating to settlement following a Credit Event:
- (xv) Settlement Method: [Cash Settlement]
 [Physical Settlement]

		[Auction Settlement]
(xvi)	Fallback Settlement Method:	[Cash Settlement] [Physical Settlement]
(xvii)	Issuer Settlement Option:	[Applicable] [N/A]
(xviii)	Terms relating to Cash Settlement:	[Applicable] [N/A] <i>(If not applicable, delete the rest of this sub-paragraph)</i>
	(a) Credit Event Redemption Amount:	[[●] <i>(Specify amount, formula or method for determination)</i>]
	(b) Credit Event Redemption Date:	[5] Business Days
	(c) CLS Valuation Date:	[Single CLS Valuation: [●] Business Days] [Multiple CLS Valuation Dates: [●] Business Days; and each [●] Business Days thereafter. Number of Valuation Dates: [●]]
	(d) CLS Valuation Time:	[As specified in the Credit Linked Conditions] [Other <i>(specify)</i>]
	(e) Quotation Method:	[Bid / Offer/Mid-market]
	(f) Quotation Amount:	[●]
	(g) Minimum Quotation Amount:	[●]
	(h) Quotations:	[Include Accrued Interest/Exclude Accrued Interest]
	(i) Valuation Method:	[Market/ Highest]
(xix)	Terms relating to Physical Settlement:	[Applicable] [N/A] <i>(If not applicable, delete the rest of this sub-paragraph)</i>
	(a) Physical Settlement Period:	[[●] Business Days] [As set out in the Credit Linked Conditions]
	(b) Deliverable Obligations:	[As set out in respect of the applicable Transaction Type in Annex 2]
	Deliverable Obligation Category:	[As set out in respect of the applicable Transaction Type in Annex 2]
	<i>(select one only)</i>	[Payment] [Borrowed Money] [Reference Obligations Only]

	[Bond]
	[Loan]
	[Bond or Loan]
Deliverable Obligation Characteristics:	[As set out in respect of the applicable Transaction Type in Annex 2]
<i>(select all of which apply)</i>	[Not Subordinated]
	[Specified Currency: Standard Specified Currencies]
	[Not Sovereign Lender]
	[Not Domestic Currency]
	[Domestic Currency means: <i>(specify currency)</i>]
	[Not Domestic Law]
	[Domestic Law means: <i>(specify law)</i>]
	[Listed]
	[Not Contingent]
	[Not Domestic Issuance]
	[Assignable Loan]
	[Consent Required Loan]
	[Direct Loan Participation]
	[Transferable]
	[Maximum Maturity: [●]]
	[Accelerated or Matured]
	[Not Bearer]
(c) Excluded Deliverable Obligations:	[●] [None]
(d) Partial Cash Settlement due to Impossibility or Illegality:	[Applicable] [N/A]
(e) Partial Cash Settlement of Consent Required Loans:	[Applicable] [N/A]
(f) Partial Cash Settlement of Assignable Loans:	[Applicable] [N/A]
(g) Partial Cash Settlement of Participations:	[Applicable] [N/A]
(h) Delivery provisions for Entitlement if different from stated above:	[●] [N/A]

48	Commodity Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Relevant Commodity, Commodity Index, Basket of Commodities/Commodity Indices (including weighting of commodities/commodity indices) (each a “ Reference Asset ”):	[Relevant Commodity: [●]] [Commodity Index: [●]] [Basket of Commodities/Commodity Indices: [●] <i>(include weighting)</i>]
(ii)	Commodity Reference Price:	[●]
(iii)	Price Source(s):	[●] [N/A]
(iv)	Exchange(s):	[●] [N/A]
(v)	Specified Price:	[●]
(vi)	Delivery Date:	[●] [N/A] <i>(specify whether price based on spot market, First Nearby Month, Second Nearby Month, etc.)</i>
(vii)	Pricing Date:	[●, subject to adjustment in accordance with the Commodity Business Day Convention]
	Common Pricing: <i>(include only if Basket of Commodities/Commodity Indices)</i>	[Applicable] [Inapplicable]
(viii)	Commodity Market Disruption Events:	[As per the Commodity Linked Annex] [Other (<i>Specify</i>)]
	Disruption Fallback(s):	[As per the Commodity Linked Annex] [Other (<i>specify any other applicable additional Disruption Fallback(s)</i>)]
	Additional provisions for Trading Disruption:	[If Trading Disruption applies, specify any additional futures contracts, options contracts or commodities and the related exchange to which Trading Disruption applies]
(ix)	Adjustments to Commodity Index:	[As per the Commodity Linked Annex] [Other (<i>specify</i>)]
(x)	Commodity Business Day Convention:	[Following]

		[Modified Following]
		[Nearest]
		[Preceding]
49	Additional terms and conditions relating to the Securities:	[•] [N/A]
Provisions relating to Settlement		
50	Minimum Settlement Amount:	[•] [N/A]
51	Settlement in respect of APK Registered Securities, Swedish Registered Securities, VPS Registered Securities or Spanish Securities:	[<i>In the case of Swedish Registered Securities</i> [Swedish Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash.]] [<i>In the case of Finnish Securities</i> [For so long as it is a requirement of the APK Rules, the APK Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash.]] [<i>In the case of Norwegian Securities</i> [For so long as it is a requirement of the VPS Rules, the VPS Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash.]] [<i>In the case of Spanish Securities</i> [For so long as it is a requirement of the Iberclear Rules, the Iberclear Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash.]] [N/A]
52	Additional provisions relating to Taxes and Settlement Expenses:	[[•] (<i>specify</i>)] [N/A]
Definitions		
53	Business Day:	[As defined in Condition 24 of the Base Conditions] [Other (<i>specify</i>)]
54	Additional Business Centre(s):	[•] [N/A]
Selling restrictions and provisions relating to certification		

55	Non-US Selling Restrictions:	[As described in the Base Prospectus] [Other (<i>specify</i>)] [N/A]
56	Applicable TEFRA exemption:	[TEFRA C] [TEFRA D] [N/A]
General		
57	Business Day Convention:	[Following] [Modified Following] [Nearest] [Preceding]
58	Relevant Clearing System[s]:	[Euroclear] [Clearstream, Luxembourg] [DTC] [<i>Specify details including address if different</i>]
59	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	[N/A] [<i>give names and addresses and underwriting commitments</i>]
60	Details relating to Partly Paid Securities:	[<i>Specify amount of each payment comprising the Issuer Price and the date on which payments is to be made and consequences (if any) of failure to pay</i>] [N/A]
61	Relevant securities codes:	ISIN: [●] Common Code: [●] [Valoren: [●]] [WKN: [●]] [CUSIP: [●]]
62	Modifications to the Master Subscription Agreement and/or Master Agency Agreement:	[●] [N/A]
63	Additional Conditions and/or modification to the Conditions of the Securities:	[<i>Specify details</i>] [N/A]

Part B Other Information

1 LISTING AND ADMISSION TO TRADING

- (i) Listing [London/other (specify)/None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [the London Stock Exchange's Regulated Market/specify] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [the London Stock Exchange's Regulated Market/specify]] on or around the Issue Date.]
- [N/A]
- (Where documenting a fungible issue indicate that original Securities are already admitted to trading.)*
- [(iii) Estimate of total expenses related to admission to trading: [●]]³

2 RATINGS

- Ratings: [The Securities have not been individually rated.]
- [Upon issuance the Securities are expected to be rated:
- [S & P: [●]]
- [Moody's: [●]]
- [Other]: [●]]

3 NOTIFICATION

[The Financial Services Authority of the United Kingdom has been requested to provide/has provided - *include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues*] the [*include names of competent authorities of host Member States*] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

[N/A]

³ Only applicable to Tranches of Securities with a denomination of at least €50,000 or equivalent in other currencies.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

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

“Save as discussed in [“Subscription and Sale”], so far as the Issuer is aware, no person involved in the offer of the Securities 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 Prospectus under Article 16 of the Prospectus Directive.)]

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

[(i) Reasons for the offer:

[General funding]

[Specify if other reasons]

(See “Use of Proceeds” wording in Base Prospectus - if reasons for offer different from general corporate purposes and/or hedging certain risks will need to include those reasons here.)

[(ii) Estimated net proceeds:

[●]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii) Estimated total expenses:

[●]

[Include breakdown of expenses]

(If the Securities are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

6 FIXED RATE SECURITIES ONLY - YIELD

[Indication of yield:

[●]

[N/A]

[Calculated as [include details of method of calculation in summary form] on the Issue Date.]

[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.]]

7 FLOATING RATE SECURITIES ONLY - HISTORIC INTEREST RATES

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

[N/A]

8 [PERFORMANCE OF REFERENCE ASSET(S) OR OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE REFERENCE ASSET(S) AND/OR OTHER UNDERLYING]

[Applicable]

[N/A]

[Need to include description of the relevant Reference Asset(s) and details of where past and future performance and volatility of the relevant Reference Asset(s) or other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the Reference Asset(s) or other underlying and the circumstances when the risks are most evident.]

[Where the Reference Asset(s) or underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Include other information concerning the underlying required by Paragraph 4.2 of Annex VII of the Prospectus Directive Regulation.]

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

The Issuer does not intend to provide post-issuance information.

9 PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

[Need to include details of where past and future performance and volatility of the relevant rates can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the Reference Asset(s) or other underlying and the circumstances when the risks are most evident.]

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

10 OPERATIONAL INFORMATION

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking [N/A]

Société Anonyme (together with their addresses) and the relevant identification number(s):	[<i>insert name(s) and number(s) and/or amendments to the Conditions</i>] [<i>For Swedish Registered Securities – [Swedish Central Securities Depository & Clearing Organisation (Euroclear Sweden) identification number: 556112-8074.]</i>]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agents(s) (if any) [and APK Issue and Paying Agent / Swedish Issue and Paying Agent / VPS Issue and Paying Agent / Spanish Securities Issue and Paying Agent]:	[●] [N/A]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes] [No] [Note that the designation “yes” simply means that the Securities are intended upon issue to be deposited with one of the International Central Securities Depositories as common safekeeper and does not necessarily mean that the Securities 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.][<i>include this text if “yes” selected in which case the Securities must be issued in NGN Form</i>]

11 OFFER INFORMATION

[If applicable, the following details should be included:

- | | |
|---|--|
| (i) Offer Price: | [Issue Price] [<i>specify</i>] |
| (ii) Conditions to which the offer is subject: | [Not Applicable/ <i>give details</i>] |
| (iii) Description of the application process: | [Not Applicable/ <i>give details</i>] |
| (iv) Details of the minimum and/or maximum amount of application: | [Not Applicable/ <i>give details</i>] |
| (v) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: | [Not Applicable/ <i>give details</i>] |
| (vi) Details of method and time limits for paying up and delivering the Securities: | [Not Applicable/ <i>give details</i>] |
| (vii) Manner in and date on which results of the offer are to be made public: | [Not Applicable/ <i>give details</i>] |

- (viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/give details]
- (ix) Categories of prospective investors to which the Securities are offered and whether tranche(s) have been reserved for certain countries: [Not Applicable/give details]
- (x) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made: [Not Applicable/give details]
- (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable/give details]
- (xii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: [Name/give details]

[[The Issue Price includes a commission element to be shared with a third party which shall not exceed [●] per cent., further details of which are available upon request.][*Or if applicable* [A distribution fee has been paid to a third party. The amount of this fee will not exceed [●] per cent. of [Notes - the Aggregate Nominal Amount]/[Certificates – the Issue Price]], of each year of the product's term. Such fee shall be paid [on the Trade Date]/[annually] and is not refundable in the event of early redemption or sale on the secondary market.]]

PRO FORMA FINAL TERMS FOR WARRANTS AND EXERCISABLE CERTIFICATES

The Final Terms for each Series of Warrants and Exercisable Certificates will include such of the following information as is applicable with respect to such Warrants and Exercisable Certificates and such other information as may be required from time to time by any applicable Relevant Stock Exchange.

Final Terms



BARCLAYS BANK PLC

(Incorporated with limited liability in England and Wales)

BARCLAYS CAPITAL (CAYMAN) LIMITED

(Incorporated with limited liability in the Cayman Islands)

GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

[[BARCLAYS CAPITAL (CAYMAN) LIMITED]/[BARCLAYS BANK PLC]]

[title of the Warrants/Exercisable Certificates]

under the Global Structured Securities Programme

[Guaranteed by Barclays Bank PLC]

Issue Price: *[issue price]*

This document constitutes the final terms of the [Warrants/Exercisable Certificates] (the “**Final Terms**”) described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the “**Bank**”) and Barclays Capital (Cayman) Limited (“**BCCL**”) and is supplemental to and should be read in conjunction with the Base Prospectus dated 5 August 2009, as supplemented and amended from time to time, which constitutes a base prospectus (the “**Base Prospectus**”) for the purpose of the Directive 2003/71/EC. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue 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.

[Subject as provided below,] the Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. To the best of [its/their] 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. [The information relating to [●] [and [●]] contained herein has been accurately extracted from *[insert information source(s)]*. [The Issuer [and the Guarantor] confirm that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by [●] [and], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base

Prospectus with an earlier date

This document constitutes the final terms of the Securities (the “**Final Terms**”) described herein for the purposes of Article 5.4 of the Directive 2003/71/EC and is prepared in connection with the Structured Securities Programme established by Barclays Bank PLC (the “**Bank**”) and Barclays Capital (Cayman) Limited (“**BCCL**”) and is supplemental to and should be read in conjunction with the Base Prospectus dated 5 August 2009, as supplemented and amended from time to time, which constitutes a base prospectus (the “**Base Prospectus**”) for the purpose of the Directive 2003/71/EC, save in respect of the Conditions which are extracted from the [[Base Prospectus]/[Offering Circular]] dated [original date] (the “**Original Offering Document**”), as incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Original Offering Document. The Base Prospectus and the Original Offering Document are available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue 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.

[Subject as provided below,] the Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. To the best of [its/their] 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. [The information relating to [●] [and] contained herein has been accurately extracted from [*insert information source(s)*]. [The Issuer [and the Guarantor] confirm that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by [●] [and], no facts have been omitted which would render the reproduced information inaccurate or misleading.]]

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 Securities.

Barclays Capital

Final Terms dated [*Issue Date*]

The distribution of this document and the offer of the Securities 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 “Purchase and Sale” in the Base Prospectus. In particular, the Securities 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. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

Part A Terms and Conditions of the Securities

[Rule 144A Securities may be deposited in DTC, Euroclear and Clearstream, Luxembourg.]

Notwithstanding anything to the contrary contained in the Base Prospectus, Registered Securities of each Series sold to qualified institutional buyers within the meaning of Rule 144A under the Securities Act may initially be represented by a global restricted certificate (each a “**Rule 144A Global Security**”) without interest coupons, which will be deposited with a common depository on behalf of DTC, Clearstream, Luxembourg and Euroclear. For purposes of transfers of Rule 144A Global Securities, the first legend in paragraph 3 under “Transfer and Restrictions for Registered Securities” will apply equally to the Rule 144A Global Securities.]

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(ex) set out in the Base Prospectus dated 5 August 2009.

[When adding any other terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base prospectus under Article 16 of the Directive 2003/71/EC]

Parties

Issuer:	[Barclays Bank PLC] [Barclays Capital (Cayman) Limited]
Guarantor:	[Barclays Bank PLC] [N/A]
Manager[s]:	[Barclays Bank PLC] [and] [Other (<i>specify</i>)]
Determination Agent:	[Barclays Capital Securities Limited] [Barclays Bank PLC]
Issue and Paying Agent:	[The Bank of New York Mellon]
Stabilising Manager:	[N/A] [●]
Registrar:	[The Bank of New York Mellon (Luxembourg) S.A.] [The Bank of New York Mellon (New York branch)] [N/A]
Transfer Agent:	[The Bank of New York Mellon] [The Bank of New York (Luxembourg) S.A.] [The Bank of New York Mellon (New York Branch)] [N/A]
Exchange Agent:	[The Bank of New York Mellon (New York branch)] [Other (<i>specify</i>)] [N/A]

Additional Agents:

[●]

[N/A]

Insert the following paragraph for Bearer Securities: [THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) AND THE SECURITIES COMPRISE BEARER SECURITIES THAT ARE SUBJECT TO US TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”)). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS [AND THE SUPPLEMENTAL PROSPECTUS] SEE “PURCHASE AND SALE” IN THE BASE PROSPECTUS.

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.]

Insert the following paragraphs for Registered Securities: [THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”)). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF [THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S][AND][WITHIN THE UNITED STATES TO “QUALIFIED INSTITUTIONAL BUYERS” IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) [AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN]. [PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE SECURITIES 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 AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS [AND THE SUPPLEMENTAL PROSPECTUS], SEE “PURCHASE AND SALE [OF REGISTERED SECURITIES]” IN THE [SUPPLEMENTAL] PROSPECTUS [AND “TRANSFER RESTRICTIONS” IN THE SUPPLEMENTAL PROSPECTUS].

EACH PURCHASER OF REGISTERED SECURITIES WILL BE DEEMED, BY ITS ACCEPTANCE OF PURCHASE OF ANY SUCH REGISTERED SECURITIES, TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS INTENDED TO RESTRICT THE RESALE OR OTHER TRANSFER OF SUCH REGISTERED SECURITIES AS SET OUT IN “TRANSFER RESTRICTIONS FOR REGISTERED SECURITIES”.

THE SECURITIES 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, AND NONE OF THE FOREGOING AUTHORITIES HAS PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THESE FINAL TERMS OR THE BASE PROSPECTUS [OR THE SUPPLEMENTAL PROSPECTUS]. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES 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 THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE 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.]

[These Securities are Spanish Securities. Securityholders should refer to the provisions of the Spanish Securities Annex of the Base Prospectus which shall apply to the Securities.]

Provisions relating to the Securities

1	Title:	[<i>Title of the Securities</i>]
2	[(i)] Series:	[●]
	[(ii)] Tranche:	[●]
3	Currency:	[●]
4	Number of Warrants or Exercisable Certificates being issued:	[●]
5	Calculation Amount per Security as at the Issue Date:	[●]
6	Form:	
	(i) Global/Definitive/Uncertificated and dematerialised:	[Global Bearer Securities:] [Temporary Global Security, exchangeable for a Permanent Global Security/Permanent Global Security] [Global Registered Securities:] [Regulation S Global Security; and/or Rule 144A Global Security available on the Issue Date]

		[Definitive Registered Securities]
	(ii) NGN Form:	[Applicable] [N/A]
	(iii) CGN Form:	[Applicable] [N/A]
7	Trade Date:	[●]
8	Issue Date:	[●]
9	Issue Price:	[●] per [Security/Unit]
10	Relevant Stock Exchange[s]:	[London Stock Exchange] [Other (<i>specify</i>)] [N/A]
11	The following Relevant Annex(es) shall apply to the Securities (<i>specify each applicable Relevant Annex</i>):	[Commodity Linked Annex] [Equity Linked Annex] [FX Linked Annex] [Inflation Linked Annex] [Other (<i>specify</i>)] [N/A]
Provisions relating to interest (if any) payable on the Securities		
12	Interest:	[Applicable] [N/A]
13	Interest Amount:	[Where single Interest Calculation Period which is less than 1 year and rate provided is not a rate per annum - [●] per Calculation Amount per Security as at the Issue Date] [As per Conditions 4 and 24 of the Base Conditions] [Other (<i>specify</i>)] [N/A]
14	Interest Basis:	[Fixed Rate] [Floating Rate] [Variable Rate [-[Index Linked Interest]/[Equity Linked Interest]FX Linked Interest]/[Commodity Linked Interest]] [Other (<i>specify</i>)] [N/A] (further particulars specified below)
15	Interest Rate[s]:	
	(i) Fixed Rate:	[●] per cent. per annum

		[N/A]
	(ii) Floating Rate:	[Screen Rate Determination] [ISDA Determination] [N/A]
	(iii) Variable Rate:	[Specify basis/methodology/formula for Interest Rate] [N/A]
	(iv) Zero Coupon:	[Specify methodology/internal rate of return] [N/A]
16	Screen Rate Determination:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Reference Rate:	[●]
	(ii) Relevant Screen Page:	[Reuters Screen LIBOR01 Page] [Reuters Screen EURIBOR01 Page] [Other (specify)]
17	ISDA Determination:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Floating Rate Option:	[●]
	(ii) Designated Maturity:	[●]
	(iii) Reset Date:	[●]
18	Margin:	[●] [N/A]
19	Minimum/Maximum Interest Rate:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Minimum Interest Rate	[●] per cent. per annum [N/A]
	(ii) Maximum Interest Rate	[●] per cent. per annum [N/A]
20	Interest Commencement Date:	[●] [Issue Date] [N/A]

- 21 Interest Determination Date: [As per Conditions 4 and 24 of the Base Conditions]
[Arrears Setting Applicable]
[Other (*specify*)]
- 22 Interest Calculation Periods: [As defined in Condition 24 of the Base Conditions]
[Other (*specify*)]
[N/A]
- (i) Interest Period End Dates: [Each Interest Payment Date]
[Other (*specify*)]
[N/A]
- (ii) Interest calculation method for short or long Interest Calculation Periods: [Linear Interpolation]
[Other (*specify*)]
[N/A]
- 23 Interest Payment Dates: [[●] in each year]
[Redemption Date]
[Other (*specify*)]
[N/A]
- 24 Day Count Fraction: [Actual/Actual (ISMA)]
[Actual/Actual]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/360]
[30/360]
[360/360]
[Bond Basis]
[30E/360]
[Eurobond Basis]
[30E/360 (ISDA)]
- 25 Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions: [●]

Provisions relating to Exercise

- 26 (i) Exercise Style: [American Style]
[Bermudan Style]
[European Style]
[Other Exercise Style]
- (ii) Multiple Exercise Securities [Applicable]

		[N/A]
27	Call/Put Securities:	The Securities are [Call Securities/Put Securities]
28	Units:	The Securities must be exercised in Units. Each Unit consists of [●] Securities.
29	Exercise Price:	[●]
30	Exercise Date(s):	[●]
31	Potential Exercise Business Dates:	[●]
32	Exercise Period:	[●]
33	Expiration Date:	[●]
34	Automatic Exercise:	[Applicable (<i>specify in whole or the portion of the Security to be exercised</i>)] [N/A]
35	Minimum Number Exercise Requirement:	[The Minimum Number is [●]] [N/A]
36	Maximum Daily Number:	[●] [N/A]
37	Nominal Call Event:	[Applicable] [N/A] <i>(if not applicable delete the remaining subparagraphs of this paragraph)</i>
	(i) Nominal Call Threshold Amount:	[As defined in Condition 24 of the Base Conditions] [●] [N/A]
	(ii) Nominal Call Threshold Percentage:	[As defined in Condition 24 of the Base Conditions] [●] [N/A]
38	Settlement Method:	[Cash] [Physical] [Issuer Settlement Option] [Securityholder Settlement Option] <i>(Multiple Exercise Securities can only be cash settled)</i>
39	Settlement Currency:	[●]
40	Terms relating to Cash Settled Securities:	

	(i)	Exercise Cash Settlement Amount:	[[●] (<i>specify methodology or formula for calculation</i>)] [N/A]
	(ii)	Exercise Cash Settlement Date:	[●] [As defined in Condition 24 of the Base Conditions] [N/A]
	(iii)	Early Cash Settlement Amount:	[[●] (<i>specify methodology or formula for calculation</i>)] [As defined in Condition 24 of the Base Conditions] [Other (<i>specify methodology or formula for calculation</i>)] <i>[Specify if Early Cash Settlement Amount is or is not to include accrued interest (if applicable).]</i>
	(iv)	Early Cancellation Date:	[As defined in Condition 24 of the Base Conditions] [●]
41		Terms relating to Physically Delivered Securities:	<i>(Not applicable if Multiple Exercise Securities)</i>
	(i)	Exercise Physical Settlement Entitlement:	[[●](<i>Specify methodology or formula for calculation</i>)] [N/A]
	(ii)	Exercise Physical Settlement Date:	[●] [As defined in Condition 24 of the Base Conditions] [N/A]
	(iii)	Early Physical Cancellation Entitlement:	[[●](<i>Specify methodology or formula for calculation</i>)] [N/A]
	(iv)	Early Physical Cancellation Date(s):	[As defined in Condition 24 of the Base Conditions] [Other (<i>specify</i>)] [N/A]
	(v)	Entitlement Substitution:	[Applicable] [N/A]
	(vi)	Disruption Cash Settlement Price:	[[●](<i>Specify methodology or formula for calculation</i>)]

		[N/A]
42	Valuation Date(s):	[●] [N/A]
43	Valuation Time:	[●] [N/A]
44	Multiplier:	[●] [N/A]
45	Averaging Date(s):	[●] [N/A]
46	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:	
	(i) Other Additional Disruption Event:	[Applicable (<i>specify</i>)] [N/A]
	(ii) Affected Jurisdiction Hedging Disruption:	[Applicable] [N/A]
	(iii) Affected Jurisdiction Increased Cost of Hedging:	[Applicable] [N/A]
	(iv) Affected Jurisdiction:	[●] [N/A]
47	Share Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Share(s) (each a “ Reference Asset ”):	[Define and specify details of each share and the related Share]
	(ii) Exchange[s]:	[●]
	(iii) Related Exchange[s]:	[●] [All Exchanges] [N/A]
	(iv) Exchange Rate:	[Specify] [N/A]
	(v) Weighting for each Reference Asset comprising the Basket of Reference Assets:	[Specify] [N/A]

(vi)	Initial Price of each Reference Asset:	[●]
(vii)	Number of Shares:	[●] [N/A]
(viii)	Substitution of Shares:	[Applicable] [N/A]
(ix)	Averaging:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Averaging Dates:	[●]
	(b) Consequence of an Averaging Date being a Disrupted Day:	[Omission] [Postponement] [Modified Postponement]
(x)	Additional Disruption Event in respect of Equity Linked Securities:	[Insolvency Filing] [Increased Cost of Stock Borrow: Initial Stock Loan Rate: [●]] [Loss of Stock Borrow: Maximum Stock Loan Rate: [●]] [Fund Disruption Event] [Other (<i>specify</i>)] [N/A]
(xi)	FX Disruption Event:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Specified Currency:	[●]
	(b) Specified Jurisdiction:	[●]
(xii)	Market Access Dividend and Rights Issue Provisions:	[Applicable] [N/A]
(xiii)	Dividend Exchange Rate:	[●] [N/A]
(xiv)	Other adjustments:	[● (<i>specify</i>)] [N/A]
48	Index Linked Securities (<i>Equity indices only</i>):	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>

- (i) Index/Indices (each a “**Reference Asset**”): [*Define and specify details of each index or basket, the related Index Sponsor and whether the Index is a Multi-exchange Index*]
- (ii) Exchange[s]: [●]
- (iii) Related Exchange[s]: [●]
[All Exchanges]
[N/A]
- (iv) Exchange Rate: [*Specify*]
[N/A]
- (v) Weighting for each Reference Asset comprising the Basket of Reference Assets: [*Specify*]
[N/A]
- (vi) Index Level of each Reference Asset: [●]
- (vii) Averaging: [Applicable]
[N/A]
(if not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Averaging Dates: [●]
- (b) Consequence of an Averaging Date being a Disrupted Day: [Omission]
[Postponement]
[Modified Postponement]
- (viii) Additional Disruption Event in respect of Index Linked Securities: [Insolvency Filing]
[Increased Cost of Stock Borrow:
Initial Stock Loan Rate: [●]]
[Loss of Stock Borrow:
Maximum Stock Loan Rate: [●]]
[Fund Disruption Event]
[Other (*specify*)]
[N/A]
- (ix) FX Disruption Event: [Applicable]
[N/A]
(if not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Specified Currency: [●]
- (b) Specified Jurisdiction: [●]
- (x) Other adjustments: [[●] (*specify*)]
[N/A]

49	Inflation Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Single inflation index or basket of inflation indices (each a “ Reference Asset ”) and details of the relevant sponsors (the “ Index Sponsor(s) ”):	[Single Index: [●]] [Basket of Indices: [●]] Index Sponsor(s): [●] <i>(Define and include details for each relevant index)</i>
	(ii) Related Bond:	[Applicable (<i>specify details</i>)] [N/A]
	(iii) Fallback Bond:	[Applicable (<i>specify details</i>)] [N/A]
	(iv) Related Bond Redemption Event:	[Applicable] [N/A]
	(v) Use of Re-based Index:	[Applicable] [N/A]
	(vi) Acceleration upon Re-basing of Index:	[Applicable] [N/A]
	(vii) Cut-Off Date:	[As per the Inflation Linked Annex] [●]
	(viii) Reference Month:	[As per the Inflation Linked Annex] [Other (<i>specify</i>)]
50	FX Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Single FX Rate, Basket of FX Rates, Currency Pair, FX index, or FX-linked product or transaction (each a “ Reference Asset ”):	[FX Rate: [●]] [Basket of FX Rates: [●]] [Currency Pair: [●]] [FX index: [<i>insert formula</i>]] <i>(Define and include details for each relevant Reference Asset and components as applicable)</i>
	(ii) FX Rate Source(s):	[●]
	(iii) Specified Time:	[●]
	(iv) Reference Currency:	[As per the FX Linked Annex]

		[Other (<i>specify</i>)]
(v)	Specified Rate:	[●]
(vi)	Spot rate:	[●]
(vii)	Principal Financial Centre:	[As per the FX Linked Annex]
		[Other (<i>specify</i>)]
(viii)	Elective FX Disruption Event:	[Applicable – [As per the FX Linked Annex.]/[The following event shall also constitute an Elective FX Disruption Event: [<i>specify</i>]]]
		[N/A]
		<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Benchmark Obligation Default:	[Applicable (<i>specify</i>)]
		[N/A]
	(b) Price Materiality:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	- Primary Rate:	[●]
	- Secondary Rate:	[●]
	- Price Materiality Percentage:	[●]
(ix)	FX Disruption Event:	[Applicable – [As per the FX Linked Annex.]/[The following event shall also constitute a FX Disruption Event: [<i>specify</i>]]]
		[N/A]
(x)	Averaging:	[<i>Insert methodology</i>]
		[N/A]
		<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Averaging Dates:	[●]
	(b) Consequences of an Averaging Date being a Disrupted Day:	[Omission]
		[Postponement]
		[Modified Postponement]
(xi)	Rate Calculation Date:	[●]
51	Commodity Linked Securities:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining sub-</i>

- paragraphs of this paragraph)*
- (i) Relevant Commodity, Commodity Index, Basket of Commodities/Commodity Indices (including weighting of commodities/commodity indices) (each a “**Reference Asset**”): [Relevant Commodity: [●]]
[Commodity Index: [●]]
[Basket of Commodities/Commodity Indices: [●] (*include weighting*)]
- (ii) Commodity Reference Price: [●]
- (iii) Price Source(s): [●]
[N/A]
- (iv) Exchange(s): [●]
[N/A]
- (v) Specified Price: [●]
- (vi) Delivery Date: [●]
[N/A]
(specify whether price based on spot market, First Nearby Month, Second Nearby Month, etc.)
- (vii) Pricing Date: [●, subject to adjustment in accordance with the Commodity Business Day Convention]
- Common Pricing: [Applicable]
(include only if Basket of Commodities/Commodity Indices) [Inapplicable]
- (viii) Commodity Market Disruption Events: [As per the Commodity Linked Annex]
[Other (*Specify*)]
- Disruption Fallback(s): [As per the Commodity Linked Annex]
[Other (*specify*)]
[N/A]
- Additional provisions for Trading Disruption: [If Trading Disruption applies, specify any additional futures contracts, options contracts or commodities and the related exchange to which Trading Disruption relates]
- (ix) Adjustments to Commodity Index: [As per the Commodity Linked Annex]
[Other (specify any other applicable additional Disruption Fallback(s))]
- (x) Commodity Business Day Convention: [Following]
[Modified Following]
[Nearest]
[Preceding]

52	Additional terms and conditions relating to the Securities:	[●] [N/A]
Additional provisions relating to Settlement		
53	Minimum Settlement Amount	[●] [N/A]
54	Additional provisions relating to payment of Exercise Price:	[[●] (<i>specify</i>)] [N/A]
55	Additional provisions relating to Taxes and Settlement Expenses:	[[●] (<i>specify</i>)] [N/A]
Definitions		
56	Definition of In The Money:	[●]
57	Additional Business Centre(s):	[●] [N/A]
Selling restrictions and provisions relating to certification		
58	Non-US Selling Restrictions:	[As described in the Base Prospectus] [N/A] [Other (<i>specify</i>)]
59	Applicable TEFRA exemption:	[TEFRA C] [TEFRA D] [N/A]
General		
60	Business Day Convention:	[Following] [Modified Following] [Nearest] [Preceding]
61	Relevant Clearing System[s]:	[Euroclear] [Clearstream, Luxembourg] [DTC] [Specify details including address if different]
62	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	[N/A] [give names and addresses and underwriting commitments]
63	Relevant securities codes:	ISIN: [●] Common Code: [●] [Valoren: [●]] [WKN: [●]]

		[CUSIP: [●]]
64	Modifications to the Master Subscription Agreement and/or Master Agency Agreement:	[●] [N/A]
65	Additional Conditions and/or modification to the Conditions of the Securities:	[Specify details] [N/A]

Part B Other Information

1 LISTING AND ADMISSION TO TRADING

- (i) Listing [London/other (specify)/None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [the London Stock Exchange's Regulated Market/specify] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [the London Stock Exchange's Regulated Market/specify]] on or around the Issue Date.]
- [N/A]
- (Where documenting a fungible issue indicate that original Securities are already admitted to trading.)*
- [(iii) Estimate of total expenses related to admission to trading: [●]]⁴

2 RATINGS

- Ratings: [The Securities have not been individually rated.]
- [Upon issuance the Securities are expected to be rated:
- [S & P: [●]]
- [Moody's: [●]]
- [Other]: [●]]

3 NOTIFICATION

[The Financial Services Authority of the United Kingdom has been requested to provide/has provided - *include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues*] the [*include names of competent authorities of host Member States*] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

[N/A]

⁴ Only applicable to Tranches of Securities with a denomination of at least €50,000 or equivalent in other currencies.

4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

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

“Save as discussed in [“Subscription and Sale”], so far as the Issuer is aware, no person involved in the offer of the Securities 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 Prospectus under Article 16 of the Prospectus Directive.)]

5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

[(i) Reasons for the offer:

[General funding]

[Specify if other reasons]

(See “Use of Proceeds” wording in Base Prospectus - if reasons for offer different from general corporate purposes and/or hedging certain risks will need to include those reasons here.)

[(ii) Estimated net proceeds:

[●]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

[(iii) Estimated total expenses:

[●]

[Include breakdown of expenses]

(If the Securities are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)

6 FIXED RATE SECURITIES ONLY - YIELD

[Indication of yield:

[●]

[N/A]

[Calculated as [include details of method of calculation in summary form] on the Issue Date.]

[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.]]

7 FLOATING RATE SECURITIES ONLY - HISTORIC INTEREST RATES

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

[N/A]

8 [PERFORMANCE OF REFERENCE ASSET(S) OR OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE REFERENCE ASSET(S) AND/OR OTHER UNDERLYING]

[Applicable]

[N/A]

[Need to include description of the relevant Reference Asset(s) and details of where past and future performance and volatility of the relevant Reference Asset(s) or other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the Reference Asset(s) or other underlying and the circumstances when the risks are most evident.]

[Where the Reference Asset(s) or underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Include other information concerning the underlying required by Paragraph 4.2 of Annex VII of the Prospectus Directive Regulation.]

[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

The Issuer does not intend to provide post-issuance information.

9 PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

[Need to include details of where past and future performance and volatility of the relevant rates can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the Reference Asset(s) or other underlying and the circumstances when the risks are most evident.]

[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.)]

10 OPERATIONAL INFORMATION

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme (together with their addresses) and the relevant identification

[N/A]

[insert name(s) and number(s) and/or amendments to the Conditions]

number(s):

Delivery:

Names and addresses of additional Paying Agents(s) (if any):

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

Delivery [against/free of] payment

[●]

[N/A]

[Yes]

[No]

[Note that the designation “yes” simply means that the Securities are intended upon issue to be deposited with one of the International Central Securities Depositories as common safekeeper and does not necessarily mean that the Securities 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.][*include this text if “yes” selected in which case the Securities must be issued in NGN Form*]

11 [OFFER INFORMATION

If applicable, the following details should be included:

- | | |
|---|--|
| (i) Offer Price: | [Issue Price] [<i>specify</i>] |
| (ii) Conditions to which the offer is subject: | [Not Applicable/ <i>give details</i>] |
| (iii) Description of the application process: | [Not Applicable/ <i>give details</i>] |
| (iv) Details of the minimum and/or maximum amount of application: | [Not Applicable/ <i>give details</i>] |
| (v) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: | [Not Applicable/ <i>give details</i>] |
| (vi) Details of method and time limits for paying up and delivering the Securities: | [Not Applicable/ <i>give details</i>] |
| (vii) Manner in and date on which results of the offer are to be made public: | [Not Applicable/ <i>give details</i>] |
| (viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: | [Not Applicable/ <i>give details</i>] |
| (ix) Categories of prospective investors to which the Securities are offered and whether tranche(s) have been reserved for | [Not Applicable/ <i>give details</i>] |

certain countries:

- (x) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made: [Not Applicable/*give details*]
- (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable/*give details*]
- (xii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: [Name/*give details*]

[[The Issue Price includes a commission element to be shared with a third party which shall not exceed [●] per cent., further details of which are available upon request.][*Or if applicable* [A distribution fee has been paid to a third party. The amount of this fee will not exceed [●] per cent. of the [Issue Price], of each year of the product's term. Such fee shall be paid [on the Trade Date]/[annually] and is not refundable in the event of early cancellation or sale on the secondary market.]]

TERMS AND CONDITIONS OF THE SECURITIES

BASE CONDITIONS

The following are the Base Conditions that will apply to the Securities, subject to amendment and as supplemented or varied in accordance with the provisions of the applicable Final Terms and any applicable Relevant Annex specified to be applicable in such Final Terms. Where a Relevant Annex is specified in the applicable Final Terms for any Securities, these Base Conditions shall be subject to contrary provisions contained in such Relevant Annex and will not apply to the extent they are inconsistent with the provisions of such Relevant Annex. In all cases, these Base Conditions and the provisions of such Relevant Annex 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 24 or elsewhere in these Base Conditions will have the meanings given to them in the applicable Relevant Annex or applicable Final Terms. Those definitions will be endorsed on Definitive Securities. References in these Base Conditions or any Relevant Annex to “Securities” are to the Securities of one Series only, not to all Securities that may be issued under the Programme.

The Securities are issued as notes (“**Notes**”), certificates (“**Certificates**”) or warrants (“**Warrants**”), by whichever of Barclays Bank PLC (or any New Bank Issuer substituted in accordance with Condition 17.1, the “**Bank**”) or Barclays Capital (Cayman) Limited (or any New BCCL Issuer substituted in accordance with Condition 17.1, “**BCCL**”) or any Accession Issuer (the Bank, BCCL and each Accession Issuer together, the “**Issuers**”), as specified in the applicable Final Terms, and references to “**Securities**” and the “**Issuer**” shall be construed accordingly. The Securities issued by BCCL will be guaranteed by the Bank (or any New Guarantor substituted in accordance with Condition 17.2, the “**Guarantor**”) pursuant to a deed of guarantee dated 5 August 2009 (as amended and/or supplemented and/or restated as at the Issue Date, the “**Guarantee**”) and references herein to the Guarantor and the Guarantee apply solely to Securities issued by BCCL. The Securities are issued pursuant to a Master Agency Agreement dated 5 August 2009 (as amended and/or supplemented and/or restated as at the Issue Date, the “**Master Agency Agreement**”) between the Issuers, the Guarantor and certain agents in respect of the Securities and with the benefit of a Deed of Covenant dated 5 August 2009 (as amended and/or supplemented and/or restated as at the Issue Date, the “**Deed of Covenant**”) executed by the Issuers and the Guarantor.

These Base Conditions include summaries of, and are subject to, the provisions of the Master Agency Agreement. The Securityholders and 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 Securities in bearer form are entitled to the benefit of, and are deemed to have notice of and are bound by, the provisions of the Master Agency Agreement (insofar as they relate to the Securities and/or Coupons), any applicable relevant Annex and the applicable Final Terms, which are binding on them. Copies of the Master Agency Agreement, the Deed of Covenant and the Guarantee are available for inspection at the registered office of the relevant Issuer and the specified offices of the Paying Agents, the Transfer Agents and the Registrars. The determination agent, the issue and paying agent, the registrar, the paying agents and the transfer

agents for the time being are referred to below respectively as the “**Determination Agent**”, the “**Issue and Paying Agent**”, the “**Registrar**”, the “**Paying Agents**” and the “**Transfer Agents**”. In respect of any issue of Securities, “**Agents**” means the Determination Agent and the Issue and Paying Agent together with, in the case of Securities in bearer form (“**Bearer Securities**”), the other Paying Agents and, in the case of Securities in registered form (“**Registered Securities**”), the Registrar and the other Transfer Agents, and any other agent or agents appointed from time to time in respect of the Securities.

Unless otherwise specified in the applicable Final Terms, the initial Agents shall be as follows:

- (i) the initial Determination Agent shall be the Bank or Barclays Capital Securities Limited, as specified in the applicable Final Terms;
- (ii) the initial Issue and Paying Agent shall be The Bank of New York Mellon (acting through its London branch);
- (iii) the initial Registrar in respect of Registered Securities shall be The Bank of New York Mellon (Luxembourg) S.A. (the “**Luxembourg Registrar**”) in respect of Securities 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 Securities that are distributed within the United States of America (the “**NY Registrar**” and, together with the Luxembourg Registrar, the “**Registrars**” and each a “**Registrar**”);
- (iv) the initial Paying Agents in respect of Bearer Securities 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 Securities 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 Securities that are distributed within the United States of America (the “**New York Agent**”);
- (v) the initial Transfer Agents in respect of Registered Securities shall be the initial Issue and Paying Agent together with the Luxembourg Agent in respect of Securities that are distributed outside the United States of America and the New York Agent in respect of Securities that are distributed within the United States of America; and
- (vi) the initial Exchange Agent shall be The Bank of New York Mellon (acting through its New York branch) in respect of Cleared Securities for which DTC is the Relevant Clearing System.

In connection with any issue of Securities, 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 any Relevant Annex to Agents shall be to the initial Agents specified above or as specified in the applicable Final Terms or Relevant Annex, or the then current Successor (whether direct or indirect) of such Agent appointed in accordance with these Base Conditions, any applicable Relevant Annex and the Master Agency Agreement with respect to such Securities.

The Securities of any Series are subject to these Base Conditions, as modified and/or supplemented by the terms of any Relevant Annex and the applicable Final Terms. Each Series may be issued in tranches (each, a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (that will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the Issue Date, Issue Price, first payment of interest, if applicable, aggregate nominal amount of the Tranche and any other initial factor, value, price or level specified in the

applicable Final Terms, will be identical to the terms of other Tranches of the same Series) will be set out in the applicable Final Terms.

1 Form, Title and Transfer

1.1 Form

(a) *Form of Securities*

Securities will be issued in bearer form as Bearer Securities (with or without Coupons) or in registered form as Registered Securities, in each case, as specified in the applicable Final Terms. Bearer Securities may not be exchanged for Registered Securities and vice versa.

Securities will initially be issued in global form (which in respect of Bearer Securities shall be represented by global bearer securities, “**Global Bearer Securities**” and in respect of Registered Securities shall be represented by global registered securities, “**Global Registered Securities**”, Global Bearer Securities and Global Registered Securities being global securities (“**Global Securities**”), and may only be exchanged for Securities in definitive form (which in respect of Bearer Securities shall be issued as definitive bearer securities, “**Definitive Bearer Securities**”, and in respect of Registered Securities shall be represented by definitive registered securities, “**Definitive Registered Securities**”, Definitive Bearer Securities and Definitive Registered Securities being definitive securities (“**Definitive Securities**”), with the terms and conditions endorsed on such Definitive Securities) if specified in the applicable Final Terms, or an Exchange Event occurs and Global Securities are to be exchanged for Definitive Securities in accordance with the terms of the relevant Global Security. The relevant Issuer will promptly give notice to Securityholders in accordance with Condition 16 if an Exchange Event occurs.

(b) *Initial Issue of Global Securities*

If “NGN Form” is specified as applicable in the applicable Final Terms, the Global Security will be delivered on or prior to the original issue date of the Tranche to a common safekeeper (a “**Common Safekeeper**”). *Depositing the Global Security with the Common Safekeeper does not necessarily mean that the Securities 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 Security may be delivered on or prior to the original issue date of the Tranche to a common depositary (a “**Common Depositary**”) for the Relevant Clearing System.

If the Global Security is in CGN Form, upon the initial deposit of a Global Security with a Common Depositary or registration of Registered Securities in the name of any nominee for the Relevant Clearing System and delivery of the relevant Global Registered Security to the Common Depositary, the Relevant Clearing System will credit each subscriber with a nominal amount of Securities in the case of Notes or with a number of Securities in the case of Certificates or Warrants, equal to the nominal amount or number thereof for which it has subscribed and paid. If the Global Security is in NGN Form, the nominal amount of the Securities in the case of Notes and the number of Securities in the case of Certificates and

Warrants shall be the relevant aggregate amount or number from time to time entered in the records of the Relevant Clearing System. The records of the Relevant Clearing System shall be conclusive evidence of the nominal amount of Securities in the case of Notes, or number of Securities in the case of Certificates and Warrants, represented by the Global Security 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 Securities*

Each Series of Bearer Securities 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 Security**”) 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 Master Agency Agreement for interests in a permanent bearer global security (a “**Permanent Global Security**”) or, if so provided in the applicable Final Terms, for Definitive Securities.

Each Series of Bearer Securities 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 Security.

Each Permanent Global Security will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not in part for Definitive Securities only upon the occurrence of an Exchange Event.

If the Global Security is a CGN, on or after any due date for exchange, the holder of a Global Security may surrender such Global Security 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 Global Security, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Security exchangeable for a Permanent Global Security, deliver, or procure the delivery of, a Permanent Global Security in an aggregate nominal amount or aggregate number, as applicable, equal to that of the whole or that part of a Temporary Global Security that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Security to reflect such exchange or (ii) in the case of a Global Security exchangeable for Definitive Securities, deliver, or procure the delivery of, an equal aggregate nominal amount or aggregate number, as applicable, of duly executed and authenticated Definitive Securities or (iii) if the Global Security is a NGN, 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 Security, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Securities.

(d) *Registered Securities*

*Registered Securities of each Series which are sold in an “offshore transaction” within the meaning of Regulation S under the Securities Act (“**Unrestricted Securities**”) will be represented by interests in a Regulation S Global Security, without Coupons, deposited with, and registered in the name of, a nominee for a Common Depositary of a Relevant Clearing System on its issue date.*

*Registered Securities of each Series resold pursuant to Rule 144A of the Securities Act (“**Restricted Securities**”) will be represented by a Rule 144A Global Security, without*

Coupons, deposited with either (i) a custodian for, and registered in the name of a nominee of, DTC or (ii) a Common Depositary on behalf of the Relevant Clearing System on its issue date.

1.2 Denomination and Number

The applicable Final Terms in respect of Securities that are Notes will specify the denomination or denominations (each, a “**Specified Denomination**”) in which such Securities are issued, together with the Aggregate Nominal Amount and Currency of such Securities, the Calculation Amount per Security as at the Issue Date and any Relevant Annexes that apply to the Securities. All Registered Securities of a Series that are Notes shall have the same Specified Denomination.

The applicable Final Terms in respect of Securities that are Certificates or Warrants will specify the Currency of such Securities, the Issue Price per Security or Unit, the number of Securities being issued, the Calculation Amount per Security as at the Issue Date and, where applicable, the number of Warrants or Exercisable Certificates comprising a Unit, if the Securities are Put Securities or Call Securities and identify any Relevant Annexes that apply to the Securities. All Securities of a Series that are Certificates or Warrants shall have the same Calculation Amount per Security as at the Issue Date.

1.3 Title

(a) General

Title to Bearer Securities and any Coupons passes by delivery and title to Registered Securities passes by registration in the Register that the Issuer shall procure is kept by the Registrar in accordance with the provisions of the Master Agency Agreement.

Subject to Condition 1.3(b), the Issuer, the Guarantor and the relevant Agents shall (except as otherwise required by law or ordered by a court of competent jurisdiction) deem and treat the holder of any Bearer Security or Coupon as its absolute owner for all purposes (whether or not such Security is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it (or on the Global Bearer Security representing it) or its theft or loss) and no person shall be liable for so treating the holder.

Subject to Condition 1.3(b), the Issuer, the Guarantor 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 Registered Security as its absolute owner for all purposes (whether or not such Security is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the Definitive Registered Security or Global Registered Security representing the Registered Security or its theft or loss) and no person shall be liable for so treating the holder.

In these Base Conditions, “**Securityholder**” means the bearer of any Bearer Security or the person in whose name a Registered Security is registered, and “**holder**” means, in relation to a Bearer Security or Coupon, the bearer of such Bearer Security or Coupon and, in relation to a Registered Security, the person in whose name such Registered Security is registered.

(b) Cleared Securities

Notwithstanding Condition 1.3(a) for so long as any Securities are Global Securities held by a Common Depositary, Common Safekeeper or custodian for, or registered in the name of a nominee of, a Relevant Clearing System (“**Cleared Securities**”), each person (other than the Relevant Clearing System itself) who is for the time being shown in the records of the Relevant Clearing System as the holder of a particular nominal amount of Notes or the holder of a particular number of Certificates or Warrants represented by the relevant Global Security (in which regard any certificate or other document issued by such Relevant Clearing System as to the nominal amount of Notes or the number of Certificates or Warrants standing to the account of any person shall be conclusive and binding for all purposes, save in the case of manifest error) shall (except as otherwise required by law or ordered by a court of competent jurisdiction) be treated by the Issuer, the Guarantor and the relevant Agents as the Securityholder and absolute owner of such nominal amount of Notes or such number of Certificates or Warrants for all purposes other than with respect to the payments and deliveries on such Securities and the deposit or surrender of such Securities required in connection with any payment, redemption or exercise of any option or election under the Securities.

For the purpose of payments and deliveries and any obligation to deposit and/or surrender Cleared Securities, the relevant Common Depositary, Common Safekeeper, custodian or nominee as holder of the relevant Cleared Security shall be treated by the Issuer, the Guarantor and the relevant Agents as the holder and absolute owner of such nominal amount of Notes or such number of Certificates or Warrants in accordance with and subject to the terms of the relevant Global Security. Payments and deliveries in respect of Cleared Securities will be made through the Relevant Clearing System against presentation of the Global Security.

Where the Cleared Security is in NGN Form, the Issuer will procure that any exchange, payment, cancellation, exercise of any option or any right under the Securities shall be entered into the records of the Relevant Clearing System and upon such entry being made, in respect of payments of principal, the nominal amount in the case of Notes or the number in the case of Certificates and Warrants represented by the Global Security shall be adjusted accordingly.

1.4 Transfers

(a) Transfer of Bearer Securities

Subject to Condition 1.4(c), Bearer Securities and Coupons will be transferred by delivery.

(b) Transfer of Registered Securities

Subject to Condition 1.4(c), Registered Securities may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the relevant Definitive Registered Security or Global Registered Security (provided such Security is not a Cleared Security) representing such Registered Securities to be transferred, together with the form of transfer endorsed on such Definitive Registered Security or Global Registered Security (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 Securities represented by a single Definitive Registered Security or Global Registered Security (provided such Security is not a Cleared Security), a new Definitive Registered Security shall be issued to the transferee in respect of the part transferred and a further new Definitive Registered Security or Global Registered Security in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Securities scheduled to the Master Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and each Securityholder. A copy of the current regulations will be made available by the Registrar to any Securityholder upon request. For the avoidance of doubt if Registered Securities are Cleared Securities then all (and not some only) of the Registered Securities of the same Series shall be Cleared Securities.

Investors in the Securities are referred to the Sections in the Base Prospectus headed "Purchase and Sale" and "Clearance, Settlement and Transfer Restrictions".

(c) Transfer of Cleared Securities

Notwithstanding Conditions 1.4(a) and (b), transfers of beneficial interests in Cleared Securities may only be effected in accordance with the Relevant Rules of the Relevant Clearing Systems.

If the applicable Final Terms specify that the Securities are to be represented by a Permanent Global Security on issue, the following will apply in respect of transfers of Cleared Securities. These provisions will not prevent the trading of interests in the Securities within the Relevant Clearing system whilst they are held on behalf of such Relevant Clearing System, but will limit the circumstances in which the Securities may be withdrawn from the Relevant Clearing System.

Transfers of the holding of Securities represented by any Global Security 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 pursuant to this Condition 1.4(c), if the Securities are Registered Securities, the registered holder has given the Registrar not less than 10 Business Days' notice at its specified office of the registered holder's intention to effect such transfer.

Investors in the Securities are referred to (i) the Sections in the Base Prospectus headed "Purchase and Sale", "Clearance, Settlement and Transfer Restrictions" and "Book-entry Procedure for Rule 144A Global Securities Deposited with DTC" and (ii) any Relevant Annex specified in the applicable Final Terms.

(d) Exercise of Options or Partial Redemption in Respect of Registered Securities

In the case of an exercise of an Issuer's or Securityholder's option in respect of, or a partial redemption of, a holding of Registered Securities represented by a single

Definitive Registered Security or Global Registered Security, as the case may be, a new Definitive Registered Security 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 Securities of the same holding having different terms, a separate Definitive Registered Security or Global Registered Security shall be issued in respect of those Registered Securities of that holding that have the same terms. New Definitive Registered Securities shall only be issued against surrender of the relevant existing Definitive Registered Security or Global Registered Security, to the Registrar or any Transfer Agent. In the case of a transfer of Registered Securities to a person who is already a holder of Registered Securities, a new Definitive Registered Security representing the enlarged holding shall only be issued against surrender of the Definitive Registered Security or Global Registered Security representing the existing holding.

(e) Delivery of New Registered Securities

Each new Definitive Registered Security or Global Registered Security to be issued pursuant to Conditions 1.4(b) or (d) shall be available for delivery within three business days of receipt of the form of transfer, the relevant Exercise Notice or notice of redemption and surrender of the Definitive Registered Security or Global Registered Security, as the case may be. Delivery of a new Definitive Registered Security or Global Registered Security 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 Security or Global Registered Security 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 Security or Global Registered Security, 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 Securities will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(g) Registered Security Closed Periods

No Securityholder may require the transfer of a Registered Security to be registered (i) during the period of 15 calendar days ending on the due date for redemption or exercise of that Security, (ii) on any day after the date of any Option Exercise Notice delivered by such Securityholder in respect of such Registered Security, (iii) on any day after the date of any Settlement Election Notice or Delivery Entitlement Instruction (if earlier) delivered by such Securityholder in respect of such Registered Security, (iv)

during the period of 15 calendar days before any date on which Securities may be called for redemption by the Issuer at its option pursuant to Conditions 5.3 or 5.4, (v) after any such Security has been called for redemption or has been exercised or (vi) during the period of seven calendar days ending on (and including) any Record Date.

(h) *Minimum Settlement Amount*

Global Securities may, if specified in the applicable Final Terms, be subject to a Minimum Settlement Amount, in which case such Securities will, for so long as they are Cleared Securities, be transferable only in a nominal amount in the case of Notes or in a number in the case of Certificates and Warrants, of not less than such Minimum Settlement Amount. Notwithstanding the foregoing, such Securities will only be transferable in accordance with the Relevant Rules for the time being of the Relevant Clearing Systems.

Securities in respect of which a Minimum Settlement Amount is specified in the applicable Final Terms shall not be admitted to listing on the Official List and admitted to trading on the Regulated Market of the London Stock Exchange.

2 Status

The Securities 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 Securities 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 Securities do not evidence deposits of the Issuer. The Securities are not insured or guaranteed by any government or government agency.

3 Guarantee

3.1 Status of the Guarantee

All obligations of BCCL in respect of its Securities and any Coupons relating to them are unconditionally and irrevocably guaranteed by the Guarantor pursuant to the Guarantee. The Guarantee constitutes an unsecured and general obligation of the Guarantor and ranks and will rank equally with all other existing and future unsecured obligations of the Guarantor (except for such obligations as may be preferred by provisions of law that are both mandatory and of general application).

3.2 Settlement by the Guarantor

If written demand is made of the Guarantor under the Guarantee in respect of Securities for which "Issuer Settlement Option" is specified as applicable in the applicable Final Terms, notwithstanding any election by the Issuer or BCCL of a particular Settlement Method in respect thereof, the Guarantor may elect at its sole discretion whether to settle such Securities by Physical Settlement or Cash Settlement. In such circumstances, the Guarantor's delivery of the relevant Entitlement or its payment of the relevant Settlement Amount, in each case subject to Condition 9.5, in accordance with the terms of the relevant Securities shall

constitute the complete discharge of the Guarantor's obligations in respect of such Security and the Guarantor shall have no liability or responsibility for any loss suffered or cost incurred by a Securityholder as a result (direct or indirect) of the Guarantor making such election.

4 Interest

If the applicable Final Terms specify interest applies to any Securities, each Security of such Series will bear interest on its applicable Calculation Amount 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 applicable Final Terms. Interest will be payable in arrear on the date or dates specified in the applicable Final Terms (the "**Interest Payment Dates**" and each an "**Interest Payment Date**"). Subject to Condition 8, the Interest Amount payable per Calculation Amount in respect of any Security on any Interest Payment Date will be calculated by the Determination Agent in respect of the immediately preceding Interest Calculation Period and shall be equal to the product of the applicable Interest Rate, the applicable Calculation Amount (determined by reference to the Calculation Amount as at the first day of the relevant Interest Calculation Period unless otherwise specified in the applicable Final Terms) and the Day Count Fraction for the relevant Interest Calculation Period, unless an Interest Amount (or other formula for its calculation) is specified in respect of such Interest Calculation Period in the applicable Final Terms, in which case the amount of interest payable per Calculation Amount in respect of such Security for such period shall equal such Interest Amount (or be calculated in accordance with such formula). If the applicable Final Terms specify Securities to be Zero Coupon Securities, the Securities of such Series will not bear interest except in respect of any overdue principal following the Redemption Date (or such other date as specified in the applicable Final Terms).

In the case of Partly Paid Securities (other than Partly Paid Securities which are Zero Coupon Securities), interest will accrue as aforesaid on the paid-up Nominal Amount or the appropriate portion of the Calculation Amount of such Securities and otherwise as specified in the applicable Final Terms and the Conditions of such Securities shall be construed accordingly.

Notwithstanding anything to the contrary in this Condition 4, the accrual and/or payment of interest may be contingent on, or calculated by reference to, the performance, price, value or level or other factor relating to one or more Reference Assets if so specified in any applicable Relevant Annex and/or the applicable Final Terms. The interest payable per Calculation Amount, Interest Rate or any Interest Amount, in each case, for an Interest Calculation Period, may be calculated by reference to:

- (i) the number of calendar days in a specified period on which a specified rate and/or price, value or level of one or more Reference Assets has a particular value, is within a specified range or is above/below a specified value, price or level; and/or
- (ii) the rate for the immediately preceding interest calculation period; and/or
- (iii) a range accrual fraction, multiplier or other factor; and/or
- (iv) any other method or formulae.

Any amendments to this Condition 4 and/or any additional provisions relating to such Securities will be set out in the applicable Final Terms.

4.1 Interest on Fixed Rate Securities

If “Fixed Rate” is specified as the Interest Basis in the applicable Final Terms, the Interest Rate for each Interest Calculation Period will be the rate specified in the applicable Final Terms.

4.2 Interest on Floating Rate Securities

Subject to Conditions 4.2(c) and (d), if “Floating Rate” is specified as the Interest Basis in the applicable Final Terms, the Interest Rate for an Interest Calculation Period will be the rate determined by the Determination Agent in the manner specified in the applicable Final Terms pursuant to Condition 4.2(a) or 4.2(b) or as otherwise provided in the applicable Final Terms. In respect of any short or long Interest Calculation Period as specified in the applicable Final Terms the Determination 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 Securities

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 Determination Agent (a) the ISDA Rate is not published or made available to the market, and/or (b) the Determination Agent determines that an alternative market rate is in more common usage, the Determination Agent shall determine the Interest Rate for such Interest Calculation Period at its sole and absolute discretion.

(b) Screen Rate Determination for Floating Rate Securities

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 LIBOR, 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 Determination Agent in accordance with Condition 8. 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 Determination 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 Securities is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Interest Rate in respect of such Securities will be determined as provided in the applicable Final Terms.

If, on any Interest Determination Date relating to such Interest Calculation Period, the Relevant Screen Page is not available or, if Condition 4.2(b)(i) applies and no such offered quotation appears on the Relevant Screen Page, or, if Condition 4.2(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 Determination Agent shall request, if the Reference Rate is LIBOR, 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 Determination Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, 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 Determination 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 Determination Agent.

If the preceding paragraph applies and the Determination 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 Determination Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, 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 Settlement 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 inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Determination Agent with such offered rates, the offered rate for deposits in the Settlement 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 Settlement Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, 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 Determination Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank 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) *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 4.2(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to Condition 4.2(d).

(d) *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.

4.3 Variable Rate Securities

Each Variable Rate Security bears interest on the basis of the formula or method specified for such purpose in the applicable Final Terms, as determined by the Determination Agent in accordance with Condition 8.

4.4 Zero Coupon Securities

If “Zero Coupon” is specified as the Interest Basis in the applicable Final Terms, the Securities will not bear interest and references to interest and Coupons in these Base Conditions are not applicable, provided however that where any such Security is repayable prior to the Redemption 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 Redemption Date shall be the Early Cash Settlement Amount for such Security.

4.5 Accrual of Interest

Interest shall cease to accrue on each interest bearing Security 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 judgment) at the Interest Rate in the manner provided in this Condition 4 to the Relevant Date as if such period was an Interest Calculation Period.

5 Redemption of Securities that are Notes or Certificates

This Condition 5 applies only to Securities that are Notes and Certificates (other than Exercisable Certificates). Any such Securities being redeemed pursuant to this Condition 5 shall, subject to Condition 7, be settled in accordance with the applicable Settlement Method.

5.1 Redemption

Unless previously redeemed in accordance with this Condition 5 or purchased and cancelled in accordance with Condition 22, each Security will, subject to Conditions 7, 8 and 9, be redeemed in whole:

- (a) if “Cash Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1 or is validly elected or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition (d) or (e), at the Final Cash Settlement Amount on the Redemption Date; or
- (b) if “Physical Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1 or is validly elected by the Issuer or Securityholder pursuant to Condition 5.1(d) or (e), by delivery of the Final Physical Redemption Entitlement on the applicable Final Physical Redemption Date; or
- (c) if “Cash or Physical Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1, and (i) the conditions to cash settlement specified in the applicable Final Terms are satisfied, at the Final Cash Settlement Amount on the Redemption Date, or (ii) the conditions to physical settlement specified in the applicable Final Terms are satisfied, by delivery of the Final Physical Redemption Entitlement on the applicable Final Physical Redemption Date; or
- (d) if “Issuer Settlement Option” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1, in accordance with Condition 5.1(a) if the Issuer elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.1(b) if the Issuer elects for Physical Settlement to apply. Notice of the Issuer’s election shall be given to Securityholders in accordance with Condition 16 no later than 10 Business Days prior to the Redemption Date. If notice of such election is not given Cash Settlement shall be deemed to have been elected to apply to the Securities; or
- (e) if “Securityholder Settlement Option” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1, in accordance with Condition 5.1(a) if the Securityholder elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.1(b) if the Securityholder elects for Physical Settlement to apply in accordance with Condition 7.1.

5.2 Early Redemption at the Option of Securityholders

If “Put Option” is specified to apply in the applicable Final Terms, upon the holder of such Security giving not less than 15 Business Days irrevocable notice to the Issuer (or such other notice period as may be specified in the applicable Final Terms) (such period the “**Put Notice Period**”), provided such notice is in the form of an Option Exercise Notice and delivered within the Put Option Exercise Period, the Issuer shall, subject to Conditions 7, 8 and 9 and the conditions to exercise set out below, redeem each Security to which such notice relates in whole (but not in part):

- (a) if “Cash Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.2 or is validly elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 5.2(c) or (d), at its Optional Cash Settlement Amount on the Optional Cash Redemption Date; or
- (b) if “Physical Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.2 or is validly elected by the Issuer or

Securityholder pursuant to Condition 5.2(c) or (d), by delivery of the Optional Physical Redemption Entitlement on the applicable Optional Physical Redemption Date; or

- (c) if “Issuer Settlement Option” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.2, in accordance with Condition 5.2(a) if the Issuer elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.2(b) if the Issuer elects for Physical Settlement to apply. The Issuer will notify the relevant holder(s) of its election no later than 10 Business Days (or such other notice period as may be specified in the applicable Final Terms) prior to last day of the Put Notice Period in accordance with Condition 16. If notice of such election is not given Cash Settlement shall be deemed to have been elected to apply to the Securities; or
- (d) if “Securityholder Settlement Option” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.2, in accordance with Condition 5.2(a) if the Securityholder elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.2(b) if the Securityholder elects for Physical Settlement to apply. The Securityholder must make its settlement election in the relevant Option Exercise Notice. If no such election is made the Cash Settlement will be deemed to have been elected to apply to the Securities.

Notwithstanding anything to the contrary herein, to exercise such option the holder must deposit (in the case of Bearer Securities) the relevant Bearer Securities (together with all unmatured or unexchanged Coupons) with any Paying Agent or (in the case of Registered Securities) the relevant Global Registered Security or Definitive Registered Security representing such Registered Securities with the Registrar or any Transfer Agent at its specified office together with the duly completed irrevocable option exercise notice (the “**Option Exercise Notice**”) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable). If the Securities are Cleared Securities such option may be exercised by the relevant Securityholder giving an Option Exercise Notice to the Issue and Paying Agent through the Relevant Clearing Systems stating the nominal amount of Notes or number of Certificates in respect of which the Put Option is exercised and the relevant Common Depository, Common Safekeeper, custodian or nominee shall deposit and surrender the relevant Securities in accordance with the Rules of the Relevant Clearing System. No transfers of interests in Cleared Securities in respect of which an Option Exercise Notice has been delivered will be valid and an Option Exercise Notice in respect of Cleared Securities 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 Securities so deposited and option exercised may be withdrawn (except as provided in the Master Agency Agreement) without the prior consent of the Issuer.

With respect to Cleared Securities, if “Physical Settlement” is specified as the Settlement Method in the applicable Final Terms (or is elected by the Issuer or Securityholder), the delivery of the duly completed Option Exercise Notice by the Securityholder to the Issue and Paying Agent through the Relevant Clearing Systems shall be deemed to satisfy the condition precedent to settlement of delivery of a Delivery Entitlement Instruction pursuant to Condition 7, provided that such Option Exercise Notice contains all information necessary for the Relevant Clearing System and the Issuer or its agent to effect physical delivery of the relevant Optional Physical Redemption Entitlement.

For the avoidance of doubt, if the last day of the relevant Put Notice Period is the same date as the Redemption Date, unless otherwise specified in the applicable Final Terms, the Securities shall be redeemed in accordance with this Condition 5.2.

5.3 Early Redemption at the Option of the Issuer or following the occurrence of a Nominal Call Event

If “Call Option” is specified to apply in the applicable Final Terms or if a Nominal Call Event occurs (whether or not Call Option is specified to apply), the Issuer may, on giving not less than 15 Business Days’ irrevocable notice to Securityholders (such notice an “**Early Redemption Notice**”)(or such other notice period as may be specified in the applicable Final Terms) (such period the “**Issuer Notice Period**”), provided that if the notice relates to a Call Option such notice is delivered within the Issuer Option Exercise Period, subject to Conditions 7, 8 and 9, redeem some or all of the Securities in whole (but not in part):

- (a) if “Cash Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3 or is validly elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 5.3(c) or (d), at its Optional Cash Settlement Amount together with accrued interest on the Optional Cash Redemption Date; or
- (b) if “Physical Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3 or is validly elected by the Issuer or Securityholder pursuant to Condition 5.3(c) or (d), by delivery of the Optional Physical Redemption Entitlement on the applicable Optional Physical Redemption Date; or
- (c) if “Issuer Settlement Option” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3, in accordance with Condition 5.3(a) if the Issuer elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.3(b) if the Issuer elects for Physical Settlement to apply. Unless otherwise specified in the applicable Final Terms, the Issuer’s election will be specified in the Early Redemption Notice. If no election is made in the Early Redemption Notice Cash Settlement shall be deemed to have been elected to apply to the Securities; or
- (d) if “Securityholder Settlement Option” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3, in accordance with Condition 5.3(a) if the Securityholder elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 5.3(b) if the Securityholder elects for Physical Settlement to apply in accordance with Condition 7.1.

For the avoidance of doubt, if the last day of the relevant Issuer Notice Period is the same date as the Redemption Date, the Securities shall be redeemed in accordance with this Condition 5.2.

In the event that any option of the Issuer is exercised with respect to some by not all of the Securities of any Series and such Securities are Cleared Securities, the rights of accountholders with the Relevant Clearing System in respect of the Securities will be governed by the standard procedures and Relevant Rules of the Relevant Clearing System (to be

reflected in the records of the Relevant Clearing System as either a pool factor or a reduction in nominal amount or number, as applicable at their discretion.

5.4 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 Determination 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 Securities to account for the economic effect of such event on the Securities and to preserve substantially the economic effect to the Securityholders of a holding of the relevant Security. If the Determination 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 Securityholders of any such adjustment(s) in accordance with Condition 16 as soon as reasonably practicable after the nature and effective date of the adjustments is determined. If the Determination Agent determines that no adjustment that could be made would produce a commercially reasonable result and preserve substantially the economic effect to the Securityholders of a holding of the relevant Security it shall notify the Issuer of such determination and no adjustment(s) shall be made. None of the Determination Agent, the Issuer or any other party shall be liable to any holder, Securityholder or any other person for any determination and/or adjustment made by the Determination Agent and/or the Issuer pursuant to this Condition 5.4(a); or
- (b) on giving not less than 10 Business Days' irrevocable notice to Securityholders (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 16 (such notice a "**Additional Disruption Event Redemption Notice**") redeem all of the Securities of the relevant Series in whole, subject to Conditions 7, 8 and 9, at their Early Cash Settlement Amount on the Early Cash Redemption Date.

5.5 Early Redemption following the occurrence of a Specified Early Redemption Event

If a Specified Early Redemption Event occurs, the Issuer may, or shall if "Automatic Early Redemption" is specified as applicable in the applicable Final Terms, on giving not less than 15 Business Days' irrevocable notice (a "**Specified Early Redemption Notice**") to Securityholders (or such other notice period as may be specified in the applicable Final Terms)(such period the "**Specified Early Redemption Notice Period**"), subject to Conditions 7, 8 and 9, redeem each Security (in whole or in part):

- (a) if "Cash Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.5 or is elected (or deemed to have been elected) by the Issuer or the Securityholder pursuant to Condition 5.5(c) or 5.5(d), as applicable, at its Specified Early Cash Settlement Amount together with accrued interest on the Specified Early Cash Redemption Date; or
- (b) if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.5 or is elected by the Issuer or the Securityholder pursuant to Condition 5.5(c) or 5.5(d), as applicable, by delivery of the

Specified Early Physical Redemption Entitlement on the applicable Specified Early Physical Redemption Date; or

- (c) if “Issuer Settlement Option” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.5, in accordance with Condition 5.5(a) if the Issuer elects (or is deemed to elect) for Cash Settlement to apply or in accordance with Condition 5.5(b) if the Issuer elects for Physical Settlement to apply. Unless otherwise specified in the applicable Final Terms, the Issuer’s election will be specified in the Specified Early Redemption Notice. If no election is made in the Specified Early Redemption Notice Cash Settlement shall be deemed to have been elected to apply to the Securities; or
- (d) if “Securityholder Settlement Option” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3, in accordance with Condition 5.3(a) if the Securityholder elects (or is deemed to elect) for Cash Settlement to apply or in accordance with Condition 5.3(b) if the Securityholder elects for Physical Settlement to apply in accordance with Condition 7.1.

5.6 Maximum and Minimum Redemption Requirements

With respect to the Securities of any Series, additional requirements in respect of their redemption may be specified in the applicable Final Terms, including but not limited to the following:

(a) *Restrictions on Securities Redeemable*

If the applicable Final Terms specify a Minimum Number or Minimum Nominal Amount, the number or nominal amount of Securities redeemable by any Securityholder pursuant to Condition 5.2 on any particular Business Day must not be less than such Minimum Number or Minimum Nominal Amount and, if a number or nominal amount greater than such Minimum Number or Minimum Nominal Amount, must be an integral multiple of such Minimum Number or Minimum Nominal Amount.

Any Option Exercise Notice given pursuant to Condition 5.2 which purports to redeem Securities in breach of this Condition 5.6(a) shall be void and of no effect unless the Issuer (having been notified by the Issue and Paying Agent) agrees otherwise.

(b) *Daily Maximum Amount*

If the Issue and Paying Agent determines, in its sole and absolute discretion, that any Option Exercise Notice(s) given pursuant to Condition 5.2 by one or more Securityholders on any Business Day are, in aggregate, in respect of more than the relevant Daily Maximum Amount or Daily Maximum Number (if any), then the Issue and Paying Agent shall, unless the Issuer otherwise directs:

- (i) deem such Option Exercise Notice(s) to apply on such Business Day in respect of the redemption of a nominal amount or number of Securities equal to the relevant Daily Maximum Amount or Daily Maximum Number of such Securities to which they relate (selected, in each case, by the Issue and Paying Agent on a *pro rata* basis, to the extent possible, failing which such selection to be at the Issue and Paying Agent’s sole discretion and in accordance with the Relevant Rules if the Securities are Cleared Securities and in each case to ensure that such

Securityholder or group of Securityholders submitting an Option Exercise Notice is, notwithstanding the provisions of this Condition 5.6(b)(i), complying with Condition 5.6(a)); and

- (ii) thereafter deem each successive Business Day to be one on which an Option Exercise Notice has been delivered for the purpose of Condition 5.2 in respect of the remaining Securities (not exceeding such Daily Maximum Amount or Daily Maximum Number on any Business Day) until all Securities to which the original Option Exercise Notice(s) relate have been redeemed,

provided that if on the final day of the Put Option Exercise Period there exists an outstanding nominal amount or number of Securities, in excess of the relevant Daily Maximum Amount or Daily Maximum Number, for which Option Exercise Notices have been given (or deemed to have been given) pursuant to Condition 5.2 on such day, the Issue and Paying Agent shall, at its sole discretion, select on a *pro rata* basis (to the extent possible) a portion of such Securities to be redeemed such that the maximum nominal amount or number of Securities that may be redeemed without exceeding the relevant Daily Maximum Amount or Daily Maximum Number are redeemed on such day. Option Exercise Notices in respect of any remaining Securities that have not been so selected for redemption shall be void and of no effect and such Securities shall be redeemed on their Redemption Date, unless the Issuer (having been notified by the Issue and Paying Agent) agrees otherwise.

6 Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates

This Condition 6 applies only to Securities that are Warrants and Certificates which are specified to be exercisable in accordance with this Condition 6 in the applicable Final Terms (“**Exercisable Certificates**”). Any such Securities being exercised or cancelled pursuant to this Condition 6 shall, subject to compliance with the procedures set out in this Condition 6, unless specified otherwise in the applicable Final Terms, be settled, subject to Conditions 7, 8 and 9, in accordance with the applicable Settlement Method.

6.1 Exercise Period and Expiry

(a) *Exercise Period*

Securities that are Warrants or Exercisable Certificates may be specified in the applicable Final Terms to be American Style, Bermudan Style, European Style or Other Exercise Style. If Securities are specified to be:

- (i) American Style, such Securities will be exercisable on any Exercise Business Day during the Exercise Period;
- (ii) Bermudan Style, such Securities will be exercisable only on the Potential Exercise Business Dates during the Exercise Period and on the Expiration Date;
- (iii) European Style, such Securities will be exercisable only on the Exercise Date being the Expiration Date; or
- (iv) Other Exercise Style, such Securities will be exercisable in accordance with the terms specified for such purpose in the applicable Final Terms,

and for the purpose of this Condition 6 each date on which a Security can be exercised is an “**Eligible Exercise Date**” in respect thereof.

If Securities are also specified to be “Multiple Exercise Securities” in the applicable Final Terms, American Style, Bermudan Style Securities and other Exercise Style Securities may be exercised in whole or in part on any Eligible Exercise Date as further described in the applicable Final Terms. Multiple Exercise Securities shall be Cash Settled Securities only.

(b) *Expiry*

Except where “Automatic Exercise” is specified as applicable in the applicable Final Terms, any Security with respect to which no valid Security Exercise Notice has been delivered on or prior to (i) 10.00 a.m. London time, if the Securities are not Cleared Securities or (ii) 10:00 a.m. Luxembourg or Brussels time or such other time as determined by the Determination Agent as appropriate for the Relevant Clearing System, if the Securities are Cleared Securities, on the Expiration Date shall become void and no amounts shall be payable by the Issuer to the relevant Securityholders in respect of such void Securities.

6.2 Cancellation or Adjustment following the occurrence of an Additional Disruption Event or Cancellation following the occurrence of a Nominal Call Event

(a) If an Additional Disruption Event occurs, the Issuer may, at its sole and absolute discretion:

- (i) Request that the Determination Agent determines, at its sole and absolute discretion, whether an appropriate adjustment can be made to the Conditions and any other provision relating to the Securities to account for the economic effect of such event on the Securities and to preserve substantially the economic effect to the Securityholders of a holding of the relevant Security. If the Determination 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 Securityholders of any such adjustment(s) in accordance with Condition 16 as soon as reasonably practicable after the nature and effective date of the adjustments is determined. If the Determination Agent determines that no adjustment that could be made would produce a commercially reasonable result and preserve substantially the economic effect to the Securityholders of a holding of the relevant Security it shall notify the Issuer of such determination and no adjustment(s) shall be made. None of the Determination Agent, the Issuer or any other party shall be liable to any person for any determination and/or adjustment made by the Determination Agent and/or the Issuer pursuant to this Condition 6.2(a); or
- (ii) on giving not less than 10 Business Days’ irrevocable notice to Securityholders (such notice a “**Additional Disruption Event Cancellation Notice**”)(or such other notice period as may be specified in the applicable Final Terms)(such period the “**Early Cancellation Notice Period**”) in accordance with Condition 16 cancel all of the Securities of the relevant Series in whole but not in part and the Issuer shall, subject to Conditions 7, 8 and 9, pay to each Securityholder in respect of each Security, or if Units are specified in the applicable Final Terms, each such Unit, the Early Cash Settlement Amount on the applicable Early Cancellation Date.

- (b) If an Nominal Call Event occurs, the Issuer may, on giving not less than 15 Business Day' irrevocable notice to Securityholders (such notice a “**Nominal Call Cancellation Notice**”) (or such other notice period as may be specified in the applicable Final Terms (such period the “**Nominal Call Cancellation Notice Period**”), in accordance with Condition 16 cancel all of the Securities of the relevant Series in whole but not in part, subject to Conditions 7, 8 and 9, as follows:
- (i) if “Cash Settlement” is specified as the Settlement Method in the applicable Final Terms or is elected (or deemed elected) by the Issuer or Securityholder pursuant to Condition 6.2(b)(iii) or (iv), at its Early Cash Settlement Amount on the relevant Early Cancellation Date; or
 - (ii) if “Physical Settlement” is specified as the Settlement Method in the applicable Final Terms or is elected by the Issuer or Securityholder pursuant to Condition 6.2(b)(iii) or (iv), by delivery of the Early Physical Cancellation Entitlement on the applicable Early Physical Cancellation Date; or
 - (iii) if “Issuer Settlement Option” is specified as the Settlement Method in the applicable Final Terms, in accordance with Condition 6.2(b)(i) if the Issuer elects (or is deemed to elect) for Cash Settlement to apply or in accordance with Condition 6.2(b)(ii) if the Issuer elects for Physical Settlement to apply. Unless otherwise specified in the applicable Final Terms, the Issuer’s election will be specified in the Nominal Call Cancellation Notice. If no election is made in the Nominal Call Cancellation Notice Cash Settlement shall be deemed to have been elected to apply to the Securities; or
 - (iv) if “Securityholder Settlement Option” is specified as the Settlement Method in the applicable Final Terms, in accordance with Condition 6.2(b)(i) if the Securityholder elects (or is deemed to have elect) for Cash Settlement to apply or in accordance with Condition 6.2(b)(ii) if the Securityholder elects for Physical Settlement to apply in accordance with Condition 7.1.

6.3 Exercise and Cancellation Procedure

(a) Exercise

Unless otherwise specified in the applicable Final Terms or automatically exercised in accordance with Condition 6.4, a Securityholder wishing to exercise all (or in the case of American Style Securities, Bermudan Style Securities or, as applicable, Other Exercise Style Securities, some only or, in the case of Multiple Exercise Securities, a number or portion) of its Securities on an Eligible Exercise Date must, on or prior to (i) 10.00a.m. London time, if the Securities are not Cleared Securities or (ii) 10:00 a.m., Luxembourg or Brussels time if the Securities are Cleared Securities (as appropriate for the Relevant Clearing System), on such Eligible Exercise Date, deposit (in the case of Bearer Securities) the relevant Bearer Securities (together with all unmatured or unexchanged Coupons) with any Paying Agent or (in the case of Registered Securities) the relevant Global Registered Security or Definitive Registered Security representing such Registered Securities with the Registrar or any Transfer Agent at its specified office, together with a duly completed irrevocable exercise notice (a “**Security Exercise Notice**”) in the form obtainable from any Paying Agent the Registrar or any Transfer Agent (as applicable). If Units are specified in the applicable Final Terms, the

Securities may only be exercised in Units. Each Unit will consist of the number of Warrants or Exercisable Certificates specified in the applicable Final Terms.

If the Securities are Cleared Securities a Warrant or Exercisable Certificate may be exercised by the relevant Securityholder giving a Security Exercise Notice to the Issue and Paying Agent through the Relevant Clearing Systems in accordance with the Rules of the Relevant Clearing System stating the number (or, if “Multiple Exercise Securities” is specified in the applicable Final Terms, the number or portion) of Securities or Units to be exercised. No transfers of interests in Cleared Securities in respect of which a Security Exercise Notice has been delivered will be valid and a Security Exercise Notice in respect of Cleared Securities 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.

If “Securityholder Settlement Option” is specified as applicable in the applicable Final Terms, the Securityholder must specify its settlement election in the relevant Security Exercise Notice. If no settlement election is so specified in the relevant Security Exercise Notice, Cash Settlement shall be deemed to have been elected to apply to the Securities.

If “Physical Settlement” is specified in the applicable Final Terms or elected by the Securityholder in the relevant Security Exercise Notice, settlement of the Securities shall be subject to Condition 7.2 and delivery of a Delivery Entitlement Instruction. A separate Delivery Entitlement Instruction will not be required if the relevant Security Exercise Notice contains all information necessary for the Relevant Clearing System and the Issuer or its agent to effect physical delivery of the relevant Exercise Physical Settlement Entitlement.

With respect to Cleared Securities, Security Exercise Notices may be delivered to the Issue and Paying Agent through the Relevant Clearing Systems provided such notice is given in accordance with the Rules of the Relevant Clearing System.

If a Security Exercise Notice is delivered after 10:00 a.m., Luxembourg or Brussels time (as appropriate) on a given Eligible Exercise Date, it shall be deemed to have been delivered, as the case may be, on the next Eligible Exercise Date (and if there is no such date, such Security Exercise Notice shall be of no effect).

Delivery of a Security Exercise Notice on any Eligible Exercise Date shall constitute an irrevocable election by the relevant Securityholder to exercise the Securities (or portion thereof if the Securities are Multiple Exercise Securities) specified therein and thereafter, the exercising Securityholder may not transfer its Securities. In addition the Securityholder must undertake to pay all Taxes, Settlement Expenses, and any Exercise Price and any other applicable amounts, in relation to the Securities (or portion thereof) being exercised.

Any person exercising a Security (other than a Security sold within the United States pursuant to Rule 144A) will be required to represent, inter alia, that it is not a US person, the Security is not being exercised within the United States or on behalf of a US person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a US person in connection with any exercise thereof.

(b) *Relevant Settlement Method*

The applicable Final Terms will specify whether the Warrants or Exercisable Certificates are Put Securities or Call Securities.

If an Actual Exercise Date, or an Automatic Exercise Date occurs each of the relevant Securities will, subject to this Condition 6 and Conditions 7, 8 and 9 be exercised as follows:

- (i) if “Cash Settlement” is specified as the Settlement Method in the applicable Final Terms or is elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 6.3(b)(iii) or (iv), at its Exercise Cash Settlement Amount (or in the case of Multiple Exercise Securities, at its relevant portion of the Exercise Cash Settlement Amount) on the relevant Exercise Cash Settlement Date; or
- (ii) if “Physical Settlement” is specified as the Settlement Method in the applicable Final Terms or is elected by the Issuer or Securityholder pursuant to Condition 6.3(b)(iii) or (iv) by delivery of the Exercise Physical Settlement Entitlement on the applicable Exercise Physical Settlement Date; or
- (iii) if “Issuer Settlement Option” is specified as the Settlement Method in the applicable Final Terms, in accordance with Condition 6.3(b)(i) if the Issuer elects for Cash Settlement to apply or in accordance with Condition 6.3(b)(ii) if the Issuer elects for Physical Settlement to apply. The Issuer’s election will be notified to the relevant Securityholder no later than 10 Business Days prior to the last day of the Exercise Notice Period. If no election is made Cash Settlement shall be deemed to have been elected to apply to the Securities; or
- (iv) if “Securityholder Settlement Option” is specified as the Settlement Method in the applicable Final Terms, in accordance with Condition 6.3(b)(i) if the Securityholder elects (or is deemed to elect) for Cash Settlement to apply or in accordance with Condition 6.3(b)(ii) if the Securityholder elects for Physical Settlement to apply.

6.4 Automatic Exercise

This Condition 6.4 only applies to Securities for which “Automatic Exercise” is specified as applying in the applicable Final Terms.

(a) *Application of Automatic Exercise*

- (i) Without prejudice to Condition 6.4(a)(ii), if a Security is identified as a Multiple Exercise Security in the applicable Final Terms and an Actual Exercise Date does not occur on each Eligible Exercise Date, then such Securities will be automatically exercised in the number, portion or amount specified in the applicable Final Terms (subject to the provisions of Condition 6.5) on each Eligible Exercise Date specified in the applicable Final Terms (in each case a “**Multiple Automatic Exercise Date**”); and/or
- (ii) if an Actual Exercise Date does not occur on or prior to the Expiration Date and the Securities are determined by the Determination Agent to be In-The-Money then such Securities will be automatically exercised (subject to the provisions of Condition 6.5) on the Expiration Date (in each case, the “**Expiration Automatic Exercise Date**” and together with each Multiple Automatic Exercise Date, each an “**Automatic Exercise Date**”).

(b) *Conditions to Settlement following Automatic Exercise*

If an Automatic Exercise Date occurs with respect to any Security, the Issuer will, as soon as reasonably practicable thereafter, notify Securityholders of the occurrence of such Automatic

Exercise Date in accordance with Condition 16 (each such notice an “**Automatic Exercise Notice**”).

For the avoidance of doubt, to receive any relevant Settlement Amount or Entitlement relating to an Automatic Exercise Date, the relevant Securityholder must satisfy all relevant conditions to settlement, including without limitation, (i) depositing (in the case of Bearer Securities) the relevant Bearer Securities with any Paying Agent or (in the case of Registered Securities) the relevant Global Registered Security or Definitive Registered Security representing such Registered Securities with the Registrar or any Transfer Agent at its specified office, (ii) the condition to settlement in Condition 9.5, and/or (iii) if Physical Settlement is specified in the applicable Final Terms or elected, delivery of a valid and complete Delivery Entitlement Instruction.

If the Securities are Cleared Securities this Condition 6.4 may be satisfied by the relevant Securityholder giving a Security Exercise Notice in accordance with the Rules of the Relevant Clearing System to the Issue and Paying Agent through the Relevant Clearing Systems stating the number (or, in the case of Multiple Exercise Securities, the number or portion) of Securities or Units in respect of which Automatic Exercise has occurred together with payment and delivery instructions, as applicable, for payment to the Issuer of the relevant Exercise Price, Taxes and any Settlement Expenses and/or delivery instructions for any Entitlement, as applicable.

For the avoidance of doubt Condition 7.3 shall apply to Warrants and Exercisable Certificates in respect of which an Automatic Exercise Date occurs but in relation to which all conditions to settlement to be satisfied by a Securityholder are not satisfied in full on or prior to the Security Settlement Cut-off Date.

6.5 Maximum and Minimum Exercise Requirements

With respect to the Securities of any Series, additional requirements in respect of their exercise may be specified in the applicable Final Terms, including but not limited to the following:

(a) Restrictions on Securities Exercisable

If the applicable Final Terms specify a Minimum Number, the number of Securities exercisable by any Securityholder on any Actual Exercise Date or, where Automatic Exercise applies, the number of Securities held by any Securityholder on the Automatic Exercise Date (in each case, as determined by the Issue and Paying Agent) must not be less than such Minimum Number and, if a number greater than the Minimum Number, must be an integral multiple of such Minimum Number.

Any Security Exercise Notice which purports to exercise Securities in an amount that is less than such Minimum Number shall be void and of no effect and any Automatic Exercise Date which occurs shall not be deemed to have occurred with respect to Securities held by a Securityholder on the Automatic Exercise Date where the number of such Securities (in each case, as determined by the Issue and Paying Agent) is less than such Minimum Number, in each case unless the Issuer agrees otherwise.

(b) Daily Maximum Number in respect of American Style Securities and Bermudan Style Securities

If the Issue and Paying Agent determines, in its sole and absolute discretion, that a Security Exercise Notices given (or deemed to be given) pursuant to Conditions 6.3 or 6.4 on any Eligible Exercise Date in respect of a Series of American Style Securities or Bermudan Style Securities are, in aggregate, in respect of more than the Maximum Daily Number (if any), then the Issue and Paying Agent shall, unless the Issuer otherwise directs:

- (i) deem such Security Exercise Notices to apply on such Exercise Business Day in respect of the exercise of a number of Securities equal to the Daily Maximum Number of such Securities to which they relate (selected, in each case, by the Issue and Paying Agent on a *pro rata* basis, to the extent possible, failing which such selection to be at the Issue and Paying Agent's sole discretion and in accordance with the Relevant Rules if the Securities are Cleared Securities and in each case to ensure that such Securityholder or group of Securityholders submitting a Security Exercise Notice is, notwithstanding the provisions of this Condition 6.5(b), complying with Condition 6.5(a); and
- (ii) thereafter, deem each successive Exercise Business Day to be one on which a Security Exercise Notice has been delivered for the purpose of this Condition 6.5 in respect of the remaining Securities (not exceeding such Daily Maximum Number on any Exercise Business Day) until all Securities to which the original Security Exercise Notices have been exercised, provided that where any deemed Actual Exercise Date would thereby fall after the Expiration Date, such Actual Exercise Date shall be deemed to be the Expiration Date.

In any case where more than the Daily Maximum Number of American Style Securities or Bermudan Style Securities are exercised on the same day by Securityholder(s), the order of settlement in respect of such Securities shall be at the sole discretion of the Issue and Paying Agent (in consultation with the Issuer).

6.6 Time

All references in this Condition 6 to "Luxembourg or Brussels time" shall, where the Securities are Cleared Securities and the Relevant Clearing System is not Clearstream or Euroclear respectively, be deemed to refer as appropriate to the time in the city where the relevant clearing system is located.

7 Settlement

7.1 Settlement at Option of Securityholder

If "Securityholder Settlement Option" is specified as the Settlement Method in the applicable Final Terms, to exercise such settlement option each Securityholder must:

- (a) deposit and surrender (in the case of Bearer Securities) the relevant Bearer Securities (together with all unmatured or unexchanged and Coupons) with any Paying Agent or, with respect to Cleared Securities, the Issue and Paying Agent or (in the case of Registered Securities) the relevant Registered Securities with the Registrar or any Transfer Agent at its specified office, provided that if the Securities are Cleared Securities, the relevant Common Depositary, Common Safekeeper, custodian or nominee) shall make such deposit and surrender to the relevant Paying Agent to the

Relevant Clearing System in accordance with the Rules of the Relevant Clearing System); and

- (b) subject to Condition 7.1(c) below, deposit with any Paying Agent, Registrar or Transfer Agent, a duly completed settlement irrevocable option election notice (a “**Settlement Election Notice**”) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) no later than 10 Business Days prior to the Redemption Date, the last day of the relevant Issuer Notice Period, Specified Early Redemption Notice Period or Nominal Call Cancellation Notice Period; or
- (c) with respect to Condition 5.2 and 6.3, make an irrevocable election with respect to settlement in the relevant Option Exercise Notice or Security Exercise Notice, as applicable and such notice shall be deemed to also be a Settlement Election Notice. If no settlement election is made in the relevant Option Exercise Notice or Security Exercise Notice delivered by a Securityholder, the Securityholder will be deemed to have elected for Cash Settlement.

No Security so deposited and surrendered and Settlement Election Notice so deposited may be withdrawn (except as provided in the Master Agency Agreement) without the prior consent of the Issuer.

7.2 Physical Settlement by delivery of the Entitlement

(a) *Delivery of Entitlement*

The following provisions apply to the delivery of all Entitlements in respect of Securities unless otherwise specified in the applicable Final Terms.

- (i) The Issuer shall, subject to Conditions 7, 8 and 9, on any relevant Physical Delivery Date, deliver or procure the delivery of the relevant Entitlement in respect of each Security or Unit to such account in respect of Cleared Securities in the Relevant Clearing System in accordance with the Rules of the Relevant Clearing System and in respect of all other Securities such account as may be notified by the relevant Securityholder to the Issuer in the relevant Delivery Entitlement Instruction or Exercise Notice, as applicable, at the risk and expense of the relevant Securityholder. If a Securityholder does not provide the Issuer with sufficient instructions in a timely manner to enable the Issuer and/or the Relevant Clearing System, if applicable, to effect any required delivery of the Entitlement, the due date for such delivery shall be postponed accordingly. The Issuer and the Relevant Clearing System, if applicable, shall determine whether any instructions received by it are sufficient and whether they have been received in time to enable delivery on any given date. As used herein, “**delivery**” in relation to any Entitlement means the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Entitlement and “**deliver**” shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of any Entitlement once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars or otherwise and shall have no responsibility for the lawfulness of the acquisition or transfer of the Entitlement or any interest therein by any Securityholder or any other person.

- (ii) No delivery by (or on behalf of) the Issuer of a fraction of any component comprising the Entitlement shall be made. Securities (or, if Units are specified in the applicable Final Terms, Units, as the case may be) redeemed or exercised at the same time by the same Securityholder will be aggregated for the purpose of determining the aggregate Entitlement to be delivered, provided that the aggregate Entitlements in respect of the same Securityholder will be rounded down to the nearest whole unit of the relevant Reference Asset(s) or other component(s) of the Entitlement in such manner as the Determination Agent shall determine. Where the Entitlement would include a fraction of any component comprising the Entitlement the relevant Securityholder will be entitled to receive an amount in cash in lieu of such fraction as determined by the Determination Agent in its sole discretion.
- (iii) No Securityholder will be entitled to receive dividends declared or paid in respect of any component of the relevant Entitlement or to any other rights relating to or arising out of any such component of the Entitlement if the record date for the relevant dividend or relevant right in respect of such components and Entitlement falls before the relevant Physical Delivery Date.
- (iv) If any Exercise Price, Taxes, Settlement Expenses or any other amounts payable by the relevant Securityholder to the Issuer or the Guarantor have not been credited to the relevant Bank Account of the Issue and Paying Agent (in favour of the Issuer or the Guarantor, as applicable) prior to the relevant Physical Delivery Date, then the Issuer and/or the Guarantor shall be under no obligation to deliver or procure delivery of the Entitlement or make any payment of any nature to the relevant Securityholder in respect of the Securities being redeemed or exercised, and the Security Exercise Notice and related Delivery Entitlement Instruction, as the case may be, delivered in respect of such Securities shall thereafter be null and void for all purposes.
- (v) The Issuer will endeavour to deliver (or procure delivery of) the relevant Entitlement to the Securityholder on the relevant Physical Delivery Date. In the event that a Securityholder requests that delivery of the Entitlement be made at a location or in a method that is different from that specified in the applicable Final Terms, the Issuer may (but is not obliged to), provided that no additional unreimbursed costs are incurred, seek to deliver the Entitlement to such location and/or by such method. The Issuer shall, subject as provided below, on the relevant Physical Delivery Date, deliver or procure the delivery of the Transfer Documentation relating to the Entitlement (or in the case of a Reference Asset that is an equity unit, the Transfer Documentation in respect of such equity unit) to or to the order of the Securityholder or to such bank or broker as the Securityholder has specified in the relevant Delivery Entitlement Instruction.
- (vi) All Entitlements will be delivered at the risk of the relevant Securityholder.

(b) *Settlement Disruption Event*

If, in the opinion of the Determination Agent, delivery of an Entitlement or any portion thereof is (or is likely to become) impossible or impracticable by reason of a Settlement Disruption Event having occurred and continuing on the relevant Physical Delivery Date (the assets comprising such Entitlement or portions thereof (the “**Affected Assets**”)), then such Physical Delivery Date shall be postponed to the first following Relevant Settlement Day in respect of which there is no such Settlement Disruption Event, provided that:

- (i) the Issuer shall attempt to deliver any portion of the Entitlement which does not comprise Affected Assets, on the originally designated Physical Delivery Date;
- (ii) the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security by delivering some or all of the Affected Assets using such other commercially reasonable manner as it may select and in such event the relevant Physical Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner; and
- (iii) in respect of any Affected Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security by payment to the relevant Securityholder of the Disruption Cash Settlement Price on the Disruption Cash Settlement Date.

The Determination Agent shall give notice as soon as practicable to the Securityholders that a Settlement Disruption Event has occurred and payment of the Disruption Cash Settlement Price will be made, subject to Conditions 7, 8 and 9, in such manner as shall be notified, in each case in accordance with Condition 16. No Securityholder shall be entitled to any additional amount in the event of any delay in the delivery of the Entitlement or payment of the Disruption Cash Settlement Price due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer, the Guarantor and/or the Determination Agent.

(c) *Substitute Assets*

Where “Entitlement Substitution” is specified in the applicable Final Terms, if the Issuer determines in its sole and absolute discretion that (i) all or part of the Entitlement is comprised of securities, instruments or obligations are not freely transferable, and/or (ii) it is not able (or reasonably expects not to be able to) to acquire all or part of the Entitlement in the secondary market in time to deliver the Entitlement when due under the Securities as a result of illiquidity, and/or (iii) the price of all or part of the Entitlement has been materially affected as a result of illiquidity (each an “**Entitlement Substitution Event**”), (in each case such components of the Entitlement constituting the “**Affected Entitlement Components**”), the Issuer may, in its sole and absolute discretion, elect to either:

- (i) substitute for such Affected Entitlement Components, an equivalent value (as determined by the Determination Agent in its sole and absolute discretion) of such other securities, instruments or obligations which the Determination Agent determines, in its sole and absolute discretion, are freely transferable and/or not affected by illiquidity, as applicable, (the “Substitute Asset” or the “Substitute Assets”, as the case may be); or
- (ii) not deliver or procure the delivery of the Affected Entitlement Components to the relevant Securityholders, but, subject to Conditions 7, 8 and 9, in lieu thereof to make payment of the Alternate Cash Amount to the relevant Securityholders on the Alternate Cash Amount Settlement Date.

Notification of the determination of an Entitlement Substitution Event and any such election and any relevant Substitute Asset(s), Alternate Cash Amount and Alternate Cash Amount Settlement Date will be given to Securityholders in accordance with Condition 16 by the Issuer as soon as reasonably practicable.

(d) *Liability*

Redemption or exercise of the Securities, payments by the Issuer, the Guarantor and any Agent and any delivery of an Entitlement in whole or in part by or on behalf of the Issuer and/or any Agent will be subject in all cases to all applicable fiscal and other laws, regulations and practices in force at such time (including, without limitation, any relevant exchange control laws or regulations and the Relevant Rules) and none of the Issuer, the Guarantor, the Relevant Clearing System or any Agent shall incur any liability whatsoever if it is unable to effect any payments or deliveries contemplated, after using all reasonable efforts, as a result of any such laws, regulations and practices. None of the Issuer, the Guarantor or any Agent shall under any circumstances be liable for any acts or defaults of the Relevant Clearing System in the performance of their respective duties in relation to the Securities or, in relation to the delivery of the Entitlement, the acts or defaults of any relevant Exchange.

7.3 Conditions to Settlement

If the Issuer determines in its sole and absolute discretion that any condition to settlement to be satisfied by a Securityholder has not been satisfied in respect of the Securities on or prior to the date on which settlement would otherwise have been scheduled to occur, payment or delivery of the relevant Settlement Amount or Entitlement shall be postponed until the date on which all conditions to settlement have been satisfied in full (such Settlement Amount or Entitlement the “**Postponed Settlement Amount**”). No additional amounts shall be payable or deliverable as a result of any such delay or postponement.

The conditions to settlement to be satisfied by a Securityholder include, without limitation, (i) receipt of all instructions and information by the Issuer, the Issue and Paying Agent and the Relevant Clearing System, as applicable, required by the Issuer, the Issue and Paying Agent and/or the Relevant Clearing System to effect payment or delivery of the relevant Settlement Amount or Entitlement to the Securityholder (or to its order) within the required time period, (ii) the condition to settlement in Condition 9.5, (iii) the deposit of a duly completed Exercise Notice, Settlement Election Notice, Delivery Entitlement Instruction or any other applicable notice in accordance with the Conditions, as applicable, and (iv) the deposit, presentation or surrender of the relevant Security, as applicable.

If the conditions to settlement to be satisfied by a Securityholder have not been satisfied by (i) 10.00 a.m. London time, if the Securities are not Cleared Securities or (ii) 10:00 a.m. Luxembourg or Brussels time or such other time as determined by the Determination Agent as appropriate for the Relevant Clearing System on the day that is 180 calendar days following the Redemption Date, the Optional Cash Redemption Date, the Optional Physical Redemption Date, the Early Cash Redemption Date, the Specified Early Cash Redemption Date, the Specified Early Physical Redemption Date, the Early Cancellation Date, the Early Physical Cancellation Date, the Actual Exercise Date or Automatic Exercise Date, as applicable, (the “**Security Settlement Cut-off Date**”) as determined by the Determination Agent, the Issuer and Guarantor, if applicable, shall cease to have any obligation to pay or deliver the relevant Postponed Settlement Amount. With effect from the Security Settlement Cut-off Date, the relevant Securityholder shall have no right to receive any payment or delivery of the Postponed Settlement Amount and shall have no claim against the Issuer or the Guarantor in relation thereto.

7.4 Postponement of Payments and Settlement

If the interest payable in respect of any Interest Calculation Period, any Settlement Amount or any Entitlement is determined by reference to Valuation Date and/or Averaging Dates and such Valuation Date and/or Averaging Date(s) is affected by a market disruption, price disruption or other disruption as specified in any applicable Relevant Annex or the applicable Final Terms, such Valuation Date and/or Averaging Date(s) may be postponed as specified in any applicable Relevant Annex or the applicable Final Terms. In connection with the postponement of any Valuation Date and/or Averaging Date(s) the relevant Interest Payment Date, the Redemption Date, the Optional Cash Redemption Date, the Optional Physical Redemption Date, the Early Cash Redemption Date, the Specified Early Cash Redemption Date, the Specified Early Physical Redemption Date, the Early Cancellation Date, the Early Physical Cancellation Date, the Exercise Cash Settlement Date or the Exercise Physical Redemption Date, as applicable, may be postponed as specified in any applicable Relevant Annex or the applicable Final Terms. No additional amounts shall be payable or deliverable by the Issuer or the Guarantor because of such postponement.

8 Calculations and Publication

8.1 Calculations

For the purposes of any calculations required pursuant to the Conditions (unless otherwise specified in the Relevant Annex or 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 halves being rounded up), (b) all figures shall be rounded to seven significant figures (with 0.000005 being rounded up) and (c) all currency amounts that fall due and payable shall be rounded to the nearest unit of such Currency (with 0.000005 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.

8.2 Determination and Publication of Interest Rates, Interest Amounts and Amounts in respect of Settlement

As soon as practicable on such date as the Issuer and Paying Agent or, as applicable, the Determination 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 Security, such Agent shall determine such rate and calculate the relevant interest in respect of the Securities for the relevant Interest Calculation Period and calculate any Settlement Amount, Entitlement or any other relevant amount with respect to a Settlement Method, 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 Settlement Amount, Entitlement or amount in lieu (in whole or in part) of such Entitlement to be notified to the Issuer, each of the Paying Agents, the Securityholders, any other Agent in respect of the Securities that is to make a payment, delivery or further calculation or determination upon receipt of such information and, if the Securities 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 (i) 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 (ii) in all other cases, no event later than the fourth Business Day following such determination.

Where any Interest Payment Date or Interest Period End Date is subject to adjustment pursuant to Condition 8.4, 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 Securities become due and payable pursuant to Condition 5 or are exercised or cancelled pursuant to Condition 6, the accrued interest and the Interest Rate payable in respect of the Securities shall nevertheless continue to be calculated as previously in accordance with Condition 4 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 Determination Agent shall (in the absence of manifest error) be final and binding upon all parties.

Where Valuation Date(s) and/or Averaging Date(s) are specified as applicable to the Securities in any applicable Relevant Annex and/or the applicable Final Terms, interest, Settlement Amounts and/or Entitlements may be determined by reference to the level, price, value or performance of one or more Reference Assets and/or such factor as compared to a specified level, price, value, barrier, threshold, trigger or other factor, as specified in any applicable Relevant Annex and/or applicable Final Terms on such Valuation Date(s) and/or Averaging Date(s).

8.3 Calculation Amount per Security

Any Settlement Amount or Entitlement which is specified on a per Calculation Amount basis by reference to the Calculation Amount per Security as at the Issue Date shall, on each occasion on which any related Security is redeemed or exercised in part, be deemed to have been reduced by an amount proportional to the nominal amount or portion of the Security so redeemed or exercised with effect from the date of such partial reduction or exercise.

8.4 Business Day Convention

If (1) there is no numerically corresponding day of the calendar month in which an Interest Period End Date should occur or (2) 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:

- (a) the “**Following**”, such date shall be postponed to the next day that is a Business Day;
- (b) 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;
- (c) 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

- (d) the “**Preceding**”, such date shall be brought forward to the immediately preceding Business Day.

8.5 Currency

Where the prices for one or more Reference Assets are quoted in a Currency other than the Settlement Currency, the Determination Agent shall use the Exchange Rate to convert such prices into the Settlement Currency, at such time or times and on such dates as the Determination Agent deems appropriate.

9 Payments and Deliveries

9.1 Definitive Bearer Securities

Payments of principal and interest and deliveries of any Entitlement in respect of Definitive Bearer Securities will, subject as mentioned below, be made against and subject to the condition to settlement of, presentation and surrender (or, in the case of part payment of any sum due or part delivery, endorsement) of the relevant Definitive Bearer Securities and any relevant Coupons to the Issue and Paying Agent at the office of any Paying Agent outside the United States (i) 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 (ii) if a delivery, in the manner notified to Securityholders.

Holders of Definitive Bearer Securities will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any such Security as a result of a transfer made in accordance with this Condition 9.1 arriving to such holder’s account after the due date for payment.

A record of each payment and delivery made in respect of a Definitive Bearer Security of any Series will be made on the relevant Definitive Bearer Security 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 Bearer Securities 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 Bearer Securities 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.

9.2 Definitive Registered Securities

Payments of principal and deliveries of any Entitlement in respect of each Definitive Registered Security will be made against and subject to the condition to settlement of, surrender of the relevant Definitive Registered Security to the Registrar at the specified office of the Registrar or any of the Transfer Agents and in the manner provided in the sub-paragraph below.

Payments of interest in respect of each Definitive Registered Security will be made on the relevant due date or next succeeding Business Day to the Securityholder (or the first named of joint Securityholders) of the Definitive Registered Security appearing in the Register at the close of business on the relevant Record Date. Payments of interest on each Definitive Registered Security 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 Definitive Registered Security at its address appearing in the Register. Upon application in writing by the holder in accordance with Condition 16.2 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.

9.3 Global Securities

No payment or delivery falling due after the Exchange Date will be made on any Global Securities unless exchange for an interest in a Permanent Global Security or for Definitive Securities is improperly withheld or refused. Payments on any Temporary Global Security 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 Master Agency Agreement. All payments and deliveries in respect of Securities represented by a Global Security in CGN Form will be made against and subject to the condition to settlement of, presentation for endorsement and, if no further payment or delivery falls to be made in respect of the Securities, surrender of that Global Security to or to the order of the Issue and Paying Agent or such other Paying Agent as shall have been notified to the Securityholders for such purpose. If the Global Security is in CGN Form, a record of each payment or delivery so made will be endorsed on each Global Security, which endorsement will be *prima facie* evidence that such payment or delivery has been made in respect of the Securities. Condition 11.1 and Condition 12(e) will apply to the Definitive Securities only. If the Global Security is a Cleared Security in NGN Form, the Issuer shall procure that details of each such payment and delivery shall be entered *pro rata* in the records of the Relevant Clearing System and in the case of payments of principal or the delivery of any Entitlement, the nominal amount of Securities in the case of Notes or the relevant portion or number of Securities in the case of Certificates and Warrants, recorded in the records of the Relevant Clearing System and represented by the Global Securities will be reduced accordingly. Payments and deliveries under the Securities in NGN Form will be made to its holder. Each payment and delivery 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.

Each of the persons shown in the records of the Relevant Clearing System as the holder of a Global Security must look solely to the Relevant Clearing System for his share of each payment or delivery made by the Issuer to the bearer of such Global Security or the holder of

the underlying Registered Securities, as the case may be, and in relation to all other rights arising under the Global Securities, subject to and in accordance with the Relevant Rules of the Relevant Clearing System. Such persons shall have no claim directly against the Issuer or the Guarantor in respect of payments or deliveries due on the Securities for so long as the Securities are represented by such Global Securities and such obligations of the Issuer or Guarantor will be discharged by payment or delivery to the bearer of such Global Security or the holder of the underlying Registered Security, as the case may be, in respect of each amount so paid or delivered.

Payments of principal and interest in respect of Global Registered Securities held by a custodian for, and registered in the name of a nominee of, DTC will, if such Global Registered Securities are denominated in US dollars, be made in accordance with the preceding paragraphs. Payments of principal and interest in respect of Global Registered Securities held by a custodian for, and registered in the name of a nominee of, DTC will, if such Global Registered Securities 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 Securities will be received in such currency, from the Issuer by the Exchange Agent. The Exchange Agent 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 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 Master 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 Master 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.

None of the Issuer, the Guarantor or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments or deliveries made on account of, beneficial ownership interests in Global Securities 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 Securities shall have any claim directly against the Issuer in respect of any payment or deliveries due on the Global Securities, and the Issuer's obligations to make any such payment or delivery shall be discharged by payment or delivery of the requisite amount to the holder of the Global Bearer Security or the registered holder of the relevant Global Registered Security, as applicable.

9.4 Unmatured Coupons and unexchanged Talons

Upon the due date for redemption of any Bearer Security, unexpired Coupons and unexchanged Talons relating to such Security (whether or not attached) shall become void and, no payment shall be made in respect of them.

9.5 Taxes, Settlement Expenses and Exercise Price Conditions to Settlement

Payment of any Settlement Amount and delivery of any Entitlement in connection with the redemption, cancellation or exercise of the Securities shall be subject to deduction, or conditional upon payment by the relevant Securityholder(s), of any applicable Taxes and Settlement Expenses and any other amounts payable (including without limitation any Exercise Price payable by the Securityholder) as specified in these Base Conditions, any Relevant Annex or the applicable Final Terms. The Issuer shall notify the Securityholder(s) in accordance with Condition 16 of (a) such applicable Taxes, Settlement Expenses, Exercise Price and other amounts payable and (b) the manner in which such amounts shall be paid by the Securityholder(s).

9.6 Payment Days

If the due date for any payment in respect of any Security is not a Payment Day, then payment will not be made until the next succeeding Payment Day in the relevant place, and the holder thereof shall not be entitled to any further payment in respect of such delay.

9.7 Payment and deliveries subject to Laws

All payments and deliveries in respect of the Securities are subject in all cases to any applicable laws, regulations and directives, but without prejudice to the provisions of Condition 12.

10 Events of Default

If any of the following events occurs and is continuing, the holder of any Security may give notice to the Issue and Paying Agent at its specified office that such Security is, and such Security shall accordingly immediately become, due and repayable at the Early Cash Settlement Amount (and, notwithstanding that "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms or elected for the purposes of Conditions 5, 6 or 7, Cash Settlement shall be deemed to be the Settlement Method):

- (a) any interest on such Securities has not been paid within 14 calendar days following the due date for payment. The Issuer shall not, however, be in default if such sums ("**Withheld Amounts**") were not paid in order to comply with a mandatory law, regulation or order of any court of competent jurisdiction. Where there is doubt as to the validity or applicability of any such law, regulation or order, the Issuer will not be in default if it acts on the advice given to it during such 14 calendar day period by independent legal advisers; or
- (b) without prejudice to Condition 7, the Issuer fails to deliver any Entitlement, in relation to the partial exercise or redemption of the Securities (other than on the Expiration Date), on the due date for delivery and such failure to deliver has not been remedied within 30 calendar days after notice of such failure shall has been given to the Issuer by any Securityholder, provided that an Event of Default shall not occur under this Condition 10(b) and any notice of failure

shall not be valid if (i) any of the conditions to settlement to be satisfied by the Securityholder have not been so satisfied as at the due date for delivery or the date of such notice of failure, (ii) the Issuer has elected to pay the Disruption Cash Settlement Price or Alternate Cash Amount or to deliver Substitute Assets pursuant to Conditions 7.2 (b) or (c) (unless the failure to deliver relates to such Substitute Assets) or (iii) a notice is given to Securityholders pursuant to Condition 15; or

- (c) the Issuer breaches any provision of such Securities that is materially prejudicial to the interests of the Securityholders, and that breach has not been remedied within 30 calendar days after the Issuer has received notice thereof from Securityholders holding at least one-tenth in nominal amount of the relevant Series demanding remedy; or
- (d) in the case of Securities issued by BCCL, the Guarantee ceases to be effective; or
- (e) in the case of Securities issued by BCCL, an order is made or an effective resolution is passed for the winding up of BCCL or the Guarantor (otherwise than in connection with a scheme of reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Securityholders); or
- (f) in the case of Securities issued by the Bank, an order is made or an effective resolution is passed for the winding up of the Bank (otherwise than in connection with a scheme of reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Securityholders); or
- (g) in the case of Securities issued by an Accession Issuer, an order is made or an effective resolution is passed for the winding up of the Accession Issuer (otherwise than in connection with a scheme of reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Securityholders).

11 Agents

11.1 Appointment of Agents

The Issue and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Determination Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Securityholder or holder. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of the Issue and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Determination Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issue and Paying Agent, (ii) a Registrar in relation to Registered Securities, (iii) a Transfer Agent in relation to Registered Securities, (iv) one or more Determination Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities, (vi) such other agents as may be required by any other stock exchange on which the Securities may be listed and (vii) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000. Notice of any termination of appointment and of

any changes to the specified office of any Agent will be given to Securityholders in accordance with Condition 16.

11.2 Modification of Master Agency Agreement

The Issuer and the Guarantor 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 Master Agency Agreement, if to do so would not in the opinion of the Issuer or Guarantor be expected to be materially prejudicial to the interests of the Securityholders 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 Securityholders and shall be notified to the Securityholders in accordance with Condition 16 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.

11.3 Responsibility of the Issuer, the Guarantor and the Agents

The Issue and Paying Agent and the Determination 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 Guarantor, the Agents and the Securityholders.

None of the Issuers, the Guarantor or 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, 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 any of the Issuers, Guarantor or Agents be liable to pay compensation to any Securityholder for any loss, damage, liability, cost, claim, action or demand to any Securityholder in the absence of fraud. Furthermore under no circumstances shall of the Issuers, Guarantor or Agents be liable to any Securityholder 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 any of the Issuers, Guarantor or 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, 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.

12 Taxation

A Securityholder 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, cancellation of any Security and/or the delivery or transfer of any Entitlement, or the payment of any Settlement

Amount and/or any other payment relating to the Securities, as applicable. Neither the relevant Issuer nor the Guarantor (if applicable) is liable for or otherwise obliged to pay any such Taxes.

Except as otherwise specified in the applicable Final Terms, all payments in respect of the Securities 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) or (in the case of Securities issued by BCCL) the BCCL Jurisdiction (or any authority or political subdivision thereof or therein having power to tax) unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor 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 Security:

- (a) to, or to a third party on behalf of, a holder who is liable to such Taxes in respect of such Securities by reason of his having a connection with the Bank Jurisdiction or the BCCL Jurisdiction (as appropriate) other than the mere holding of the relevant Security 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 Security 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 Security for such payment on the last day of such 30-day period; or
- (d) 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
- (e) (except in the case of Registered Securities) 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 Security or Coupon to another Paying Agent without such deduction or withholding; or
- (f) unless it is proved, to the satisfaction of the Issue and Paying Agent or the Paying Agent to whom the Security or Coupon is presented, 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 Securities by or on behalf of (i) the Issuer will be an “**Issuer Tax Event**” and (ii) the Guarantor, where the Securities are issued by BCCL, will be a “**Guarantor Tax Event**” if, in either case, 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 Securities, Settlement Amounts and all other amounts in the nature of principal payable pursuant to Conditions 5 or 6, (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 12.

13 Prescription

Claims against the Issuer and/or the Guarantor for payment or delivery in respect of any Security and/or Coupon (whether bearer Securities or registered Securities) shall be prescribed and become void unless made within 10 Years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

14 Replacement of Securities

Should any Security or Coupon in respect of any Series 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 Securities or the Registrar, in the case of Registered Securities, or 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 Securityholders, 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 may require. If any Security or Coupon is mutilated or defaced it must be surrendered before replacements will be issued.

15 Unlawfulness or impracticability

Without duplication or prejudice to Conditions 7.2, if the Issuer or the Guarantor determines that the performance of any of its absolute or contingent obligations under the Securities has become illegal or a physical impracticability in whole or in part for any reason, the Issuer may redeem or cancel the Securities by giving notice to Securityholders in accordance with Condition 16.

If the Issuer redeems or cancels the Securities then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Securityholder in respect of each Security held by such Securityholder, which amount shall be the Early Cash Settlement Amount of such Security, notwithstanding such illegality or impracticability as determined by the Determination Agent in its sole and absolute discretion. Payment will subject to Conditions 7, 8 and 9 and will be made in such manner as shall be notified to the Securityholders in accordance with Condition 16.

16 Notices

16.1 To Securityholders

All notices to Securityholders will be deemed to have been duly given and valid:

- (a) in the case of Bearer Securities, 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 Securities 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 Securities, if mailed to the relevant holders of such Registered Securities 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 Securities, in substitution for publication or mailing as required above, notices to Securityholders may be given to the Relevant Clearing System provided that any publication or other requirements required pursuant to Condition 16.1(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).

If any publication required pursuant to Condition 16.1(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 Securities in accordance with this Condition 16.

16.2 To the Issuer and the Agents

In respect of any Series of Securities, all notices to the Issuer and/or the Agents must be sent to the address specified for each such entity in the Master Agency Agreement or to such other person or place as shall be specified by the Issuer and/or the Agent by notice given to Securityholders in accordance with this Condition 16.

16.3 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, (i) in the case of Cleared Securities, by the Issuer and the Relevant Clearing System or (ii) in the case of any other Securities by the Issuer, in consultation with the Issue and Paying Agent and shall be conclusive and binding on the Issuer, the Guarantor, the Agents and the relevant Securityholder(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, 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 Paying Agent, Registrar or Transfer Agent shall use all reasonable endeavours promptly to notify any Securityholder 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 Guarantor, the Relevant Clearing System 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 Securityholder or determination that a notice is not valid, effective, complete or in the proper form.

17 Substitution

17.1 The Issuer

Where the Issuer is BCCL, it shall be entitled at any time and from time to time, without the consent of the Securityholders, to substitute any subsidiary or holding company of the Issuer or any subsidiary of any such holding company in place of the Issuer (or any previously substituted company) (the “**New BCCL Issuer**”) as obligor under the Securities of any Series, provided that (i) the New BCCL Issuer shall assume all obligations of the Issuer (or any previously substituted company) in relation to the Securityholders under or in relation to the Securities of such Series and (ii) the obligations of the New BCCL Issuer shall continue to be guaranteed by the Guarantor.

In the event of any such substitution, any reference in the Conditions of any relevant Securities to the Issuer shall be construed as a reference to the New BCCL Issuer. Such substitution shall be promptly notified to the Securityholders in accordance with Condition 16. In connection with such right of substitution, the Issuer shall not be obliged to have regard to the consequences of the exercise of such right for individual Securityholders 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 Securityholder shall be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such Securityholder.

17.2 The Guarantor

The Bank or the relevant Accession Issuer, acting in its capacity as Issuer of the Securities and/or the Bank as Guarantor shall be entitled at any time, without the consent of the Securityholders, to substitute any other entity the identity of which shall be in the absolute discretion of the Bank or the Accession Issuer, as applicable in place of the Bank or the Accession Issuer, as Issuer or, in relation to Securities issued by BCCL, the Guarantor (the “**New Bank Issuer**” or “**New Guarantor**”) to act as issuer in respect of Securities issued by it and as guarantor in respect of the obligations of BCCL under any Series of Securities issued by BCCL that is then outstanding under the Programme and any Series of Securities issued by BCCL thereafter, provided that (i) the New Bank Issuer/New Guarantor’s long-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least the same as Barclays Bank PLC or the relevant Accession Issuer’s long-term rating at the date on which the substitution is to take effect or the New Bank Issuer/New Guarantor has an equivalent long-term rating from another internationally recognised rating agency, (ii) the New Guarantor enters into a guarantee on substantially the same terms as the Guarantee (a “**New Guarantee**”), (iii) in the case of Securities 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 US Investment

Company Act of 1940, as amended, and (iv) no event of default as set out in Condition 10 shall occur as a result thereof.

In the event of any such substitution, any reference in the Conditions to the Bank or to the Accession Issuer as Issuer or as Guarantor shall be construed as a reference to the New Bank Issuer or New Guarantor and any reference to the Guarantee shall be construed as a reference to the New Guarantee. Such substitution shall be promptly notified to the Securityholders of each Series then outstanding in accordance with Condition 16. In connection with such right of substitution, the Bank or the Accession Issuer, in its capacity as Issuer or as Guarantor shall not be obliged to have regard to the consequences of the exercise of such right for individual Securityholders 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 Securityholder shall be entitled to claim from the Bank or the Accession Issuer, as Issuer or as Guarantor or the New Bank Issuer/New Guarantor any indemnification or payment in respect of any tax consequence of any such substitution upon such Securityholder.

18 Governing Law

- (a) The Securities, Coupons and the Master 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.
- (b) The Courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Securities, Coupons and/or the Master Agency Agreement and accordingly any legal action or proceedings arising out of or in connection with them (“**Proceedings**”) shall be brought in such courts.
- (c) BCCL irrevocably appoints Barclays Capital Services Limited at its offices for the time being (being at the date hereof at One Churchill Place, London E14 5HP) as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by BCCL). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, BCCL irrevocably agrees to appoint a substitute process agent and shall immediately notify Securityholders of such appointment in accordance with Condition 16. Nothing shall affect the right to serve process in any other manner permitted by law.

19 Severability

Should any one or more of the provisions contained in the terms and conditions of the Securities be or become invalid, the validity of the remaining provisions shall not be affected in any way.

20 Modification and Meetings

20.1 Modifications to the Conditions

The Issuer may, without the consent of the Securityholders, make any modification to the Conditions of any Securities that in its sole opinion is not materially prejudicial to the

interests of the Securityholder 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 Jurisdictions or BCCL Jurisdiction or Accession Issuer Jurisdictions, as the case may be, or to cure, correct or supplement any defective provision contained herein and/or therein.

Any such modification shall be binding on the Securityholders and any such modification shall be notified to the Securityholders in accordance with Condition 16 as soon as practicable thereafter. Failure to give, or non-receipt of, such notice will not affect the validity of such modification.

20.2 Meetings of Securityholders

(a) *Definitive Securities in bearer or registered form*

The Master Agency Agreement contains provisions for convening meetings of the Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Master Agency Agreement) of a modification of the Conditions or the Master 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 Securityholders.

Such a meeting may be convened by the Issuer, the Guarantor or Securityholders holding not less than 10 per cent. in nominal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of the Securities for the time being outstanding. The quorum at a meeting of the Securityholders (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 or number of the Securities 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 Securities, any Exercise Date or Expiration Date of the Securities or any date for payment of interest or Interest Amounts on the Securities, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption or exercise of, the Securities, (iii) to reduce the rate or rates of interest in respect of the Securities 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 Securities, (iv) if a Minimum and/or a Maximum Rate of Interest, or maximum and/or minimum Settlement Amount or Entitlement 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 Settlement Amount or Entitlement (other than as provided for in the Conditions), (vi) to vary the currency or currencies of payment or denomination of the Securities, (vii) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass the Extraordinary Resolution or (viii) to modify or cancel the Guarantee, 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 (in the case of Notes) or number (in the case of Certificates and Warrants) for the time being outstanding. The Master 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 (in the case of Notes) or number (in the case of Warrants and Certificates) outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Securityholders 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 Securityholders.

A resolution will be an Extraordinary Resolution (an “**Extraordinary Resolution**”) when it has been passed at a duly convened meeting and held in accordance with the terms of the Master 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 Securityholders, regardless of whether they are present at the meeting, save for those Securities that have not been redeemed but in respect of which an Exercise Notice shall have been delivered as described in Condition 5.2 or 6 prior to the date of the meeting. Securities that have not been redeemed but in respect of which an Option Exercise Notice has been delivered as described in Condition 5.2 and Securities that are Warrants or Exercisable Certificates that have not been exercised but in respect of which a Security Exercise Notice has been received as described in Condition 6 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 Securityholders.

These Conditions may be amended, modified or varied in relation to any Series of Securities by the terms of the relevant Final Terms in relation to such Series.

(b) *Global Securities in bearer or registered form*

The holder of a Permanent Global Security shall (unless such Permanent Global Security represents only one Security) be treated as being two persons for the purposes of any quorum requirements of a meeting of Securityholders and, at any such meeting, the holder of a Permanent Global Security shall be treated as having one vote in respect of each integral currency unit of the Settlement Currency of the Security in the case of Notes or in respect of each integral currency unit of the applicable Calculation Amount per Security in the case of Certificates and Warrants.

21 Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Securityholders or holders of Coupons, if applicable, to create and issue further Securities of any Series having the same terms and conditions as the Securities (so that, for the avoidance of doubt, references to “Issue Date” in these Base Conditions shall be to the first issue date of the Securities) and so that the same shall be consolidated and form a single Series with such Securities. References in the Conditions to “Securities” shall be construed accordingly.

22 Purchases and Cancellations

The Issuer, the Guarantor and any of their subsidiaries may at any time purchase Securities (provided that all unmatured Coupons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

All Securities so purchased by or on behalf of the Issuer, the Guarantor or any of their subsidiaries may (but need not) be surrendered for cancellation, in the case of Bearer Securities, by surrendering each such Security together with all unmatured Coupons to the Issue and Paying Agent and, in the case of Registered Securities, by surrendering the Definitive Registered Securities or Global Registered Securities representing such Registered Securities to the Registrar and, in each case, if

so surrendered, shall, together with all Securities redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons attached thereto or surrendered therewith). Any Securities so surrendered for cancellation may not be re-issued or resold and the obligations of the Issuer and the Guarantor in respect of any such Securities shall be discharged.

Cancellation of Securities represented by a Permanent Global Security (other than upon its redemption) will be effected by a reduction in the nominal amount of the relevant Permanent Global Security relating to Securities that are Notes or a reduction in of the aggregate number of Certificates, Warrants or Units represented by the relevant Permanent Global Security.

23 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999.

24 Definitions

“**Accession Deed**” shall have the meaning given to it in the Master Agency Agreement.

“**Accession Issuer**” means any company or other entity which accedes to the Master Agency Agreement and the other programme documents pursuant to an Accession Deed in accordance with the terms of the Master Agency Agreement subject to provision of a new base prospectus relating to such issuer or a supplemental base prospectus to the Base Prospectus.

“**Accession Issuer Jurisdiction**” means, at any time, the jurisdiction of incorporation of the relevant Accession Issuer.

“**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 Determination Agent or, where the relevant payment is denominated in euro, in a city in which banks have access to the TARGET System.

“**Actual Exercise Date**” means an Eligible Exercise Date on which the conditions to exercise set out in Condition 6.3 are satisfied in full.

“**Additional Business Centre**” means each centre specified as such in any applicable Relevant Annex and/or the applicable Final Terms.

“**Additional Disruption Event**” means, with respect to a Series of Securities, (i) each of Change in Law, Issuer Tax Event and, if the Securities are issued by BCCL, Guarantor Tax Event, (ii) Hedging Disruption and Increased Cost of Hedging unless the Relevant Annex and/or the applicable Final Terms specify that such events shall not constitute Additional Disruption Events for the purposes of the Securities, and (iii) Affected Jurisdiction Hedging Disruption and/or Affected Jurisdiction Increased Cost of Hedging if specified as applicable in the applicable Final Terms, and (iv) any other event specified as such in any Relevant Annex and/or in the applicable Final Terms. For the avoidance of doubt, in the event of any inconsistency between any applicable Relevant Annex(es) and the applicable Final Terms, as to what constitutes an Additional Disruption Event for the purposes of the Securities, the Final Terms shall prevail.

“**Affected Jurisdiction Hedging Disruption**” means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to either (i) acquire, establish, re-establish,

substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the Currency risk) of entering into and performing its obligations with respect to the Securities or (ii) freely realise, recover, receive, repatriate, remit or transfer the proceeds of Hedge Positions or the Securities between accounts within the Affected Jurisdiction or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction;

“Affected Jurisdiction Increased Cost of Hedging” means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the Currency risk) of entering into and performing its obligations with respect to the Securities, or (B) realise, recover or remit the proceeds of Hedge Positions or the Securities between accounts within the Affected Jurisdiction or from accounts within the Affected Jurisdiction to accounts outside the Affected Jurisdiction.

“Affected Jurisdiction” means the jurisdiction of the Hedge Positions as specified in the applicable Final Terms.

“Affiliate” means, in relation to any entity (the **“First Entity”**), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes **“control”** means ownership of a majority of the voting power of an entity.

“Aggregate Nominal Amount” means, in respect of a Series of Securities that are Notes, on the Issue Date the aggregate nominal amount of the Securities of such Series 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.

“Alternate Cash Amount” means, unless otherwise specified in any Relevant Annex or the applicable Final Terms, an amount per Specified Denomination or Calculation Amount per Security determined by the Determination Agent as the market value of the Affected Entitlement Components on or about the Alternate Cash Amount Settlement Date, adjusted to take into account any costs, losses, expenses and any Emerging Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the redemption, exercise or cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination 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.

“Alternate Cash Amount Settlement Date” means such date as the Issuer may determine in its sole and absolute discretion.

“Averaging Date” shall have the meaning given to it in the applicable Relevant Annex or the applicable Final Terms.

“Bank Account” means the cash account of the Issue and Paying Agent, at the Relevant Clearing System or otherwise, as notified by the Issue and Paying Agent when requested by the relevant Securityholder or Issuer, as the case may be.

“Bank Jurisdiction” means, at any time, the jurisdiction of incorporation of the Bank or any New Bank Issuer or New Guarantor substituted therefor in accordance with Condition 17.2.

“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.

“BCCL Jurisdiction” means, at any time, the jurisdiction of incorporation of BCCL or any New BCCL Issuer substituted therefor in accordance with Condition 17.1.

“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 and any Additional Business Centre specified in the applicable Final Terms;
- (b) in respect of Cleared Securities, 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 Relevant Annex and/or the applicable Final Terms); and
- (d) in relation to any sum payable in euro, a TARGET Business Day.

“Business Day Convention” means any of the business day conventions specified in Condition 8.4.

“C Rules” means the requirements under US Treasury Regulation section 1.163-5(c)(2)(i)(C).

“Call Security” means a Warrant or an Exercisable Certificate specified as such in the applicable Final Terms.

“Calculation Amount” means, in respect of a Security, on the Issue Date the amount per Security specified as such in the applicable Final Terms, and on any day thereafter, such amount as reduced by any amortisation and/or partial redemption or exercise on or prior to such date.

“Cash Account” means (a) in respect of Cleared Securities, the cash account at the Relevant Clearing System and (b) in respect of Securities other than Cleared Securities, the relevant cash account, in each case as designated in the relevant Exercise Notice, Delivery Entitlement Instruction or otherwise notified to the Issuer.

“Cash Settlement Multiplier” means, in respect of a Warrant or an Exercisable Certificate where Cash Settlement is specified or elected as the Settlement Method, where the applicable Final Terms:

- (a) do not specify an Exercise Cash Settlement Amount, one (1); or
- (b) do specify an Exercise Cash Settlement Amount, such Exercise Cash Settlement Amount.

“Cash Settled Security” means a Security in respect of which Cash Settlement is specified, elected or deemed to have been elected in accordance with the Base Conditions, any applicable Relevant Annex and/or the applicable Final Terms as the method of settlement for such Security.

“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 the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that (i) it has become illegal for the Issuer and/or any of its Affiliates to hold, acquire, deal in or dispose of the Hedge Positions relating to the Securities or contracts in securities, options, futures, derivatives or foreign exchange relating to such Securities, or (ii) the Issuer or any of its Affiliates will incur a materially increased cost in performing their obligations under such Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on their tax position).

“Clearing Annex” means, with respect to any Series of Securities, any Relevant Annex identified as such and specified to apply to such Securities in the applicable Final Terms.

“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, Luxembourg, as may be from time to time amended, supplemented or modified.

“Common Depository” means, in relation to a particular Series of Securities, whether listed on any Relevant Stock Exchange or elsewhere, such depository outside the United Kingdom and the United States (and the possessions of the United States) as shall be specified in the applicable Final Terms with respect to such Series of Securities.

“Conditions” means, with respect to a Series of Securities, the terms and conditions of the Securities set out in the Base Conditions, subject to amendment and as supplemented or varied in accordance with the provisions of the applicable Final Terms and any applicable Relevant Annex specified therein.

“Currency” means, with respect to a country, the lawful currency of such country.

“D Rules” means the requirements under US Treasury Regulation section 1.163-5(c)(2)(i)(D).

“Daily Maximum Amount” means, in relation to any particular Series of Securities that are Notes, the amount specified as such in the relevant Settlement Currency in the applicable Final Terms.

“Daily Maximum Number” means, in relation to any particular Series of Securities that are Certificate or Warrants, the number specified as such in the applicable Final Terms.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Security for any period of time (whether or not constituting an Interest Calculation Period, the **“Calculation Period”**):

- (a) if **“Actual/Actual (ISMA)”** is specified in the applicable Final Terms:
 - (i) if the Calculation Period is equal to or shorter than the Interest Calculation Period during which it falls, the number of calendar days in the Calculation Period divided by

the product of (1) the number of calendar days in such Interest Calculation Period and (2) the number of Interest Calculation Periods normally ending in any year; and

- (ii) if the Calculation Period is longer than one Interest Calculation Period, the sum of:
- (A) the number of calendar days in such Calculation Period falling in the Interest Calculation Period in which it begins divided by the products of (1) the number of calendar days in such Interest Calculation Period and (2) the number of Interest Calculation Periods normally ending in one year; and
 - (B) the number of calendar days in such Calculation Period falling in the next Interest Calculation Period divided by the product of (1) the number of calendar days in such Interest Calculation Period and (2) the number of Interest Calculation Periods normally ending in one year;
- (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 (A) the actual number of calendar days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) 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:

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

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

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

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

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

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

- (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:

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

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

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

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

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

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

- (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:

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

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

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

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

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

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

“**Delivery Entitlement Instruction**” means, with respect to Securities which are to be physically settled by delivery of an Entitlement, a notice delivered by the relevant Securityholder in respect of such Entitlement in the form obtainable from any Paying Agent, in the case of Bearer Securities or from the Registrar or Transfer Agent in the case of Registered Securities.

“**Designated Account**” means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a Securityholder with a Designated Bank.

“**Designated Bank**” means (in the case of payment in a Settlement Currency other than euro) a bank in the principal financial centre of the country of such Settlement Currency (which, if the Settlement Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) and (in the case of payment in euro) any bank which processes payments in euro.

“**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.

“**Disrupted Day**” shall have the meaning given to it in any applicable Relevant Annex or in the applicable Final Terms.

“**Disruption Cash Settlement Date**” means the fifth Relevant Settlement Day following the date of the notice of the relevant election to pay the Disruption Cash Settlement Price or such other date as may be specified in the relevant notice.

“**Disruption Cash Settlement Price**” means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Specified Denomination or Calculation Amount per Security, determined by the Determination Agent as the market value of the Securities on or about the Disruption Cash Settlement Date (which shall take into account, where some but not all of the Reference Assets comprising the Entitlement have been duly delivered pursuant to Condition 7.2(a), the value of such Reference Assets), adjusted to take into account any costs, losses, expenses and any Emerging Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the redemption, exercise or cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional), plus, in the case of Securities that are Warrants or Exercisable Certificates, if already paid, the Exercise Price, Taxes and/or Settlement Expenses, or, where as provided above some Reference Assets have been delivered and a *pro rata* portion thereof has been paid, such *pro rata* portion). In determining such amount, the Determination 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.

“**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 Series of Securities, as certified by the relevant Manager (in the case of a non-syndicated issue) or the relevant lead Manager (in the case of a syndicated issued).

“**DTC**” means The Depository Trust Company or any successor thereto.

“Early Cancellation Date” means, the last day of the relevant Early Cancellation Notice Period or Nominal Call Cancellation Notice Period, as applicable, or such other date specified or determined in accordance with the applicable Final Terms.

“Early Cash 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 Cash Settlement Amount” means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, in respect of any early redemption or cancellation of the Securities, an amount per Specified Denomination or Calculation Amount per Security determined by the Determination Agent as the market value of the Securities following the event triggering the early redemption or cancellation, adjusted to take into account any costs, losses, expenses and any Emerging Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption or cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining the Early Cash Settlement Amount, the Determination 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 estimate such Early Cash Settlement Amount in a commercially reasonable manner. The Early Cash Settlement Amount will be determined by the Determination Agent on or as soon as reasonably practicable following the event giving rise to the early redemption or cancellation of the Securities. For the purposes of calculating any Early Cash Settlement Amount at any time following an Event of Default, the Determination Agent will ignore the effect of such Event of Default upon the market value of the Securities.

“Early Physical Cancellation Date” means, the date specified as such in the applicable Final Terms or if no such date is specified, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the last day of the Nominal Call Cancellation Notice Period customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System).

“Early Physical Cancellation Entitlement” means the quantity of the Reference Asset(s) or, if “Entitlement Substitution” is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent per Calculation Amount per Security (determined on or about the last day of the relevant Nominal Call Cancellation Notice Period), in each case adjusted to take into account any costs, losses, expenses and any Emerging Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination 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.

“Emerging Market Expenses” means, (i) all costs, charges, fees, accruals, withholdings and expenses incurred in the local market of the underlying Reference Asset or any Hedge Position, and (ii) all costs, losses and expenses incurred as a result of any foreign exchange suspension or settlement delays or failures in, the local market of the underlying Reference Asset or any Hedge Position. In determining such Emerging Market Expenses, the Determination Agent may take into

account (a) the amount and timing of payments or deliveries that the Issuer or its Affiliate (as the case may be) would receive under its Hedge Position(s), (b) whether the Hedge Positions include illiquid or non-marketable assets (which may be valued at zero) or synthetic hedges (where the mark-to-market may be zero or in the money to the relevant counterparty to the Hedge Positions) and (c) whether the Issuer or its Affiliates would be subject to contingent liabilities, including any requirement to return any distributions or otherwise make any payments.

“Entitlement” means the Final Physical Redemption Entitlement, the Optional Physical Redemption Entitlement, the Early Redemption Physical Entitlement, the Early Cancellation Physical Entitlement, the Specified Early Redemption Physical Entitlement or the Exercise Physical Settlement Entitlement (together with any Transfer Documentation relating thereto).

“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 comprised 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 by the Treaty on European Union.

“Exchange Business Day” has the meaning given to it in any applicable Relevant Annex or the applicable Final Terms.

“Exchange Date” means, in relation to a Temporary Global Security, the calendar day falling after the expiry of 40 calendar days after its issue date and, in relation to a Permanent Global Security, 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 in the city in which the Relevant Clearing System is located.

“Exchange Event” means in respect of Cleared Securities that the Issuer has been notified that any Relevant Clearing System has been closed for business for a continuous period of 14 calendar days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no successor clearing system is available or the occurrence of any event specified in the terms of the relevant Global Security as a result of which Definitive Securities may be issued.

“Exchange Rate” means the rate of exchange of the Currency of one country for the Currency of another country, as specified in the applicable Final Terms.

“Exercisable Certificates” has the meaning given to it in Condition 6.

“Exercise Cash Settlement Amount” means, unless otherwise specified in the applicable Final Terms, an amount determined by the Determination Agent (which, if Units are specified in the applicable Final Terms, shall be in respect of each Unit of Securities) equal to:

- (a) where “Averaging” is specified to be not applicable in the Final Terms:
 - (i) if such Securities are Call Securities, the product of (A) the Settlement Price less the Exercise Price and (B) the Cash Settlement Multiplier;
 - (ii) if such Securities are Put Securities, the product of (A) the Exercise Price less the Settlement Price and (B) the Cash Settlement Multiplier; and

- (iii) if such Securities are Other Exercise Securities, the amount specified or determined in accordance with the applicable Final Terms; or
- (b) where “Averaging” is specified to be applicable in the applicable Final Terms:
 - (i) if such Securities are Call Securities, the product of (A) the arithmetic mean of the Settlement Prices for all the Averaging Dates less the Exercise Price and (B) the Cash Settlement Multiplier;
 - (ii) if such Securities are Put Securities, the product of (A) the Exercise Price less the arithmetic mean of the Settlement Prices for all the Averaging Dates and (B) the Cash Settlement Multiplier; and
 - (iii) if such Securities are Other Exercise Securities, the amount specified or determined in accordance with the applicable Final Terms.

“**Exercise Cash Settlement Date**” means, in relation to any Actual Exercise Date or Automatic Exercise Date, the last day of the relevant Exercise Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

“**Exercise Date(s)**” means the date(s) specified as such in the applicable Final Terms.

“**Exercise Notice**” means an Option Exercise Notice or a Security Exercise Notice.

“**Exercise Notice Period**” means the period from (and including) the relevant Actual Exercise Date or the date of the relevant Automatic Exercise Notice, as applicable to (and including) the fifteenth Business Day thereafter.

“**Exercise Period**” means the period specified in the applicable Final Terms.

“**Exercise Physical Settlement Entitlement**” means, the quantity of the Reference Asset(s) or, if “Entitlement Substitution” is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent on a Calculation Amount per Security basis (determined as at the relevant Actual Exercise Date or Automatic Exercise Date).

“**Exercise Physical Redemption Date**” means the date specified as such in the applicable Final Terms or if no such date is specified, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the last day of the relevant Exercise Notice Period customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System).

“**Exercise Price**” means the price per Security or Unit or other amount, as specified in the applicable Final Terms.

“**Expiration Date**” means:

- (a) in respect of Securities that are specified to be American Style, the last Exercise Business Day of the Exercise Period;
- (b) in respect of Securities that are specified to be Bermudan Style or Other Exercise Style, the date specified as such in the applicable Final Terms; and
- (c) in respect of Securities that are specified to be European Style, the Exercise Date.

“Final Cash Settlement Amount” means, in relation to a Note or a Certificate, an amount per Specified Denomination or per Calculation Amount per Security (determined as at the Redemption Date) in the Settlement Currency specified, or determined in the manner specified for such purpose, in the applicable Final Terms.

“Final Physical Redemption Date” means, in relation to any Final Physical Redemption Entitlement, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the Redemption Date customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System) unless otherwise specified in the applicable Final Terms.

“Final Physical Redemption Entitlement” means, the quantity of the Reference Asset(s) or, if “Entitlement Substitution” is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) per Specified Denomination or per Calculation Amount per Security (determined as at the Redemption Date) of the Security subject to payment of all sums payable including Taxes and Settlement Expenses, as provided in Condition 7, as determined by the Determination Agent or such other amount specified, or determined in accordance with the method for determination specified, in the applicable Final Terms.

“Final Terms” means with respect to a Series of Securities, the final terms specified as such for such Securities.

“Guarantor Tax Event” has the meaning ascribed to it in Condition 12 unless otherwise specified in the applicable Final Terms.

“Hedge Positions” means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange, (b) stock loan transactions or (c) other instruments or arrangements (howsoever described) by the Issuer or any of its Affiliates in order to hedge individually or on a portfolio basis, the Issuer’s obligations in respect of the Securities.

“Hedging Disruption” means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of issuing and performing its obligations with respect to the relevant Series of Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

“In-The-Money” has the meaning given to it in the applicable Final Terms or if not so provided, means (a) with respect to a Security which is to be cash settled, the Security will be deemed to be “In-The-Money” if, and to the extent to that, the Exercise Cash Settlement Amount exceeds zero and (b) with respect to a Security which is to be physically settled, the Security will be deemed to be “In-The-Money” if, and to the extent to that, the value of the Entitlement on the Actual Exercise Date of the relevant Security exceeds the Exercise Price as determined by the Determination Agent.

“Increased Cost of Hedging” means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of issuing and performing its obligations with respect to the relevant Series of Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s),

provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

“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 Basis” means either Fixed Rate, Floating Rate, Variable Rate or Zero Coupon, or any combination of Fixed Rate, Floating Rate and Variable Rate, as specified in the applicable Final Terms.

“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 Security, 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 Redemption Date, in each case as determined by the Determination 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 Basis 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.

“ISDA Definitions” means the 2006 ISDA Definitions, published by the International Swaps and Derivatives Association, Inc., as amended and updated as at the Issue Date of the Securities.

“ISDA Rate” means, in respect of an Interest Calculation Period, a rate as determined by the Determination Agent equal to the Floating Rate that would be determined by the Determination 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 Term,

where, for the purposes of this definition, “**Floating Rate**”, “**Determination Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

“**Issue Price**” means, the price specified as such in the applicable Final Terms.

“**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 fifteenth Business Day preceding the Redemption Date.

“**Issuer Settlement Option**” means, in respect of a Security, if specified in the applicable Final Terms that the Issuer may elect whether the Security will be cash settled or physically settled.

“**Issuer Tax Event**” has the meaning ascribed to it in Condition 12 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.

“**London Stock Exchange**” means London Stock Exchange plc.

“**Margin**” means the percentage rate specified as such in the applicable Final Terms.

“**Minimum Number**” means the number specified as such in the applicable Final Terms.

“**Minimum Nominal Amount**” means the amount specified as such in the Settlement Currency in the applicable Final Terms.

“**Multiplier**” means the number specified as such in the applicable Final Terms.

“**Nominal Amount**” means, in respect of a Security that is a Note, the amount per Security specified as such in the applicable Final Terms, subject to adjustment in accordance with the Conditions of the Security.

“**Nominal Call Event**” means, with respect to a Series of Securities, that on any day (i) the outstanding Aggregate Nominal Amount or outstanding Number of such Securities is less than the Nominal Call Threshold Amount (or the Settlement Currency equivalent thereof) and/or (ii) the outstanding Aggregate Nominal Amount or outstanding aggregate Number of Securities divided by the Aggregate Nominal Amount or aggregate number of the Securities as at the first Issue Date of such Securities, respectively, is less than the Nominal Call Threshold Percentage.

“**Nominal Call Threshold Amount**” means the amount specified as such in the applicable Final Terms, or if no such amount is specified 10 (ten) per cent. of the Aggregate Nominal Amount or aggregate Number of Securities as at the first Issue Date of such Securities (or the equivalent amount in the currency of the Securities as determined by the Determination Agent).

“Nominal Call Threshold Percentage” means the percentage specified as such in the applicable Final Terms or if no such amount is specified, 10 (ten) per cent.

“Optional Cash Settlement Amount” means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Specified Denomination or Calculation Amount per Security determined by the Determination Agent equal to the market value of the Security on or about the date the Early Redemption Notice is given by the Issuer or the date the Option Exercise Notice is received by the Issuer, as the case may be, and in any event no later than the last day of the relevant Put Option Notice Period or Issuer Notice Period, as applicable, (taking into account the event triggering the redemption), adjusted to take into account any costs, losses, expenses and any Emerging Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination 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.

“Optional Cash Redemption Date” means:

- (a) in relation to a Put Option, the last day of the relevant Put Notice Period or such other date specified or determined in accordance with the applicable Final Terms; or
- (b) in relation to a Call Option or Nominal Call Event in respect of Notes or Certificates (other than Exercisable Certificates), the last day of the relevant Issuer Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

“Option Exercise Notice” has the meaning given to it in Condition 5.2.

“Optional Physical Redemption Date” means, in relation to any Optional Physical Redemption Entitlement, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the last day of the relevant Put Notice Period or Issuer Notice Period, as applicable, customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System) unless otherwise specified in the applicable Final Terms.

“Optional Physical Redemption Entitlement” means the quantity of the Reference Asset(s) or, if “Entitlement Substitution” is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent per relevant Specified Denomination or Calculation Amount per Security (determined on or about the relevant Optional Physical Redemption Date) in each case adjusted to take into account any costs, losses, expenses and any Emerging Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination 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.

“Partly Paid Securities” means Securities identified as such in the applicable Final Terms and in respect of which the Issue Price is payable in two or more instalments.

“Payment Day” means any day which is:

- (a) 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:
 - (i) the relevant place of presentation;
 - (ii) London;
 - (iii) any Additional Business Centre specified in the applicable Final Terms; and
- (b) either:
 - (i) 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; or
 - (ii) in relation to any sum payable in euro, a day on which the TARGET System is open.

“Physical Delivery Date” means in relation to any Entitlement to be delivered, subject to compliance with the provisions of Condition 7 in respect of any Security, the relevant Final Physical Redemption Date, Optional Physical Redemption Date, Early Physical Redemption Date or Exercise Physical Settlement Date, unless otherwise specified in the applicable Final Terms.

“Physically Delivered Security” means a Security in respect of which Physical Settlement is specified or elected in accordance with the Base Conditions, any applicable Relevant Annex and/or the applicable Final Terms as the method of settlement for such Security.

“Potential Exercise Business Dates” mean each date specified as such in the applicable Final Terms.

“Proceedings” has the meaning given it in Condition 18.

“Product Annex” means, with respect to any Series of Securities, any annex specified as such in the applicable Final Terms.

“Programme” means the Global Structured Securities Programme as defined in, established by and contemplated in the Master Agency Agreement, as the same may be from time to time amended, supplemented or modified.

“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 Redemption Date.

“Put Security” means a Warrant or an Exercisable Certificate specified as such in the applicable Final Terms.

“Record Date” means, in relation to a payment under any Registered Security, the fifteenth calendar day (whether or not such fifteenth calendar day is a business day) before the relevant due date for such payment.

“Redemption Date” means, in respect of any Series of Securities that are Notes or Certificates, the date specified as such in the applicable Final Terms.

“Reference Asset(s)” means, in relation to a particular Series of Securities as appropriate, a single index or a basket of indices, a single share or basket of shares, a single debt instrument or a basket of debt instruments, a single currency or basket of currencies, a single commodity or a basket of commodities, a single fund or basket of funds, a FX rate or basket of FX rates, an interest rate or basket of interest rates, an inflation measure or basket of inflation measures, a currency pair or any other underlying asset(s) specified as such 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 inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Determination Agent.

“Reference Rate” means the rate specified as such in the applicable Final Terms.

“Register” means, with respect to any Registered Securities, the register of holders of such Securities maintained by the applicable Registrar.

“Regulation S Security” means Securities sold outside the United States to non-US persons in reliance on Regulation S under the Securities Act.

“Relevant Annex” means, with respect to any Series of Securities, any Clearing Annex, Product Annex or other such annex specified as such in the applicable Final Terms.

“Relevant Clearing System” means, as appropriate, Euroclear, Clearstream, DTC (except in respect of Securities that are Exercisable Certificates) and/or such other clearing system specified in any applicable Relevant Annex or in the applicable Final Terms, as the case may be, through which interests in Securities are to be held and/or through an account at which such Securities are to be cleared.

“Relevant Date” means, in respect of any Security 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 Securityholders that, upon further presentation of the Security 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” shall have the meaning given to it in the applicable Relevant Annex or Final Terms.

“Relevant Stock Exchange” means, in respect of any Series of Securities, the stock exchange upon which such Securities are listed as specified in the applicable Final Terms, if any.

“Relevant Time” means the time specified in the applicable Final Terms.

“Rule 144A Security” means Securities sold in the United States to qualified institutional buyers within the meaning of Rule 144A under the Securities Act.

“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 Securities.

“Securities” means any Notes, Certificates or Warrants which may from time to time be issued under the Programme.

“Securities Account” means the securities account specified as such in the relevant Exercise Notice or as otherwise notified to the Issuer in accordance with the Master Agency Agreement.

“Securities Act” means the United States Securities Act of 1933, as amended.

“Security Exercise Notice” has the meaning given to it in Condition 6.3(a).

“Securityholder Settlement Option” means, in respect of a Security if specified in the applicable Final Terms, that the Securityholder may elect whether the Security will be cash settled or physically settled.

“Series” means the Securities of each original issue together with the Securities of any further issues expressed to be consolidated to form a single Series with the Securities of an original issue.

“Settlement Amount” means the Final Cash Settlement Amount, the Optional Cash Settlement Amount, the Early Cash Settlement Amount, the Specified Early Cash Settlement Amount, the Exercise Cash Settlement Amount, or the Disruption Cash Settlement Price, as applicable.

“Settlement Currency” means the Currency specified as such in the applicable Final Terms.

“Settlement Disruption Event” means, in the opinion of the Determination Agent, that an event beyond the control of the Issuer or the Guarantor, if applicable, has occurred as a result of which the Issuer or the Guarantor, as the case may be, cannot make delivery of the Reference Assets.

“Settlement Election Notice” has the meaning given to it in Condition 7.

“Settlement Expenses” means, in respect of any Security or Securities, any costs, fees and expenses or other amounts (other than in relation to Taxes) payable by a Securityholder per Specified Denomination or Calculation Amount per Security on or in respect of or in connection with the redemption, exercise or settlement of such Security or Securities as determined by the Determination Agent in its sole and absolute discretion.

“Settlement Method” means in respect of a Security, the method specified as such in the applicable Final Terms.

“Settlement Price” means, unless otherwise specified in the applicable Final Terms, in relation to each Warrant, Exercisable Certificate or, if Units are specified in the applicable Final Terms, each Unit, in respect of which Cash Settlement is specified or elected as the Settlement Method:

- (a) in the case of Securities relating to a basket of Reference Assets, an amount equal to the sum of the values calculated for each Reference Asset at the official closing price (or the price at the Relevant Time on the relevant Valuation Date or an Averaging Date if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Reference Asset on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if

“Averaging” is specified in the applicable Final Terms, an Averaging Date and, in either case, without regard to any subsequently published correction (or if in the opinion of the Determination Agent, any such official closing price (or the price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) cannot be so determined and the relevant Valuation Date or Averaging Date is not a Disrupted Day, an amount determined by the Determination Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) for the relevant Reference Asset whose official closing price (or the price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) cannot be determined based, at the Determination Agent’s discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Determination Agent) engaged in the trading of the relevant Reference Asset or on such other factors as the Determination Agent shall decide), multiplied by the relevant Multiplier, each such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and the sum of such converted amounts to be the Settlement Price, all as determined by or on behalf of the Determination Agent; and

- (b) in the case of Securities relating to a single Reference Asset, an amount equal to the official closing price (or the price at the Relevant Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Reference Asset on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if “Averaging” is specified in the applicable Final Terms, an Averaging Date and, in either case, without regard to any subsequent published correction (or if, in the opinion of the Determination Agent, any such official closing price (or the price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Determination Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the Reference Asset based, at the Determination Agent’s discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Determination Agent) engaged in the trading of the Reference Asset or on such other factors as the Determination Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Determination Agent.

“**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.

“Specified Early Redemption Event” means each event specified as such in the applicable Final Terms.

“Specified Early Cash Settlement Amount” means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Specified Denomination or Calculation Amount per Security determined by the Determination Agent as the market value of the Securities on or about the date the Specified Early Redemption Notice is given by the Issuer, and in any event no later than the last day of the Specified Early Redemption Notice Period, adjusted to take into account any costs, losses, expenses and any Emerging Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination 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.

“Specified Early Cash Redemption Date” means, the last day of the Specified Early Redemption Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

“Specified Early Physical Redemption Date” means, in relation to any Specified Early Physical Redemption Entitlement to be delivered, the Relevant Settlement Day following the date on which settlement of a sale of the relevant Reference Assets executed on the last day of the Specified Early Redemption Notice Period customarily would take place in the relevant market (or, in respect of Cleared Securities, through the Relevant Clearing System) unless otherwise specified in the applicable Final Terms.

“Specified Early Physical Redemption Entitlement” means the quantity of the Reference Asset(s) or, if “Entitlement Substitution” is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent per relevant Specified Denomination or Calculation Amount per Security (determined immediately prior to the relevant Specified Early Physical Redemption Date) in each case adjusted to take into account any costs, losses, expenses and any Emerging Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination 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.

“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 Securities, the person identified as the successor to such Agent or other person by the Determination Agent (or if the successor relates to the Determination Agent, the Issuer) in its sole and absolute discretion. Notice of any Successor identified shall be given to Securityholders as soon as reasonably practicable after such identification in accordance with Condition 16.

“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 Determination 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.

“**Transfer Documentation**” means, for each Series of Securities, such documentation as is generally acceptable for settlement of transfer of Reference Assets on any Related Exchange or through the Relevant Clearing System including, without limitation, stock notes and/or stock transfer forms in the case of settlement on the London Stock Exchange.

“**Units**” means, in respect of Warrants and Exercisable Certificates, the number of Warrants or Exercisable Certificates specified in the applicable Final Terms.

“**Valuation Date**” has the meaning given to in any applicable Relevant Annex or the applicable Final Terms.

“**Valuation Time**” means the time specified as such in any applicable Relevant Annex or the applicable Final Terms.

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COMMODITY LINKED ANNEX

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PART A – DESCRIPTION AND RISK FACTORS

1 Brief description of Commodity Linked Securities.

Commodity Linked Securities are Securities where (i) in relation to Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option; or (ii) in relation to Exercisable Certificates and Warrants, the exercise of the such Securities or the amount payable or deliverable on exercise; or (iii) any additional amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance, level, price, or other factor relating to a specified commodity, commodity index, basket of commodities and/or commodity indices over a period of time or on certain dates.

Commodities and commodity indices are generally divided into four main classes: (i) energy, which includes crude oil, gasoline, heating oil and natural gas, (ii) agriculture, which includes corn, soybeans, wheat, sugar, cocoa, cotton and coffee, (iii) livestock, which includes cattle and hogs, and (iv) metals, which can be subdivided into base metals such as aluminium, copper, nickel, lead and zinc, and precious metals such as gold and silver.

A commodity index is comprised of a weighted basket of commodities that satisfy specified criteria and is designed to be a liquid and diversified benchmark for commodities. Each commodity index has its own composition and calculation methodology and is usually expressed in terms of a change from a base value.

2 Risk Factors relating to Commodity Linked Securities.

Commodity Linked Securities have a different risk profile to ordinary unsecured debt securities. The return on a Commodity Linked Security is linked to the performance of a Relevant Commodity or Commodity Index. Investing in a Commodity Linked Security is not equivalent to investing directly in the Relevant Commodity or Commodity Index or the underlying Commodity Index components.

This section describes additional factors to which prospective investors should have regard when considering an investment in Commodity Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

2.1 Risks Associated with all Commodity Linked Securities

2.1.1 The market value of Commodity Linked Securities may be influenced by many unpredictable factors.

The market value of Commodity Linked Securities may be influenced by many unpredictable factors and may fluctuate between the date of purchase and the applicable pricing date(s). Investors may also sustain a significant loss if they sell Commodity Linked Securities in the secondary market. Several factors, many of which are beyond the control of the Issuer and/or the Guarantor (if applicable), will influence the market value of Commodity Linked Securities. It is expected that generally the value

of the Relevant Commodity or the value of the Commodity Index components and of the Commodity Index underlying the Commodity Linked Securities will affect the market value of those Commodity Linked Securities more than any other factor. Other factors that may influence the market value of Commodity Linked Securities include:

- prevailing spot prices for the Relevant Commodity or commodities underlying the Commodity Index;
- the time remaining to the redemption, exercise or expiration, as applicable, of the Commodity Linked Securities;
- supply and demand for the Commodity Linked Securities;
- economic, financial, political, regulatory, geographical, biological, or judicial events that affect the market price of the underlying Relevant Commodity or the level of the Commodity Index or the market price of the components included in the Commodity Index;
- the general interest rate environment; and
- the creditworthiness of the Issuer and/or Guarantor.

These factors interrelate in complex ways, and the effect of one factor on the market value of the Commodity Linked Securities may offset or enhance the effect of another factor.

- 2.1.2 Commodity prices may change unpredictably, affecting the value of Relevant Commodities or Commodity Indices and the value of Commodity Linked Securities in unforeseeable ways.

For example, trading in futures contracts on physical commodities, including trading in the components of a Commodity Index, is speculative and can be extremely volatile. Market prices may fluctuate rapidly based on numerous factors, including: changes in supply and demand relationships (whether actual, perceived, anticipated, unanticipated or unrealized); weather; agriculture; trade; fiscal, monetary and exchange control programs; domestic and foreign political and economic events and policies; disease; pestilence; technological developments; changes in interest rates, whether through governmental action or market movements; and monetary and other governmental policies, action and inaction. The current or “spot” prices of physical commodities may also affect, in a volatile and inconsistent manner, the prices of futures contracts in respect of a commodity. These factors may affect the value of the Relevant Commodity or Commodity Index underlying Commodity Linked Securities and therefore the value of Commodity Linked Securities in varying ways, and different factors may cause the prices of Relevant Commodities or Commodity Index components, and the volatilities of their prices, to move in inconsistent directions at inconsistent rates.

- 2.1.3 Supply of and demand for physical commodities tends to be particularly concentrated, so prices are likely to be volatile.

The prices of physical commodities, including the commodities underlying a Commodity Index, can fluctuate widely due to supply and demand disruptions in major producing or consuming regions or industries.

Certain commodities are used primarily in one industry, and fluctuations in levels of activity in (or the availability of alternative resources to) one industry may have a disproportionate effect on global demand for a particular commodity. Moreover, recent growth in industrial production and gross domestic product has made China and other developing nations oversized users of commodities and has increased the extent to which certain commodities rely on the those markets. Political, economic and other developments that affect those countries may affect the value of a Relevant Commodity or the commodities included in a Commodity Index and, thus, the value of Commodity Linked Securities linked to that Relevant Commodity or Commodity Index.

In addition, because certain Relevant Commodities and certain of the commodities underlying a Commodity Index may be produced in a limited number of countries and may be controlled by a small number of producers, political, economic and supply-related events in such countries or with such produces could have a disproportionate impact on the prices of such commodities and therefore the value of Commodity Linked Securities.

- 2.1.4 Suspension or disruptions of market trading in commodities and related futures contracts may adversely affect the value of Commodity Linked Securities.

Commodity markets are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets, the participation of speculators and government regulation and intervention. In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in some futures contract prices that may occur during a single business day. These limits are generally referred to as “daily price fluctuation limits” and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a “limit price”. Once the limit price has been reached in a particular contract, no trades may be made at a price beyond the limit, or trading may be limited for a set period of time. Limit prices have the effect of precluding trading in a particular contract or forcing the liquidation of contracts at potentially disadvantageous times or prices. These circumstances could adversely affect the value of any Relevant Commodity or Commodity Index underlying Commodity Linked Securities and, therefore, the value of those Commodity Linked Securities.

- 2.1.5 Concentration risks associated with a Relevant Commodity or Commodity Index may adversely affect the value of Commodity Linked Securities.

Because Commodity Linked Securities are linked to one or more Relevant Commodities or Commodity Indices comprised of one or more contracts on physical commodities, it will be less diversified than other funds, investment portfolios or indices investing in or tracking a broader range of products and, therefore, could experience greater volatility. Investors should be aware, in particular, that some Commodity Indices are more diversified than others in terms of both the number of and variety of futures contracts (especially in the case of the Commodity Linked Securities linked to a sub-index of a Commodity Index). An investment in Commodity Linked Securities may carry risks similar to a concentrated securities investment in a limited number of industries or sectors, in one industry or sector or in one issuer.

- 2.1.6 Future prices of commodities within a Commodity Index that are different relative to their current prices may result in a reduced amount payable or deliverable upon redemption or exercise.

Unlike equities, which typically entitle the holder to a continuing stake in a corporation, commodity futures contracts normally specify a certain date for delivery of the underlying physical commodity. As the exchange-traded futures contracts that comprise a Commodity Index approach expiration, they are replaced by similar contracts that have a later expiration. Thus, for example, a futures contract purchased and held in August may specify an October expiration. As time passes, the contract expiring in October may be replaced by a contract for delivery in November. This process is referred to as “rolling”. If the market for these contracts is (putting aside other considerations) in “backwardation”, which means that the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the October contract would take place at a price that is higher than the price of the November contract, thereby creating a “roll yield”. The actual realization of a potential roll yield will be dependent upon the level of the related spot price relative to the unwind price of the commodity futures contract at the time of sale of the contract. While many of the contracts included in Commodity Indices have historically exhibited consistent periods of backwardation, backwardation will most likely not exist at all times. Moreover, certain of the commodities reflected in Commodity Indices have historically traded in “contango” markets. Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months. The absence of backwardation in the commodity markets could result in negative “roll yields”, which could adversely affect the value of a Commodity Index underlying Commodity Linked Securities and, accordingly, decrease the amount received by Securityholders upon redemption or exercise.

- 2.1.7 Commodity Indices may include contracts that are not traded on regulated futures exchanges.

Commodity Indices are typically based solely on futures contracts traded on regulated futures exchanges. However, a Commodity Index may include over-the-counter contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. As a result, trading in such contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the provisions of, and the protections afforded by, for example, the U.S. Commodity Exchange Act of 1936, or other applicable statutes and related regulations, that govern trading on regulated U.S. futures exchanges, or similar statutes and regulations that govern trading on regulated UK futures exchanges. In addition, many electronic trading facilities have only recently initiated trading and do not have significant trading histories. As a result, the trading of contracts on such facilities, and the inclusion of such contracts in a Commodity Index, may be subject to certain risks not presented by, for example, U.S. or UK exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts.

- 2.1.8 Historical values of Relevant Commodities, Commodity Indices and the components in a Commodity Index should not be taken as an indication of future performance.

The actual performance of a Relevant Commodity, Commodity Index or the components included in a Commodity Index underlying Commodity Linked Securities, as well as the amount payable or deliverable upon redemption or exercise, may bear little relation to the historical values of that Relevant Commodity, Commodity Index or the components included in that Commodity Index, which in most cases have been highly volatile.

2.1.9 Changes in the Treasury Bill rate of interest may affect the value of a Commodity Index underlying Commodity Linked Securities.

If the value of a Commodity Index is linked, in part, to the Treasury Bill rate of interest that could be earned on cash collateral invested in specified Treasury Bills, changes in the Treasury Bill rate of interest may affect the amount payable or deliverable on any Commodity Linked Securities linked to that Commodity Index upon redemption or exercise and, therefore, the market value of such Commodity Linked Securities. Assuming the trading prices of the commodity components included in the Commodity Index remain constant, an increase in the Treasury Bill rate of interest will increase the value of the Commodity Index and, therefore, the value of the Commodity Linked Securities. A decrease in the Treasury Bill rate of interest will adversely impact the value of the Commodity Index and, therefore, the value of the Commodity Linked Securities.

2.1.10 Securityholders will not have rights in any Relevant Commodity (unless expressly provided for in the Final Terms) or components of any Commodity Index.

A Securityholder will not have rights that investors in a Relevant Commodity or in the components included in a Commodity Index underlying Commodity Linked Securities may have. The Securities will be paid in cash, and you will have no right to receive delivery of any Relevant Commodity unless expressly provided for in the applicable Final Terms.

2.1.11 The Issuer is not responsible for the public disclosure of information relating to a Commodity Index, which may change over time.

This Issuer has no ability to control or predict the actions of the sponsor of a Commodity Index, including any errors in, or discontinuation of disclosure regarding the methods or policies relating to the calculation of, a Commodity Index. The sponsor of a Commodity Index is typically not under any obligation to continue to calculate the Commodity Index or required to calculate any successor indices. If the sponsor discontinues or suspends the calculation of a Commodity Index, it may become difficult to determine the market value of the Commodity Linked Securities linked to that Commodity Index or the amount payable or deliverable upon redemption or exercise. The Determination Agent may designate a successor index selected in its sole discretion. If the Determination Agent determines in its sole discretion that no successor index comparable to the discontinued or suspended Commodity Index exists, the amount received by Securityholders upon redemption or exercise of the Commodity Linked Securities linked to that Commodity Index will be determined by the Determination Agent in its sole discretion. See "Adjustments to Commodity Index" in this Product Annex.

- 2.1.12 The policies of the sponsor of a Commodity Index and changes that affect the composition and valuation of a Commodity Index or the components included in a Commodity Index could affect the amount payable or deliverable on the Commodity Linked Securities and their market value.

The policies of the sponsor of a Commodity Index concerning the calculation of the level of a Commodity Index, additions, deletions or substitutions of index components and the manner in which changes affecting the index components are reflected in a Commodity Index could affect the value of the Commodity Index and, therefore, the amount payable or deliverable on the Commodity Linked Securities upon redemption or exercise and the market value of the Commodity Linked Securities prior to redemption or expiration.

Additional commodity futures contracts may satisfy the eligibility criteria for inclusion in a Commodity Index, and the commodity futures contracts currently included in a Commodity Index may fail to satisfy such criteria. The weighting factors applied to each futures contract included in a Commodity Index may change, based on changes in commodity production and volume statistics. In addition, the sponsor of a Commodity Index may modify the methodology for determining the composition and weighting of a Commodity Index, for calculating its value in order to assure that the relevant Commodity Index represents an adequate measure of market performance or for other reasons, or for calculating the value of the relevant Commodity Index. The sponsor of a Commodity Index may also discontinue or suspend calculation or publication of a Commodity Index, in which case it may become difficult to determine the market value of that Commodity Index. Any such changes could adversely affect the value of the Commodity Linked Securities.

If events such as these occur, or if the value of a Relevant Commodity or a Commodity Index is not available or cannot be calculated because of a market disruption event, the Determination Agent may be required to estimate in a commercially reasonable manner determined in its sole discretion of the value of such Relevant Commodity or Commodity Index. See “Commodity Market Disruption Event and Disruption Fallback” and “Adjustments to Commodity Index” in this Product Annex.

- 2.1.13 If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities.

The determination of the value of a Relevant Commodity or Commodity Index on a pricing date may be delayed or postponed if the Determination Agent determines that a Commodity Market Disruption Event with respect to that Relevant Commodity or Commodity Index has occurred or is continuing on such valuation date. As a result, the relevant settlement date, exercise date(s) or expiration date, as the case may be, of the Commodity Linked Securities could also be delayed or postponed. Where a Commodity Market Disruption Event occurs on a pricing date and continues for longer than a set period of consecutive days, the Determination Agent will estimate in a commercially reasonable manner determined in its sole discretion of the value of the Relevant

Commodity or Commodity Index for such valuation date. See “Commodity Market Disruption Event and Disruption Fallback” in this Product Annex.

2.1.14 Data sourcing and calculation associated with Commodity Indices may adversely affect the market price of Commodity Linked Securities.

The annual composition of Commodity Indices are typically recalculated in reliance upon historic price, liquidity and production data that are subject to potential errors in data sources or other errors that may affect the weighting of the index components. Any discrepancies that require revision are not applied retroactively but will be reflected in the weighting calculations of the Commodity Index for the following year. Additionally, sponsors of a Commodity Index may not discover every discrepancy. Furthermore, the annual weightings for a Commodity Index are typically determined by the sponsor of the Commodity Index under the supervision of the supervisory committee, which has a significant degree of discretion in exercising its supervisory duties with respect to the Commodity Index and has no obligation to take the needs of any parties to transactions involving the Commodity Indices (including Securityholders) into consideration when reweighting or making any other changes to the Commodity Index.

2.1.15 The sponsor of a Commodity Index may be required to replace a futures contract or other component in a Commodity Index if the existing futures contract or other component is terminated or replaced.

The sponsor of a Commodity Index will typically select futures contracts and other price sources as the reference contracts for the physical commodities in the Commodity Index. Data concerning these underlying components will be used to calculate the level of the Commodity Index. If a component were to be terminated or replaced in accordance with the methodology of the Commodity Index, a comparable futures contract or other price source would be selected by the index sponsor or supervisory committee, if available, to replace that component. The termination or replacement of any component may have an adverse impact on the value of any Commodity Index in which the relevant component is included.

2.2 Additional Risks Associated with Commodity Linked Securities linked to Aluminium, Copper, Lead, Nickel, Tin or Zinc

2.2.1 Commodity Linked Securities may be subject to certain risks specific to aluminium, copper, lead, nickel, tin or zinc as a commodity.

Aluminium, copper, lead, nickel, tin and zinc are industrial metals. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities that are linked to the price of aluminium, copper, lead, nickel, tin or zinc may be subject to a number of additional factors specific to industrial metals, and in particular aluminium, copper, lead, nickel, tin or zinc, that might cause price volatility. These may include, among others:

- changes in the level of industrial activity using industrial metals, and in particular aluminium, copper, lead, nickel, tin or zinc, including the availability of substitutes such as man-made or synthetic substitutes;
- disruptions in the supply chain, from mining to storage to smelting or refining;

- adjustments to inventory;
- variations in production costs, including storage, labour and energy costs;
- costs associated with regulatory compliance, including environmental regulations; and
- changes in industrial, government and consumer demand, both in individual consuming nations and internationally.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of aluminium, copper, lead, nickel, tin or zinc, may offset or enhance the effect of another factor.

2.3 The London Metal Exchange's use of or omission to use price controls may result in limited appreciation but unlimited depreciation in the price of aluminium, copper, lead, nickel futures contracts traded on the London Metal Exchange and, therefore, the value of Commodity Linked Securities linked to the price of such aluminium, copper, lead, nickel futures contracts.

U.S. exchanges have regulations that limit the amount of fluctuation in some futures contract prices that may occur during a single business day. These limits are generally referred to as "daily price fluctuation limits". In contrast, futures contracts on aluminium, copper, lead, nickel that are traded on the London Metal Exchange (the "LME") are not subject to daily price fluctuation limits to restrict the extent of daily fluctuations in the prices of such contracts. In a declining market, therefore, it is possible that prices for one or more contracts traded on the LME would continue to decline without limitation within a trading day or over a period of trading days. A steep decline in the price of the futures contract could have a significant adverse impact on the value of any Commodity Linked Securities linked to such aluminium, copper, lead, nickel futures contracts.

Moreover, the LME has discretion to impose "backwardation limits" by permitting short sellers who are unable to effect delivery of an underlying commodity and/or borrow such commodity at a price per day that is no greater than the backwardation limit to defer their delivery obligations by paying a penalty in the amount of the backwardation limit to buyers for whom delivery was deferred. Backwardation limits tend to either constrain appreciation or cause depreciation of the prices of futures contracts expiring in near delivery months. Impositions of such backwardation limits could adversely affect the value of any Commodity Linked Securities linked to such aluminium, copper, lead, nickel futures contracts.

2.3.1 Contracts traded on the LME are exposed to concentration risks beyond those characteristic of futures contracts on U.S. futures exchanges.

Futures contracts traded on U.S. futures exchanges generally call for delivery of the physical commodities to which such contracts relate in stated delivery months. In contrast, contracts traded on the LME may call for delivery on a daily, weekly or monthly basis. As a result, there may be a greater risk of a concentration of positions in contracts trading on the LME on particular delivery dates than for futures contracts traded on U.S. futures exchanges, since, for example, contracts calling for delivery on a daily, weekly or monthly basis could call for delivery on the same or approximately the same date. Such a concentration of positions, in turn, could cause temporary

aberrations in the prices of contracts traded on the LME for delivery dates to which such positions relate. To the extent such aberrations are in evidence on a given pricing date with respect to the price of any such futures contract, they could adversely affect the value of any Commodity Linked Securities linked to such futures contracts.

2.4 Additional Risks Associated with Commodity Linked Securities linked to Cocoa, Coffee, Corn, Cotton, Soybeans, Soybean Oil, Sugar or Wheat

2.4.1 Commodity Linked Securities may be subject to certain risks specific to cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat as a commodity.

Cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar and wheat are agricultural commodities. Cocoa, coffee, cotton and sugar are soft commodities; corn, soybeans and wheat are grains. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities that are linked to the price of cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat may be subject to a number of additional factors specific to agricultural commodities and softs or grains, and in particular cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat, that might cause price volatility. These may include, among others:

- weather conditions, including floods, drought and freezing conditions;
- changes in government policies;
- changes in global demand for food or clothing;
- planting decisions; and
- changes in bio-diesel or ethanol demand;
- changes in demand for agricultural products, softs or grains, and in particular cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat, both with end users and as inputs into various industries.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat, may offset or enhance the effect of another factor.

2.5 Additional Risks Associated with Commodity Linked Securities Linked to Crude Oil, Heating Oil, Natural Gas or Unleaded Gasoline

2.5.1 Commodity Linked Securities may be subject to certain risks specific to crude oil, heating oil, natural gas or unleaded gasoline as a commodity.

Crude oil, heating oil, natural gas and unleaded gasoline are energy-related commodities. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities linked to the price of crude oil, heating oil, natural gas or unleaded gasoline may be subject to a number of additional factors specific to energy-related commodities, and in particular crude oil, heating oil, natural gas or unleaded gasoline, that might cause price volatility. These may include, among others:

- changes in the level of industrial and commercial activity with high levels of energy demand;
- disruptions in the supply chain or in the production or supply of other energy sources;
- price changes in alternative sources of energy;
- adjustments to inventory;
- variations in production and shipping costs;
- costs associated with regulatory compliance, including environmental regulations; and
- changes in industrial, government and consumer demand, both in individual consuming nations and internationally.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of crude oil, heating oil, natural gas or unleaded gasoline, may offset or enhance the effect of another factor.

2.6 Additional Risks Associated with Commodity Linked Securities Linked to Gold, Silver, Platinum or Palladium

2.6.1 Commodity Linked Securities may be subject to certain risks specific to gold, silver, platinum or palladium as a commodity.

Gold, silver, platinum and palladium are precious metals. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities linked to the price of gold, silver, platinum or palladium may be subject to a number of additional factors specific to precious metals, and in particular gold, silver, platinum or palladium, that might cause price volatility. These may include, among others:

- disruptions in the supply chain, from mining to storage to smelting or refining;
- adjustments to inventory;
- variations in production costs, including storage, labour and energy costs;
- costs associated with regulatory compliance, including environmental regulations;
- changes in industrial, government and consumer demand, both in individual consuming nations and internationally;
- precious metal leasing rates;
- currency exchange rates;
- level of economic growth and inflation; and
- degree to which consumers, governments, corporate and financial institutions hold physical gold as a safe haven asset (hoarding) which may be caused by a banking crisis/recovery, a rapid change in the value of other assets (both financial and physical) or changes in the level of geopolitical tension.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of gold, silver, platinum or palladium, may offset or enhance the effect of another factor.

2.7 Additional Risks Associated with Securities Linked to an Index that Includes Lean Hogs or Live Cattle

2.7.1 Commodity Linked Securities may be subject to certain risks specific to lean hogs or live cattle as a commodity.

Lean hogs and live cattle are a type of livestock. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities linked to the price of lean hogs or live cattle may be subject to a number of additional factors specific to livestock, and in particular lean hogs or live cattle, that might cause price volatility. These may include, among others:

- weather conditions, including floods, drought and freezing conditions;
- disease and famine;
- changes in government policies; and
- changes in end-user demand for livestock.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of lean hogs or live cattle, may offset or enhance the effect of another factor.

2.8 Commodity Indices – General Information

All information contained in this Product Annex and the applicable Final Terms regarding any Commodity Index, including, without limitation, its make up, its method of calculation and changes in its components is derived from publicly available information. Such information reflects the policies of, and is subject to change by, the index sponsors.

Commodity Indices are sponsored, calculated and published by index sponsors. In connection with any offering of Securities, neither the Issuer nor the Guarantor have participated in the preparation of any information relating to any Commodity Index or made any due diligence inquiry with respect to the index sponsors. Neither the Issuer nor the Guarantor makes any representation or warranty as to the accuracy or completeness of such information or any other publicly available information regarding any Commodity Index or the index sponsors.

Securityholders should make their own investigation into any Commodity Index and the index sponsors. The index sponsors are not involved in any offer of Securities in any way and have no obligation to consider the interests of any Securityholder. The index sponsors have no obligation to continue to publish any Commodity Index and may discontinue or suspend publication of a Commodity Index at any time in their sole discretion.

Some index sponsors and their affiliates actively trade futures contracts and options on futures contracts on the commodities that underlie Commodity Indices, as well as commodities, including commodities included in Commodity Indices. Some index sponsors and their affiliates also actively enter into or trade and market securities, swaps, options, derivatives, and related instruments which are linked to the performance of commodities or

are linked to the performance of Commodity Indices. Some index sponsors and their affiliates may underwrite or issue other securities or financial instruments linked to one or more Commodity Indices, and may license the Commodity Indices for publication or for use by unaffiliated third parties. These activities could present conflicts of interest and could affect the value of the Commodity Indices. For instance, a market maker in a financial instrument linked to the performance of a Commodity Index may expect to hedge some or all of its position in that financial instrument. Purchase (or selling) activity in the underlying index components in order to hedge the market maker's position in the financial instrument may affect the market price of the futures contracts or other components included in the Commodity Index, which in turn may affect the value of the Commodity Index. With respect to any of the activities described above, the index sponsors and their affiliates have no obligation to take the needs of any buyers, sellers or holders of the Securities into consideration at any time.

Historical performance of a Commodity Index is not an indication of future performance. Future performance of a Commodity may differ significantly from historical performance, either positively or negatively.

A Commodity Index is composed of one or more futures contracts on physical commodities. Futures contracts on physical commodities and commodity indices are traded on regulated futures exchanges, and physical commodities and other derivatives on physical commodities and commodity indices are traded in the over-the-counter market and on various types of physical and electronic trading facilities and markets. An exchange-traded futures contract provides for the purchase and sale of a specified type and quantity of a commodity or financial instrument during a stated delivery month for a fixed price. A futures contract on an index of commodities provides for the payment and receipt of cash based on the level of the index at settlement or liquidation of the contract. A futures contract provides for a specified settlement month in which the cash settlement is made or in which the commodity or financial instrument is to be delivered by the seller (whose position is therefore described as "short") and acquired by the purchaser (whose position is therefore described as "long").

There is no purchase price paid or received on the purchase or sale of a futures contract. Instead, an amount of cash or cash equivalents must be deposited with the broker as "initial margin". This amount varies based on the requirements imposed by the exchange clearing houses, but may be lower than 5 per cent. of the notional value of the contract. This margin deposit provides collateral for the obligations of the parties to the futures contract.

By depositing margin, which may vary in form depending on the exchange, with the clearing house or broker involved, a market participant may be able to earn interest on its margin funds, thereby increasing the total return that it may realize from an investment in futures contracts. The market participant normally makes to, and receives from, the broker subsequent daily payments as the price of the futures contract fluctuates. These payments are called "variation margin" and are made as the existing positions in the futures contract become more or less valuable, a process known as "marking to the market".

Futures contracts are traded on organized exchanges, known as "designated contract markets" in the United States. At any time prior to the expiration of a futures contract, subject to the availability of a liquid secondary market, a trader may elect to close out its position by taking an opposite position on the exchange on which the trader obtained the position. This operates

to terminate the position and fix the trader's profit or loss. Futures contracts are cleared through the facilities of a centralized clearing house and a brokerage firm, referred to as a "futures commission merchant", which is a member of the clearing house. The clearing house guarantees the performance of each clearing member that is a party to a futures contract by, in effect, taking the opposite side of the transaction. Clearing houses do not guarantee the performance by clearing members of their obligations to their customers.

Unlike equity securities, futures contracts, by their terms, have stated expirations and, at a specified point in time prior to expiration, trading in a futures contract for the current delivery month will cease. As a result, a market participant wishing to maintain its exposure to a futures contract on a particular commodity with the nearest expiration must close out its position in the expiring contract and establish a new position in the contract for the next delivery month, a process referred to as "rolling". For example, a market participant with a long position in November crude oil futures that wishes to maintain a position in the nearest delivery month will, as the November contract nears expiration, sell November futures, which serves to close out the existing long position, and buy December futures. This will "roll" the November position into a December position, and, when the November contract expires, the market participant will still have a long position in the nearest delivery month.

Futures exchanges and clearing houses in the United States are subject to regulation by the Commodities Futures Trading Commission. Exchanges may adopt rules and take other actions that affect trading, including imposing speculative position limits, maximum price fluctuations and trading halts and suspensions and requiring liquidation of contracts in certain circumstances. Futures markets outside the United States are generally subject to regulation by comparable regulatory authorities. The structure and nature of trading on non-U.S. exchanges, however, may differ from this description.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY LINKED SECURITIES

*The terms and conditions applicable to Commodity Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “**Commodity Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Commodity Linked Conditions set out below, the Commodity Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Commodity Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Commodity Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Commodity Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

These Commodity Linked Conditions apply to Commodity Linked Securities linked to (i) a single Relevant Commodity, (ii) a Commodity Index, (iii) a Basket of Commodities or (iv) a basket of various products which includes a Relevant Commodity or Commodity Index.

1 Determination of Relevant Commodity Price for Commodity Linked Securities

The Relevant Commodity Price for a Relevant Commodity or a Commodity Index for any Pricing Date shall be the price, expressed as a price per unit of the Relevant Commodity or the price of the Commodity Index, determined by the Determination Agent with respect to that Pricing Date in respect of which:

- (i) the Commodity Reference Price is as specified in the applicable Final Terms;
- (ii) the Specified Price is as specified in the applicable Final Terms;
- (iii) the Delivery Date (if any) is as specified in the applicable Final Terms; and
- (iv) the Pricing Date(s) is/are date(s) as specified in the applicable Final Terms.

2 Commodity Market Disruption Event and Disruption Fallback

If, in the opinion of the Determination Agent, a Commodity Market Disruption Event has occurred and is continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Relevant Commodity Price for that Pricing Date will be determined by the Determination Agent in accordance with the first applicable Disruption Fallback that provides a Relevant Commodity Price.

3 Common Pricing

With respect to Securities relating to a Basket of Commodities, if “Common Pricing” has been selected in the applicable Final Terms as:

- (i) “Applicable” then, no date will be a Pricing Date unless such date is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced.
- (ii) “Inapplicable” then, if the Determination Agent determines that a Commodity Market Disruption Event has occurred or exists on the Pricing Date in respect of any Relevant Commodity and/or Commodity Index in the basket (the “Affected Commodity”), the Relevant Commodity Price of each Relevant Commodity and/or Commodity Index within the basket which is not affected by the occurrence of a Commodity Market Disruption Event shall be determined on its scheduled Pricing Date and the Relevant Commodity Price for the Affected Commodity shall be determined in accordance with the first applicable Disruption Fallback that provides a Relevant Commodity Price.

4 Correction to Published Prices

For purposes of determining or calculating the Relevant Commodity Price, if the price published or announced on a given day and used or to be used by the Determination Agent to determine the Relevant Commodity Price in respect of that day is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within 30 calendar days after the original publication or announcement, the Determination Agent may, in its sole discretion, recalculate the Relevant Commodity Price for that day, using such corrected price. The Determination Agent shall notify the Issuer of any such correction, the revised Relevant Commodity Price and, if any amount (the “**Actual Amount**”) has been paid or delivered to Securityholders on the basis of the original Relevant Commodity Price, the amount that should have been paid or delivered to the Securityholders on the basis of the corrected Relevant Commodity Price (the “**Adjusted Amount**”). Upon being notified of the Adjusted Amount, the Issuer may (but shall not be obliged to) take such action as it considers necessary or appropriate to either pay or deliver additional amounts (if the Adjusted Amount is greater than the Actual Amount) or recover amounts (if the Adjusted Amount is less than the Actual Amount), from the person to whom the Actual Amounts were paid or delivered. Notwithstanding the foregoing, under no circumstances shall the Issuer be obligated to recover any moneys from any Relevant Clearing System. The Determination Agent shall not be obliged to make any determination under this Commodity Linked Condition and shall have no liability to any person for any determination made or not made under this Commodity Linked Condition.

Notwithstanding the foregoing, where the Determination Agent, in its sole discretion, determines that the price published or announced on a given day and used or to be used by it to determine the Relevant Commodity Price in respect of that day is expected to be subsequently corrected, then the Determination Agent may, in its sole discretion, delay the determination or calculation of the Relevant Commodity Price in respect of such day and instead notify the Issuer of the expected correction. If the Determination Agent notifies the Issuer of an expected correction to a Relevant Commodity Price, the Issuer shall not make any payments or deliveries, until the Determination Agent determines or calculates the correct Relevant Commodity Price and the day on which such payments or deliveries are due shall be delayed to the same extent as was the determination or calculation of the correct Relevant Commodity Price. No additional amounts shall be payable or deliverable as a result of any such delay.

5 Adjustments to Commodity Index

With respect to a Commodity Index:

- (i) if the Commodity Index is permanently cancelled or the Commodity Reference Price is not calculated and announced by the sponsor of such Commodity Index or any of its affiliates (together the “**Sponsor**”) but (i) is calculated and announced by a successor sponsor (the “**Successor Sponsor**”) acceptable to the Determination Agent, or (ii) replaced by a successor index (the “**Successor Index**”) using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Relevant Commodity Price, then the Relevant Commodity Price will be deemed to be the price so calculated and announced by that Successor Sponsor or that Successor Index, as the case may be.
- (ii) if the Determination Agent determines that (i) the Sponsor makes a material change in the formula for or the method of calculating the Relevant Commodity Price or in any other way materially modifies such Commodity Index (other than a modification prescribed in that formula or method to maintain the Relevant Commodity Price in the event of changes in constituent commodities and weightings and other routine events), or (ii) the Sponsor permanently cancels the Commodity Index or (iii) the Sponsor fails to calculate and announce the Commodity Index for a continuous period of three Trading Days and the Determination Agent determines that there is no Successor Sponsor or Successor Index (such events (i) (ii) and (iii) to be collectively referred to as “**Index Adjustment Events**”), then the Determination Agent may at its option (in the case of (i)) and shall (in the case of (ii) and (iii)) calculate the Relevant Commodity Price using in lieu of the published level for that Commodity Index (if any), the level for that Commodity Index as at the relevant determination date as determined by the Determination Agent in accordance with the formula for and method of calculating that Commodity Index last in effect prior to the relevant Index Adjustment Event, but using only those futures contracts that comprised that Commodity Index immediately prior to the relevant Index Adjustment Event (other than those futures contracts that have ceased to be listed on any relevant exchange).

6 Adjustments to payment dates, exercise dates and settlement dates

Notwithstanding anything to the contrary in the Base Conditions, if, as a result of a delay or postponement pursuant to the occurrence of a Commodity Market Disruption Event or Index Adjustment Event, a Relevant Commodity Price used to determine (i) whether any right of exercise, Call Option, Put Option or any other right may be exercised or (ii) any amount payable or deliverable on any Interest Payment Date Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Early Physical Redemption Date, Early Cancellation Date, Specified Early Cash Redemption Date, Specified Early Physical Redemption Date, Early Cancellation Date, Early Physical Cancellation Date, Exercise Date, Expiration Date, Exercise Cash Settlement Date or Physical Delivery Date (as the case may be) or on any other date specified in the applicable Final Terms, is unavailable such determination and/or date will, subject to the applicable Final Terms, be delayed or postponed to fall on the second Business Day following the determination of the Relevant Commodity Price under the Disruption Fallback provision or Adjustments to Commodity Index provision as determined by Determination Agent.

No additional amounts shall be payable or deliverable by the Issuer or Guarantor to any Securityholder as a result of any such delay or postponement.

7 Commodity Business Day Convention

If any date applicable to a Commodity Linked Security that is specified to be subject to adjustment in accordance with a Commodity Business Day Convention would otherwise fall on a day that is not a Commodity Business Day, such date will be adjusted according to the Commodity Business Day Convention specified in the applicable Final Terms.

If the Commodity Business Day Convention is:

- (i) the “Following”, such date shall be postponed to the next day that is a Commodity Business Day;
- (ii) the “Modified Following”, such date shall be postponed to the next day that is a Commodity 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 Commodity Business Day;
- (iii) the “Nearest”, such date will be the first preceding day that is a Commodity 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 Commodity 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 Commodity Business Day.

8 Physical Settlement

With respect to a Commodity Linked Security, if (i) “Physical Settlement” is specified in the applicable Final Terms or (ii) “Securityholder Settlement Option” or “Issuer Settlement Option” is specified in the applicable Final Terms and the relevant Securityholder or the Issuer, as the case may be, has elected Physical Settlement to be applicable in accordance with Condition 5 or 6 of the Base Conditions, then such Commodity Linked Security (a “Physically Delivered Commodity Linked Security”) will be settled as set out in Condition 7.2 of the Base Conditions or as otherwise set out in the Final Terms.

With respect to any Physically Delivered Commodity Linked Security:

- (i) the method of delivery of the Entitlement;
- (ii) the Relevant Clearing System through which the Issuer will endeavour to deliver (or procure delivery of) the Entitlement to the Securityholder; and
- (iii) the Final Physical Redemption Date, Optional Physical Redemption Date, Early Physical Redemption Date or Exercise Physical Settlement Date and the definitions of Final Physical Redemption Entitlement, Optional Physical Redemption Entitlement, Specified Early Physical Redemption Entitlement, Early Physical Cancellation Date or Exercise Physical Settlement Entitlement, Settlement Disruption Event and Disruption Cash Settlement Price, Delivery Entitlement Instruction,

are each set out in the applicable Final Terms or otherwise as specified in the Base Conditions.

With respect to any Physically Delivered Commodity Linked Security, a Delivery Entitlement Instruction shall, in addition to specifying all the matters stipulated in the Base Conditions, include such other information (if any) as set out in the applicable Final Terms to enable the Issuer to endeavour to deliver (or procure delivery of) the Entitlement to the Securityholder. Failure to include such other information may, at the sole discretion of the Determination Agent, constitute a Settlement Disruption Event.

PART C – DEFINITIONS AND INTERPRETATIONS APPLICABLE TO COMMODITY LINKED SECURITIES

1 Certain general definitions relating to Commodity Linked Securities

“**Basket of Commodities**” means, in relation to a particular Security, a basket composed of Relevant Commodities and/or Commodity Indices in the relative proportions specified in the applicable Final Terms.

“**Commodity Business Day**” means, (a) in respect of a Commodity Linked Security for which the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or would have been, but for the occurrence of a Commodity Market Disruption Event) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time and (b) in respect of a Commodity Linked Security for which the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or would have published, but for the occurrence of a Commodity Market Disruption Event) a price.

“**Commodity Index**” means, in relation to a Commodity Linked Security, the index comprising one or more commodities or commodity futures contracts, as specified in the applicable Final Terms.

“**Commodity Linked Security**” means a Security, in respect of which (i) in relation to Notes and Certificates (other than Exercisable Certificates), payments of interest and/or repayment of principal and/or the exercise of any Put Option or Call Option; or (ii) in relation to Exercisable Certificates and Warrants, the exercise of such Security or the amount payable or deliverable on exercise; and/or (iii) any additional amounts payable or deliverable in respect of such Security, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the price of a Relevant Commodity, Commodity Index or a Basket of Commodities, each as specified in the applicable Final Terms.

“**Commodity Reference Price**” means, in respect of a Relevant Commodity or Commodity Index, the reference price as specified in the applicable Final Terms and determined by the Determination Agent. The specified Commodity Reference Price may be defined in the applicable Final Terms or be interpreted by reference to Section 3 of this Part C.

“**Delivery Date**” means, in respect of a Commodity Reference Price, the relevant date or month for delivery of the Relevant Commodity as specified in the applicable Final Terms and determined by the Determination Agent as follows:

- (a) if a date is, or a month and year are, is specified, that date or that month and year;
- (b) if a Nearby Month is specified, the month of expiration of the relevant Futures Contract; and
- (c) if a method is specified for the purpose of determining the Delivery Date, the date or month and year determined pursuant to that method.

“**Exchange**” means each exchange or principal trading market specified in the applicable Final Terms or Commodity Reference Price.

“Nearby Month” means, in respect of a Delivery Date and a Pricing Date, when preceded by a numerical adjective, the month of expiration of the Futures Contract identified by that numerical adjective, so that, for example, (A) “First Nearby Month” means the month of expiration of the first Futures Contract to expire following that Pricing Date; (B) “Second Nearby Month” means the month of expiration of the second Futures Contract to expire following that Pricing Date; and (C) “Sixth Nearby Month” means the month of expiration of the sixth Futures Contract to expire following that Pricing Date.

“Pricing Date” means, in respect of a Commodity Reference Price, each date specified as such in the applicable Final Terms, which date is a day in respect of which a Relevant Commodity Price is to be determined.

“Price Source” means, in respect of a Commodity Reference Price, the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) as specified in the relevant Commodity Reference Price or the applicable Final Terms.

“Relevant Commodity” means, in respect of a Commodity Linked Security, the commodity specified in the applicable Final Terms.

“Relevant Commodity Price” means, in respect of a Relevant Commodity or Commodity Index, for any Pricing Date, the price, expressed as a price per unit of the Relevant Commodity or the price of the Commodity Index, determined by the Determination Agent with respect to that Pricing Date for the specified Commodity Reference Price.

“Specified Price” means, in respect of a Commodity Reference Price, the price as specified in the applicable Final Terms.

“Sponsor” means, in relation to a Commodity Index, the corporation or entity that is responsible for setting and reviewing the rules and procedures, and the methods of calculation and adjustments, if any, related to the Commodity Index.

2 Terms relating to Commodity Market Disruption Events and Disruption Fallback

“Calculation Agent Determination” means, in respect of a Disruption Fallback, the Determination Agent will determine the Relevant Commodity Price (or a method for determining the Relevant Commodity Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in its sole discretion it deems relevant

“Commodity Market Disruption Event” means, in respect of a Relevant Commodity or Commodity Index, the occurrence of any of the following events:

- (a) with respect to a Relevant Commodity:
 - (i) Price Source Disruption;
 - (ii) Trading Disruption;
 - (iii) Disappearance of Commodity Reference Price;
 - (iv) Material Change in Formula;
 - (v) Material Change in Content; or

- (vi) any additional Commodity Market Disruption Events specified in the applicable Final Terms.
- (b) with respect to a Commodity Index:
 - (i) a temporary or permanent failure by the applicable exchange or other price source to announce or publish (a) the final settlement price for the Commodity Reference Price or (b) closing price for any futures contract included in the Commodity Reference Price;
 - (ii) a material limitation, suspension or disruption of trading in one or more of the futures contracts included in the Commodity Reference Price; or
 - (iii) the closing price for any futures contract included in the Commodity Reference Price is a “limit price”, which means that the closing price for such contract for a day has increased or decreased from the previous day’s closing price by the maximum amount permitted under applicable exchange rules.

“Delayed Publication or Announcement” means, in respect of a Disruption Fallback, that the Relevant Commodity Price for a Pricing Date will be determined based on the Specified Price in respect of the original day scheduled as such Pricing Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date), or the Relevant Commodity Price continues to be unavailable, for two consecutive Commodity Business Days.

“Disappearance of Commodity Reference Price” means, in respect of a Commodity Market Disruption Event, (A) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange; (B) the disappearance of, or of trading in, the Relevant Commodity; or (C) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the Relevant Commodity.

“Disruption Fallback” means a source or method that may give rise to an alternative basis for determining the Relevant Commodity Price in respect of a specified Commodity Reference Price when a Commodity Market Disruption Event occurs or exists on a day that is a Pricing Date. A Disruption Fallback is applicable (in the order specified, if any) if it is specified in the applicable Final Terms or, if no Disruption Fallback is specified in the applicable Final Terms, the following Disruption Fallbacks shall be deemed to have been specified:

- (a) with respect to a Relevant Commodity (in the following order):
 - (i) Fallback Reference Price (if applicable);
 - (ii) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days of disruption (measured from and including the original day that would otherwise have been the Pricing Date); provided, however, that the price determined by Postponement shall be the Relevant Commodity Price only if Delayed Publication or Announcement does not yield a Relevant Commodity Price within that two consecutive Commodity Business Days); and

- (iii) Calculation Agent Determination.
- (b) with respect to a Commodity Index, the following fallback determination mechanism:
 - (i) with respect to each futures contract included in the Commodity Reference Price which is not affected by the Commodity Market Disruption Event, the Relevant Commodity Price will be based on the closing prices of each such contract on the applicable determination date;
 - (ii) with respect to each futures contract included in the Commodity Reference Price which is affected by the Commodity Market Disruption Event, the Relevant Commodity Price will be based on the closing prices of each such contract on the first day following the applicable determination date on which no Market Disruption Event is occurring with respect to such contract;
 - (iii) subject to Clause (iv) below, the Determination Agent shall determine the Relevant Commodity Price by reference to the closing prices determined in Clauses (i) and (ii) above using the then-current method for calculating the Relevant Commodity Price; and
 - (iv) where a Commodity Market Disruption Event with respect to one or more futures contracts included in the Commodity Reference Price continues to exist (measured from and including the first day following the applicable determination date) for five consecutive Trading Days, the Determination Agent shall determine the Relevant Commodity Price in a commercially reasonable manner.

“Fallback Reference Price” means, in respect of a Disruption Fallback, that the Determination Agent will determine the Relevant Commodity Price based on the price for that Pricing Date of the first alternate Commodity Reference Price, if any, specified in the applicable Final Terms and not subject to a Commodity Market Disruption Event.

“Futures Contract” means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Relevant Commodity referred to in that Commodity Reference Price.

“Material Change in Content” means, in respect of a Commodity Market Disruption Event, the occurrence since the Trade Date of the Commodity Linked Security of a material change in the content, composition or constitution of the Relevant Commodity or relevant Futures Contract.

“Material Change in Formula” means, in respect of a Commodity Market Disruption Event, the occurrence since the Trade Date of the Commodity Linked Security of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

“Postponement” means, in respect of a Disruption Fallback, that the Pricing Date will be deemed, for purposes of the application of this Disruption Fallback only, to be the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist for two consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the Pricing Date).

“Price Source Disruption” means, in respect of a Commodity Market Disruption Event, (A) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price; or (B) the temporary or permanent discontinuance or unavailability of the Price Source.

“Trading Day” means, a day when:

- (i) the Determination Agent is open for business in London and New York; and
- (ii) the exchanges of all futures contracts included in the Commodity Index are open for trading.

“Trading Disruption” means, in respect of a Commodity Market Disruption Event, the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Relevant Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange as specified in the applicable Final Terms. For these purposes:

- (a) a suspension of the trading in the Futures Contract or the Relevant Commodity on any Commodity Business Day shall be deemed to be material only if:
 - (i) all trading in the Futures Contract or the Relevant Commodity is suspended for the entire Pricing Date; or
 - (ii) all trading in the Futures Contract or the Relevant Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Relevant Commodity on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and
- (b) a limitation of trading in the Futures Contract or the Relevant Commodity on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the Futures Contract or the Relevant Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Relevant Commodity on such day is at the upper or lower limit of that range.

3 Commodity Reference Prices

3.1 Section 1: Commodity Reference Prices

Subject to Part B (*Additional Terms and Conditions for Commodity Linked Securities*), for purposes of determining the Relevant Commodity Price for a Relevant Commodity or Commodity Index:

3.1.1 Agricultural Products

(a) Azuki Beans

“AZUKI BEANS-TGE” means that the price for a Pricing Date will be that day’s Specified Price per bag of deliverable grade azuki beans on the TGE of the Futures Contract, stated in Japanese Yen, as made public by the TGE and displayed on Reuters Screen page “O#JRB:” on that Pricing Date.

(b) Barley

“BARLEY-WCE” means that the price for a Pricing Date will be that day’s Specified Price per tonne of deliverable grade Canadian feed barley on the WCE of the Futures Contract, stated in Canadian Dollars, as made public by the WCE and displayed on Reuters Screen page “O#AB:” on that Pricing Date.

(c) Canola

“CANOLA-WCE” means that the price for a Pricing Date will be that day’s Specified Price per ton of deliverable grade non-commercially clean Canadian canola on the WCE of the Futures Contract, stated in Canadian Dollars, as made public by the WCE and displayed on Reuters Screen page “O#RS:” on that Pricing Date.

(d) Cocoa

“COCOA-NYBOT” means that the price for a Pricing Date will be that day’s Specified Price per metric ton of deliverable grade cocoa beans on the NYBOT of the Futures Contract, stated in U.S. Dollars, as made public by the NYBOT and displayed on Reuters Screen page “O#CC:” on that Pricing Date.

(e) Coffee

“COFFEE ARABICA-NYBOT” means that the price for a Pricing Date will be that day’s Specified Price per pound of deliverable grade washed arabica coffee on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page “O#KC:” on that Pricing Date.

(f) Corn

“CORN-CBOT” means that the price for a Pricing Date will be that day’s Specified Price per bushel of deliverable grade corn on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page “O#C:” on that Pricing Date.

(g) Cotton

“COTTON NO. 2-NYBOT” means that the price for a Pricing Date will be that day’s Specified Price per pound of deliverable grade cotton No. 2 on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page “O#CT:” on that Pricing Date.

(h) Livestock

(i) “FEEDER CATTLE-CME” means that the price for a Pricing Date will be that day’s Specified Price per pound of deliverable grade medium and large frame #1 feeder steers on the CME of the Futures Contract, stated in U.S. cents, as made public by the CME and displayed on Reuters Screen page “O#FC:” on that Pricing Date.

(ii) “LIVE CATTLE-CME” means that the price for a Pricing Date will be that day’s Specified Price per pound of deliverable grade live steers on the CME of the Futures Contract, stated in U.S. cents, as made public by the CME and displayed on Reuters Screen page “O#LC:” on that Pricing Date.

(iii) “LEAN HOGS-CME” means that the price for a Pricing Date will be that day’s Specified Price per pound of deliverable grade lean value hog carcasses on the CME of the Futures Contract, stated in U.S. cents, as

made public by the CME and displayed on Reuters Screen page “O#LH:” on that Pricing Date.

(i) Lumber

“LUMBER-CME” means that the price for a Pricing Date will be that day’s Specified Price per thousand board feet (mbf) of deliverable grade random length lumber on the CME of the Futures Contract, stated in U.S. Dollars, as made public by the CME and displayed on Reuters Screen page “O#LB:” on that Pricing Date.

(j) Oats

“OATS-CBOT” means that the price for a Pricing Date will be that day’s Specified Price per bushel of deliverable grade oats on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page “O#O:” on that Pricing Date.

(k) Orange Juice

“FROZEN CONCENTRATED ORANGE JUICE NO. 1-NYBOT” means that the price for a Pricing Date will be that day’s Specified Price per pound of deliverable grade orange solids on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page “O#OJ:” on that Pricing Date.

(l) Palm Oil

“PALM OIL-BURSA MALAYSIA” means that the price for a Pricing Date will be that day’s Specified Price per metric ton of deliverable grade crude palm oil on the Bursa Malaysia Derivatives Bhd (“Bursa Malaysia”), or its successor, of the Futures Contract, stated in Malaysian Ringgit, as made public by the Bursa Malaysia, or its successor, and displayed on Reuters Screen page “O#KPO:” on that Pricing Date.

(m) Rice

“RICE-CBOT” means that the price for a Pricing Date will be that day’s Specified Price per hundredweight of deliverable grade rough rice on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page “O#RR:” on that Pricing Date.

(n) Rubber

“RUBBER-TOCOM” means that the price for a Pricing Date will be that day’s Specified Price per kilogram of rubber on the TOCOM of the Futures Contract for the Delivery Date, stated in Japanese Yen, as made public by the TOCOM and displayed on Reuters Screen page “O#JRU:” on that Pricing Date.

(o) Soybeans

(i) “SOYBEANS-CBOT” means that the price for a Pricing Date will be that day’s Specified Price per bushel of deliverable grade soybeans on CBOT of

the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "O#S:" on that Pricing Date.

- (ii) "SOYBEAN MEAL-CBOT" means that the price for a Pricing Date will be that day's Specified Price per ton of deliverable grade soybean meal on the CBOT of the Futures Contract, stated in U.S. Dollars, as made public by the CBOT and displayed on Reuters Screen page "O#SM:" on that Pricing Date.
- (iii) "SOYBEAN OIL-CBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade crude soybean oil on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "O#BO:" on that Pricing Date.

(p) Sugar

"SUGAR # 11 (WORLD)-NYBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade cane sugar on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page "O#SB:" on that Pricing Date.

(q) Wheat

- (i) "WHEAT-CBOT" means that the price for a Pricing Date will be that day's Specified Price per bushel of deliverable grade wheat on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "O#W:" on that Pricing Date.
- (ii) "WHEAT HRW-KCBOT" means that the price for a Pricing Date will be that day's Specified Price per bushel of deliverable grade hard red winter wheat on the KCBOT of the Futures Contract, stated in U.S. cents, as made public by the KCBOT and displayed on Reuters Screen page "O#KW:" on that Pricing Date.

(r) Wool

"GREASY WOOL (21 MICRON)-SFE" means that the price for a Pricing Date will be that day's Specified Price per kilogram of deliverable grade merino combing fleece on the SFE of the Futures Contract, stated in Australian cents, as made public by the SFE and displayed on Reuters Screen page "O#YGS:" on that Pricing Date.

3.1.2 Energy

(a) Coal

- (i) "COAL-TFS API 2-ARGUS/MCCLOSKEY'S" means that the price for a Pricing Date will be that day's Specified Price per tonne of steam coal 6,000 kcal/kg, up to 1 per cent. sulphur NAR basis, cif ARA, stated in U.S. Dollars, published under the heading "International Coal Indexes incorporating the TFS APITM Indices: Monthly Coal Price Indexes: TFS API

2 (cif ARA)” in the issue of Argus/McCloskey’s Coal Price Index Report that reports prices effective on that Pricing Date.

- (ii) “COAL-TFS API 4-ARGUS/MCCLOSKEY’S” means that the price for a Pricing Date will be that day’s Specified Price per tonne of steam coal 6,000 kcal/kg, up to 1 per cent. sulphur NAR basis, fob Richards Bay, stated in U.S. Dollars, published under the heading “International Coal Indexes incorporating the TFS APITM Indices: Monthly Coal Price Indexes: TFS API 4 (fob Richards Bay)” in the issue of Argus/McCloskey’s Coal Price Index Report that reports prices effective on that Pricing Date.

(b) Electricity

- (i) “ELECTRICITY-MONTH FUTURES BASE-EEX” means that the price for a Pricing Date will be that day’s Specified Price per MWh of base electricity on the EEX of the Futures Contract, stated in Euros, published at www.eex.de, under the headings “Info Center: Download: Market Data: Derivatives-Results Derivatives Market (Year): F1BM” or any successor headings, that reports prices effective on that Pricing Date.
- (ii) “ELECTRICITY-QUARTER FUTURES BASE-EEX” means that the price for a Pricing Date will be that day’s Specified Price per MWh of base electricity on the EEX of the Futures Contract, stated in Euros, published at www.eex.de, under the headings “Info Center: Download: Market Data: Derivatives-Results Derivatives Market (Year): F1BQ” or any successor headings, that reports prices effective on that Pricing Date.
- (iii) “ELECTRICITY-YEAR FUTURES BASE-EEX” means that the price for a Pricing Date will be that day’s Specified Price per MWh of base electricity on the EEX of the Futures Contract, stated in Euros, published at www.eex.de, under the headings “Info Center: Download: Market Data: Derivatives-Results Derivatives Market (Year): F1BY” or any successor headings, that reports prices effective on that Pricing Date.

(c) Gas Oil

“GAS OIL-IPE” means that the price for a Pricing Date will be that day’s Specified Price per metric ton of gas oil on the IPE of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the IPE on that Pricing Date.

(d) Gasoline

“GASOLINE-NEW YORK-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per gallon of New York Harbor unleaded gasoline on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

(e) Heating Oil

“HEATING OIL-NEW YORK-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per gallon of New York Harbor No. 2 heating oil on

the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

(f) Jet Fuel/Kerosene

“JET FUEL-CARGOES CIF NWE/BASIS ARA-PLATTS EUROPEAN” means that the price for a Pricing Date will be that day’s Specified Price per metric ton of jet fuel, stated in U.S. Dollars, published under the heading “Cargoes CIF NWE/Basis ARA: Jet” in the issue of Platts European that reports prices effective on that Pricing Date.

(g) Natural Gas

(i) “NATURAL GAS-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per MMBTU of natural gas on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

(ii) “NATURAL GAS-HENRY HUB-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per MMBTU of natural gas on the NYMEX of the Henry Hub Natural Gas Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

(h) Oil

(i) Oil-Brent

(1) “OIL-BRENT-IPE” means that the price for a Pricing Date will be that day’s Specified Price per barrel of Brent blend crude oil on the IPE of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the IPE on that Pricing Date.

(2) “OIL-WTI-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per barrel of West Texas Intermediate light sweet crude oil on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

Metals

(i) Aluminium

(1) “ALUMINIUM-LME CASH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.

(2) “ALUMINIUM-LME 3 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.

- (3) "ALUMINIUM-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (4) "ALUMINIUM-LME 27 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(ii) Copper

- (1) "COPPER-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (2) "COPPER-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (3) "COPPER-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (4) "COPPER-LME 27 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (5) "COPPER-COMEX" means that the price for a Pricing Date will be that day's Specified Price per pound of high grade copper on the COMEX of the Futures Contract for the Delivery Date, stated in U.S. cents, as made public by the COMEX on that Pricing Date.

(iii) Gold

- (1) "GOLD-A.M. FIX" means that the price for a Pricing Date will be that day's morning Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. Dollars, as determined by the London Gold Market and displayed on Reuters Screen page "GOFO" that displays prices effective on that Pricing Date.

- (2) "GOLD-P.M. FIX" means that the price for a Pricing Date will be that day's afternoon Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. Dollars, as calculated by the London Gold Market and displayed on Reuters Screen page "GOFO" that displays prices effective on that Pricing Date.

(iv) Lead

- (1) "LEAD-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Standard Lead on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (2) "LEAD-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Standard Lead on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (3) "LEAD-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Standard Lead on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(v) Nickel

- (1) "NICKEL-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (2) "NICKEL-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (3) "NICKEL-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (4) "NICKEL-LME 27 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME

and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.

(vi) Palladium

- (1) “PALLADIUM-A.M. FIX” means that the price for a Pricing Date will be that day’s morning Palladium fixing price per troy ounce gross of Palladium for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page “STBL” that displays prices effective on that Pricing Date.
- (2) “PALLADIUM-P.M. FIX” means that the price for a Pricing Date will be that day’s afternoon Palladium fixing price per troy ounce gross of Palladium for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page “STBL” that displays prices effective on that Pricing Date.

(vii) Platinum

- (1) “PLATINUM-A.M. FIX” means that the price for a Pricing Date will be that day’s morning Platinum fixing price per troy ounce gross of Platinum for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page “STBL” that displays prices effective on that Pricing Date.
- (2) “PLATINUM-P.M. FIX” means that the price for a Pricing Date will be that day’s afternoon Platinum fixing price per troy ounce gross of Platinum for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page “STBL” that displays prices effective on that Pricing Date.
- (3) “PLATINUM-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per troy ounce of Platinum on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.
- (4) “PLATINUM-TOCOM” means that the price for a Pricing Date will be that day’s Specified Price per gram of fine Platinum on the TOCOM of the Futures Contract for the Delivery Date, stated in Japanese Yen, as made public by the TOCOM on that Pricing Date.

(viii) Silver

“SILVER-FIX” means that the price for a Pricing Date will be that day’s Silver fixing price per troy ounce of Silver for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. cents, as calculated by the London Silver Market and displayed on Reuters Screen page “SIFO” that displays prices effective on that Pricing Date.

(ix) Tin

- (1) "TIN-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Tin on the LME for the Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (2) "TIN-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Tin on the LME for the Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (3) "TIN-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Tin on the LME for the Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

(x) Zinc

- (1) "ZINC-LME CASH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (2) "ZINC-LME 3 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (3) "ZINC-LME 15 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.
- (4) "ZINC-LME 27 MONTH" means that the price for a Pricing Date will be that day's Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page "MTLE" that displays prices effective on that Pricing Date.

Composite Commodity Indices

(i) S&P GSCI

- (1) "S&P GSCI™ Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCITR" that displays prices effective on that Pricing Date.

- (2) "S&P GSCI™ Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCIP" that displays prices effective on that Pricing Date.
- (3) "S&P GSCI™ Energy Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Energy Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSEINTR" that displays prices effective on that Pricing Date.
- (4) "S&P GSCI™ Energy Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Energy Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSENP" that displays prices effective on that Pricing Date.
- (5) "S&P GSCI™ Petroleum Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Petroleum Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPTTR" that displays prices effective on that Pricing Date.
- (6) "S&P GSCI™ Petroleum Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Petroleum Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPTP" that displays prices effective on that Pricing Date.
- (7) "S&P GSCI™ Non-Energy Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Energy Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNETR" that displays prices effective on that Pricing Date.
- (8) "S&P GSCI™ Non-Energy Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Energy Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNEP" that displays prices effective on that Pricing Date.
- (9) "S&P GSCI™ Reduced Energy Index (CPW 2) Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Reduced Energy Index (CPW 2) Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSRETR" that displays prices effective on that Pricing Date.
- (10) "S&P GSCI™ Reduced Energy Index (CPW 2) Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P

GSCI™ Reduced Energy Index (CPW 2) Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSREP" that displays prices effective on that Pricing Date.

- (11) "S&P GSCI™ Light Energy Index (CPW 4) Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Light Energy Index (CPW 4) Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLETR" that displays prices effective on that Pricing Date.
- (12) "S&P GSCI™ Light Energy Index (CPW 4) Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Light Energy Index (CPW 4) Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLEP" that displays prices effective on that Pricing Date.
- (13) "S&P GSCI™ Ultra-Light Energy Index (CPW 8) Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Ultra-Light Energy Index (CPW 8) Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSUETR" that displays prices effective on that Pricing Date.
- (14) "S&P GSCI™ Ultra-Light Energy Index (CPW 8) Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Ultra-Light Energy Index (CPW 8) Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSUEP" that displays prices effective on that Pricing Date.
- (15) "S&P GSCI™ Energy and Metals Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Energy and Metals Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSEMTR" that displays prices effective on that Pricing Date.
- (16) "S&P GSCI™ Energy and Metals Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Energy and Metals Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSEMP" that displays prices effective on that Pricing Date.
- (17) "S&P GSCI™ Industrial Metals Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Industrial Metals Index Total Return Index, stated in U.S. Dollars,

published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSINTR" that displays prices effective on that Pricing Date.

- (18) "S&P GSCI™ Industrial Metals Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Industrial Metals Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSINP" that displays prices effective on that Pricing Date.
- (19) "S&P GSCI™ Precious Metals Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Precious Metals Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPMTR" that displays prices effective on that Pricing Date.
- (20) "S&P GSCI™ Precious Metals Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Precious Metals Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPMP" that displays prices effective on that Pricing Date.
- (21) "S&P GSCI™ Agriculture Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSAGTR" that displays prices effective on that Pricing Date.
- (22) "S&P GSCI™ Agriculture Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSAGP" that displays prices effective on that Pricing Date.
- (23) "S&P GSCI™ Livestock Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Livestock Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLVTR" that displays prices effective on that Pricing Date.
- (24) "S&P GSCI™ Livestock Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Livestock Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLVP" that displays prices effective on that Pricing Date.
- (25) "S&P GSCI™ Non-Livestock Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Livestock Index Total Return Index, stated in U.S. Dollars, published by

Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNLTR" that displays prices effective on that Pricing Date.

- (26) "S&P GSCI™ Non-Livestock Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Livestock Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNLP" that displays prices effective on that Pricing Date.
- (27) "S&P GSCI™ Agriculture and Livestock Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture and Livestock Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSALTR" that displays prices effective on that Pricing Date.
- (28) "S&P GSCI™ Agriculture and Livestock Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture and Livestock Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSALP" that displays prices effective on that Pricing Date.
- (29) "S&P GSCI™ Non-Precious Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Precious Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSXPTR" that displays prices effective on that Pricing Date.
- (30) "S&P GSCI™ Non-Precious Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Precious Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSXPP" that displays prices effective on that Pricing Date.
- (31) "S&P GSCI™ Grains Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Grains Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGRTR" that displays prices effective on that Pricing Date.
- (32) "S&P GSCI™ Grains Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Grains Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGRP" that displays prices effective on that Pricing Date.
- (33) "S&P GSCI™ Crude Oil Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Crude Oil Index Total Return Index, stated in U.S. Dollars, published by Standard

& Poor's or its successor, and displayed on Reuters Screen page ".SPGSCLTR" that displays prices effective on that Pricing Date.

- (34) "S&P GSCI™ Crude Oil Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Crude Oil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCLP" that displays prices effective on that Pricing Date.
- (35) "S&P GSCI™ Brent Crude Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Brent Crude Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSBRTR" that displays prices effective on that Pricing Date.
- (36) "S&P GSCI™ Brent Crude Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Brent Crude Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSBRP" that displays prices effective on that Pricing Date.
- (37) "S&P GSCI™ Heating Oil Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Heating Oil Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHOTR" that displays prices effective on that Pricing Date.
- (38) "S&P GSCI™ Heating Oil Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Heating Oil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHOP" that displays prices effective on that Pricing Date.
- (39) "S&P GSCI™ Unleaded Gasoline Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Unleaded Gasoline Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHUTR" that displays prices effective on that Pricing Date.
- (40) "S&P GSCI™ Unleaded Gasoline Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Unleaded Gasoline Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHUP" that displays prices effective on that Pricing Date.
- (41) "S&P GSCI™ GasOil Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ GasOil Index Total Return Index, stated in U.S. Dollars, published by Standard &

- Poor's or its successor, and displayed on Reuters Screen page ".SPGSGOTR" that displays prices effective on that Pricing Date.
- (42) "S&P GSCI™ GasOil Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ GasOil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGOP" that displays prices effective on that Pricing Date.
- (43) "S&P GSCI™ Natural Gas Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Natural Gas Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGNTR" that displays prices effective on that Pricing Date.
- (44) "S&P GSCI™ Natural Gas Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Natural Gas Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGNGP" that displays prices effective on that Pricing Date.
- (45) "S&P GSCI™ Live Cattle Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Live Cattle Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLCTR" that displays prices effective on that Pricing Date.
- (46) "S&P GSCI™ Live Cattle Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Live Cattle Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLCP" that displays prices effective on that Pricing Date.
- (47) "S&P GSCI™ Lean Hogs Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Lean Hogs Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLHTR" that displays prices effective on that Pricing Date.
- (48) "S&P GSCI™ Lean Hogs Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Lean Hogs Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLHP" that displays prices effective on that Pricing Date.
- (49) "S&P GSCI™ Feeder Cattle Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Feeder Cattle Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSFCTR" that displays prices effective on that Pricing Date.

- (50) "S&P GSCI™ Feeder Cattle Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Feeder Cattle Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSFCP" that displays prices effective on that Pricing Date.
- (51) "S&P GSCI™ Wheat Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Wheat Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSWHTR" that displays prices effective on that Pricing Date.
- (52) "S&P GSCI™ Wheat Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Wheat Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSWHP" that displays prices effective on that Pricing Date.
- (53) "S&P GSCI™ Kansas Wheat Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Kansas Wheat Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSKWTR" that displays prices effective on that Pricing Date.
- (54) "S&P GSCI™ Kansas Wheat Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Kansas Wheat Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSKWP" that displays prices effective on that Pricing Date.
- (55) "S&P GSCI™ Corn Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Corn Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCNTR" that displays prices effective on that Pricing Date.
- (56) "S&P GSCI™ Corn Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Corn Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCNP" that displays prices effective on that Pricing Date.
- (57) "S&P GSCI™ Soybeans Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Soybeans Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSOTR" that displays prices effective on that Pricing Date.
- (58) "S&P GSCI™ Soybeans Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™

Soybeans Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSOP" that displays prices effective on that Pricing Date.

- (59) "S&P GSCI™ Sugar Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Sugar Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSBTR" that displays prices effective on that Pricing Date.
- (60) "S&P GSCI™ Sugar Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Sugar Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSBP" that displays prices effective on that Pricing Date.
- (61) "S&P GSCI™ Coffee Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Coffee Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSKCTR" that displays prices effective on that Pricing Date.
- (62) "S&P GSCI™ Coffee Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Coffee Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSKCP" that displays prices effective on that Pricing Date.
- (63) "S&P GSCI™ Cocoa Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Cocoa Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCCTR" that displays prices effective on that Pricing Date.
- (64) "S&P GSCI™ Cocoa Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Cocoa Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCCP" that displays prices effective on that Pricing Date.
- (65) "S&P GSCI™ Cotton Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Cotton Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCTTR" that displays prices effective on that Pricing Date.
- (66) "S&P GSCI™ Cotton Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Cotton Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSCTP" that displays prices effective on that Pricing Date.

- (67) "S&P GSCI™ Silver Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Silver Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSITR" that displays prices effective on that Pricing Date.
- (68) "S&P GSCI™ Silver Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Silver Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSSIP" that displays prices effective on that Pricing Date.
- (69) "S&P GSCI™ Gold Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Gold Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGCTR" that displays prices effective on that Pricing Date.
- (70) "S&P GSCI™ Gold Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Gold Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGCP" that displays prices effective on that Pricing Date.
- (71) "S&P GSCI™ Aluminum Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Aluminum Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSIATR" that displays prices effective on that Pricing Date.
- (72) "S&P GSCI™ Aluminum Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Aluminum Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSIAP" that displays prices effective on that Pricing Date.
- (73) "S&P GSCI™ Zinc Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Zinc Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSIZTR" that displays prices effective on that Pricing Date.
- (74) "S&P GSCI™ Zinc Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Zinc Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSIZP" that displays prices effective on that Pricing Date.
- (75) "S&P GSCI™ Nickel Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Nickel Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's

or its successor, and displayed on Reuters Screen page “.SPGSIKTR” that displays prices effective on that Pricing Date.

- (76) “S&P GSCI™ Nickel Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Nickel Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSIKP” that displays prices effective on that Pricing Date.
- (77) “S&P GSCI™ Copper Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Copper Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSICTR” that displays prices effective on that Pricing Date.
- (78) “S&P GSCI™ Copper Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Copper Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSICP” that displays prices effective on that Pricing Date.
- (79) “S&P GSCI™ Lead Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Lead Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSILTR” that displays prices effective on that Pricing Date.
- (80) “S&P GSCI™ Lead Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Lead Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSILP” that displays prices effective on that Pricing Date.
- (81) “S&P GSCI™ Platinum Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Platinum Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSPLTR” that displays prices effective on that Pricing Date.
- (82) “S&P GSCI™ Platinum Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Platinum Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSPLP” that displays prices effective on that Pricing Date.
- (83) “S&P GSCI™ Soybean Oil Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Soybean Oil Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSBOTR” that displays prices effective on that Pricing Date.

- (84) "S&P GSCI™ Soybean Oil Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Soybean Oil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSBOP" that displays prices effective on that Pricing Date.
- (85) "S&P GSCI™ Palladium Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Palladium Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPATR" that displays prices effective on that Pricing Date.
- (86) "S&P GSCI™ Palladium Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Palladium Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPAP" that displays prices effective on that Pricing Date.
- (87) "S&P GSCI™ 1 Month Forward Total Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 1 Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG1MCITR" that displays prices effective on that Pricing Date.
- (88) "S&P GSCI™ 1 Month Forward Excess Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 1 Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG1MCIP " that displays prices effective on that Pricing Date.
- (89) "S&P GSCI™ 2 Month Forward Total Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 2 Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG2MCITR" that displays prices effective on that Pricing Date.
- (90) "S&P GSCI™ 2 Month Forward Excess Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 2 Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG2MCIP " that displays prices effective on that Pricing Date.
- (91) "S&P GSCI™ 3 Month Forward Total Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 3 Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG3MCITR" that displays prices effective on that Pricing Date.

- (92) "S&P GSCI™ 3 Month Forward Excess Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 3 Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG3MCIP " that displays prices effective on that Pricing Date.
- (93) "S&P GSCI™ 4 Month Forward Total Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 4 Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG4MCITR" that displays prices effective on that Pricing Date.
- (94) "S&P GSCI™ 4 Month Forward Excess Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 4 Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG4MCIP " that displays prices effective on that Pricing Date.
- (95) "S&P GSCI™ 5 Month Forward Total Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 5 Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG5MCITR" that displays prices effective on that Pricing Date.
- (96) "S&P GSCI™ 5 Month Forward Excess Return Index " means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ 5 Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG5MCIP " that displays prices effective on that Pricing Date.

(ii) DJ-UBS Commodity Indices

- (1) "DJUBS ComTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Total ReturnSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSTR" that displays prices effective on that Pricing Date.
- (2) "DJUBS ComSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Excess ReturnSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBS" that displays prices effective on that Pricing Date.
- (3) "DJUBSCI-F1TSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Total

Return 1 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF1T” that displays prices effective on that Pricing Date.

- (4) “DJUBSCI-F1SM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Commodity Index Excess Return 1 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF1” that displays prices effective on that Pricing Date.
- (5) “DJUBSCI-F2TSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Commodity Index Total Return 2 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF2T” that displays prices effective on that Pricing Date.
- (6) “DJUBSCI-F2SM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Commodity Index Excess Return 2 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF2” that displays prices effective on that Pricing Date.
- (7) “DJUBSCI-F3TSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Commodity Index Total Return 3 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF3T” that displays prices effective on that Pricing Date.
- (8) “DJUBSCI-F3SM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Commodity Index Excess Return 3 Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF3” that displays prices effective on that Pricing Date.
- (9) “DJUBS EneTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Energy Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSENTR” that displays prices effective on that Pricing Date.
- (10) “DJUBS EneSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Energy Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor,

and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSEN” that displays prices effective on that Pricing Date.

- (11) “DJUBS PetTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Petroleum Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPETR” that displays prices effective on that Pricing Date.
- (12) “DJUBS PetSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Petroleum Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPE” that displays prices effective on that Pricing Date.
- (13) “DJUBS LvstckTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Livestock Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLITR” that displays prices effective on that Pricing Date.
- (14) “DJUBS LvstckSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Livestock Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLI” that displays prices effective on that Pricing Date.
- (15) “DJUBS GrainsTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Grains Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSGRTR” that displays prices effective on that Pricing Date.
- (16) “DJUBS GrainsSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Grains Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSGR” that displays prices effective on that Pricing Date.
- (17) “DJUBS IndMtITSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Industrial Metals Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSINTR” that displays prices effective on that Pricing Date.
- (18) “DJUBS IndMtISM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Industrial Metals Sub-

IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSIN” that displays prices effective on that Pricing Date.

- (19) “DJUBS PrcMtlTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Precious Metals Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPRTR” that displays prices effective on that Pricing Date.
- (20) “DJUBS PrcMtlISM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Precious Metals Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPR” that displays prices effective on that Pricing Date.
- (21) “DJUBS SftsTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Softs Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSOTR” that displays prices effective on that Pricing Date.
- (22) “DJUBS SoftsTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Softs Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSO” that displays prices effective on that Pricing Date.
- (23) “DJUBS ExEngy TRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS ExEnergy Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSXETR” that displays prices effective on that Pricing Date.
- (24) “DJUBS ExEngySM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS ExEnergy Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSXE” that displays prices effective on that Pricing Date.
- (25) “DJUBS Agri TRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Agriculture Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters

Screen page “DJUBSAGTR” that displays prices effective on that Pricing Date.

- (26) “DJUBS AgriSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Agriculture Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSAG” that displays prices effective on that Pricing Date.
- (27) “DJUBS50/50 EnAgTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS 50/50 Energy & Agriculture Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSEATR” that displays prices effective on that Pricing Date.
- (28) “DJUBS50/50 EnAgSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS 50/50 Energy & Agriculture Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSEA” that displays prices effective on that Pricing Date.
- (29) “DJUBS AluminTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Aluminum Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSALTR” that displays prices effective on that Pricing Date.
- (30) “DJUBS AluminumSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Aluminum Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSAL” that displays prices effective on that Pricing Date.
- (31) “DJUBS SoybenOITRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Soybean Oil Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSBOTR” that displays prices effective on that Pricing Date.
- (32) “DJUBS SoybeanOilSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Soybean Oil Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSBO” that displays prices effective on that Pricing Date.

- (33) “DJUBS CornTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Corn Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCNTR” that displays prices effective on that Pricing Date.
- (34) “DJUBS CornSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Corn Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCN” that displays prices effective on that Pricing Date.
- (35) “DJUBS CoffeeTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Coffee Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSKCTR” that displays prices effective on that Pricing Date.
- (36) “DJUBS CoffeeSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Coffee Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSKC” that displays prices effective on that Pricing Date.
- (37) “DJUBS CrudeOilTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Crude Oil Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCLTR” that displays prices effective on that Pricing Date.
- (38) “DJUBS CrudeOilSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Crude Oil Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCL” that displays prices effective on that Pricing Date.
- (39) “DJUBS CottonTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Cotton Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCTTR” that displays prices effective on that Pricing Date.
- (40) “DJUBS CottonSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Cotton Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor,

and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCT” that displays prices effective on that Pricing Date.

- (41) “DJUBS GoldTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Gold Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSGCTR” that displays prices effective on that Pricing Date.
- (42) “DJUBS GoldSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Gold Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSGC” that displays prices effective on that Pricing Date.
- (43) “DJUBS CopperTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Copper Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSHGTR” that displays prices effective on that Pricing Date.
- (44) “DJUBS CopperSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Copper Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSHG” that displays prices effective on that Pricing Date.
- (45) “DJUBS HeatOilTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Heating Oil Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSHOTR” that displays prices effective on that Pricing Date.
- (46) “DJUBS HeatOilSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Heating Oil Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSHO” that displays prices effective on that Pricing Date.
- (47) “DJUBS UnledGasTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Unleaded Gas Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSRBTR” that displays prices effective on that Pricing Date.
- (48) “DJUBS UnleadGasSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Unleaded Gas Sub-

IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSRB” that displays prices effective on that Pricing Date.

- (49) “DJUBS LiveCattleTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Live Cattle Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLCTR” that displays prices effective on that Pricing Date.
- (50) “DJUBS LiveCattleSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Live Cattle Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLC” that displays prices effective on that Pricing Date.
- (51) “DJUBS LeanHogsTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Lean Hogs Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLHTR” that displays prices effective on that Pricing Date.
- (52) “DJUBS LeanHogsSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Lean Hogs Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLH” that displays prices effective on that Pricing Date.
- (53) “DJUBS NatrIGasTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Natural Gas Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSNGTR” that displays prices effective on that Pricing Date.
- (54) “DJUBS NaturalGasSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Natural Gas Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSNG” that displays prices effective on that Pricing Date.
- (55) “DJUBS NickelTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Nickel Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters

Screen page “DJUBSNITR” that displays prices effective on that Pricing Date.

- (56) “DJUBS NickelSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Nickel Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSNI” that displays prices effective on that Pricing Date.
- (57) “DJUBS SoybeansTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Soybean Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSYTR” that displays prices effective on that Pricing Date.
- (58) “DJUBS SoybeansSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Soybean Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSY” that displays prices effective on that Pricing Date.
- (59) “DJUBS SugarTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Sugar Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSBTR” that displays prices effective on that Pricing Date.
- (60) “DJUBS SugarSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Sugar Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSB” that displays prices effective on that Pricing Date.
- (61) “DJUBS SilverTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Silver Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSITR” that displays prices effective on that Pricing Date.
- (62) “DJUBS SilverSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Silver Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSI” that displays prices effective on that Pricing Date.
- (63) “DJUBS WheatTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Wheat Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc.

or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSWHTR” that displays prices effective on that Pricing Date.

- (64) “DJUBS WheatSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Wheat Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSWH” that displays prices effective on that Pricing Date.
- (65) “DJUBS ZincTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Zinc Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSZSTR” that displays prices effective on that Pricing Date.
- (66) “DJUBS ZincSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Zinc Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSZS” that displays prices effective on that Pricing Date.
- (67) “DJUBS CocoaTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Cocoa Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCCTR” that displays prices effective on that Pricing Date.
- (68) “DJUBS CocoaSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Cocoa Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCC” that displays prices effective on that Pricing Date.
- (69) “DJUBS PlatinumTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Platinum Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPLTR” that displays prices effective on that Pricing Date.
- (70) “DJUBS PlatinumSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Platinum Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPL” that displays prices effective on that Pricing Date.
- (71) “DJUBS LeadTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Lead Total Return Sub-

IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPBTR” that displays prices effective on that Pricing Date.

- (72) “DJUBS LeadSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Lead Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPB” that displays prices effective on that Pricing Date.
- (73) “DJUBS TinTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Tin Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSNTR” that displays prices effective on that Pricing Date.
- (74) “DJUBS TinSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Tin Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSN” that displays prices effective on that Pricing Date.

(iii) Rogers International Commodity Indices

- (1) “RICI®-Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® - Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRTR” that displays prices effective on that Pricing Date.
- (2) “RICI®-Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® - Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRER” that displays prices effective on that Pricing Date.
- (3) “RICI®-Agriculture Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® - Agriculture Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRAGTR” that displays prices effective on that Pricing Date.
- (4) “RICI®-Agriculture Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® - Agriculture Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRAGER” that displays prices effective on that Pricing Date.

- (5) “RICI®-Energy Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® - Energy Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRENTR” that displays prices effective on that Pricing Date.
- (6) “RICI®-Energy Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® - Energy Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRENER” that displays prices effective on that Pricing Date.
- (7) “RICI®-Metals Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® - Metals Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRIMTR” that displays prices effective on that Pricing Date.
- (8) “RICI®-Metals Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® - Metals Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRIMER” that displays prices effective on that Pricing Date.

Emissions

ECX

“**EU CREDIT CFI-ICE FUTURES**” means that the price for a Pricing date will be that day’s Specified Price per metric tonne of EU Credit on ICE Futures of the Futures Contract for the Delivery Date, stated in Euros, as made public by ICE Futures on that Pricing Date.

“**EU ALLOWANCE-ECX CFI-ICE FUTURES**” means that the price for a Pricing Date will be that day’s Specified Price per metric tonne of EU Allowance on ICE Futures of the Futures Contract for the Delivery Date, stated in Euros, as made public by ICE Futures on that Pricing Date.

BLUENEXT

“**BLUENEXT EUA SPOT**” means that the price for a Pricing Date will be that day’s closing price on BlueNext of the BlueNext EUA Spot Contract 2008-2012, stated in Euros per metric tonne of EU Allowances, as made public by the BLUENEXT Exchange on that Pricing Date.

“**BLUENEXT CER SPOT**” means that the price for a Pricing Date will be that day’s closing price on the BlueNext exchange of the BlueNext Spot CER 2008-2012 Contract, stated in Euros per metric tonne of EU Credit, as made public by BlueNext Exchange on that Pricing Date.

Section 1: Definitions Relating To Commodity Reference Prices

(a) Price Sources

“Argus/McCloskey’s” and “Argus/McCloskey’s Coal Price Index Report” each means the Argus/McCloskey’s Coal Price Index Report, or any successor publication, published by Argus Media Limited or its successor and The McCloskey Group Limited.

Platts European” means Platts European Marketscan, or any successor publication, published by The McGraw-Hill Companies Inc. or its successor.

“Reuters” means Reuters or its successor.

“Reuters Screen” means, when used in connection with any designated page and Commodity Reference Price, the display page so designated on Reuters (or such other page as may replace that page on that service for the purpose of displaying rates or prices comparable to that Commodity Reference Price).

(b) Exchanges and Principal Trading Markets

“Bursa Malaysia” means the Bursa Malaysia Derivatives Bhd or its successor.

“CBOT” means the Chicago Board of Trade or its successor.

“CME” means the Chicago Mercantile Exchange or its successor.

“EEX” means the European Energy Exchange AG, or its successor, which reports market prices on its website at <http://www.eex.de> or its successor.

“IPE” means The International Petroleum Exchange of London Ltd., a wholly owned subsidiary of IntercontinentalExchange™, or its successor.

“KCBOT” means the Kansas City Board of Trade or its successor.

“LBMA” means The London Bullion Market Association or its successor.

“LME” means The London Metal Exchange Limited or its successor.

“London Gold Market” means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Gold.

“London Silver Market” means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Silver.

“LPPM” means The London Platinum and Palladium Market in London on which members quote prices for the buying and selling of Platinum and Palladium.

“NYBOT” means the New York Board of Trade or its successor.

“NYMEX” means the NYMEX Division, or its successor, of the New York Mercantile Exchange, Inc. or its successor.

“SFE” means the Sydney Futures Exchange Limited (ACN 000 943 377) or its successor.

“TGE” means the Tokyo Grain Exchange or its Successor.

“TOCOM” means The Tokyo Commodity Exchange or its successor.

“WCE” means the Winnipeg Commodity Exchange Inc. or its successor.

(c) General

“MMBTU”, “MMBtu” and “mmbtu” each means one million British thermal units.

“MWH”, “MWh” and “mwh” each means megawatt hour.

CREDIT LINKED ANNEX

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PART A – DESCRIPTION AND RISK FACTORS

1 Brief description of Credit Linked Securities

Credit Linked Securities are Securities in the form of Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option or any additional amounts payable or deliverable in respect of such Credit Linked Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the occurrence of a Credit Event and satisfaction of the Conditions to Settlement with respect to one or more Reference Entities and/or certain obligations of one or more Reference Entities.

2 Risk Factors relating to Credit Linked Securities

Credit Linked Securities have a different risk profile to ordinary unsecured debt securities. The return on a Credit Linked Security is linked to the credit risk of one or more Reference Entities and certain obligations of one or more Reference Entities underlying that Credit Linked Security. Investing in an Credit Linked Security is not equivalent to investing directly in shares of any Reference Entity or in any obligation of any Reference Entity.

This section describes additional factors to which prospective investors should have regard when considering an investment in Credit Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

Independent Review and Advice

Each Securityholder is fully responsible for making its own investment decisions as to whether the Credit Linked Securities (i) are fully consistent with its (or if it is acquiring the Credit Linked Securities in a fiduciary capacity, the beneficiary’s) financial needs, objectives and conditions, (ii) comply and are fully consistent with all investment policies, guidelines and restrictions applicable to it (or its beneficiary) and (iii) are a fit, proper and suitable investment for it (or its beneficiary).

Securityholders are deemed to have sufficient knowledge, experience and professional advice to make their own investment decisions, including, without limitation, their own legal, financial, tax, accounting, credit, regulatory and other business evaluation of the risks and merits of investment in the Credit Linked Securities. Securityholders should ensure that they fully understand the risks associated with investments of this nature which are intended to be sold only to sophisticated investors. Securityholders are solely responsible for making their own independent appraisal of and investigation into the business, financial condition, prospects, creditworthiness, status and affairs of any Reference Entity and its Obligations, Underlying Obligations, Underlying Obligors, Reference Obligations and Deliverable Obligations.

Securityholders should be aware that none of the Issuer, the Guarantor nor any Manager has any duty to conduct or accepts any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of any Reference Entity and its Obligations, Underlying Obligations, Underlying Obligors, Reference Obligations and Deliverable Obligations. Purchasers of the Credit Linked Securities may not rely on the views or

advice of the Issuer or Guarantor for any information in relation to any person other than the Issuer or the Guarantor itself.

Credit Linked Securities are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A prospective investor should not invest in Credit Linked Securities which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Credit Linked Securities will perform under changing conditions, the resulting effects on the value of the Credit Linked Securities and the impact this investment will have on the prospective investor's overall investment portfolio.

Risks related to the structure of a particular issue of Credit Linked Securities

A number of the Credit Linked Securities may have features which contain particular risks for prospective investors. Set out below is a description of the most common such features:

Credit Linked Securities subject to optional redemption by the Issuer after a Relevant Credit Event

The Issuer may redeem Credit Linked Securities (or, if so specified in the applicable Final Terms, a portion thereof) earlier than the stated Redemption Date if a Credit Event occurs and the Conditions to Settlement specified in the applicable Final Terms are satisfied. The optional redemption feature of Credit Linked Securities is likely to limit their market value. During any period when the Issuer may elect to redeem Credit Linked Securities, the market value of those Credit Linked Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

At the time of such optional redemption, the Issuer's cost of borrowing may be lower than the interest rate (if any) on the Credit Linked Securities. If this is the case, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Credit Linked Securities being redeemed and may only be able to do so at a significantly lower rate. Prospective Investors should consider reinvestment risk in light of other investments available at that time.

Risk of Loss of Interest

Save as otherwise provided in the applicable Final Terms, no interest will accrue on the Credit Linked Securities (or, if so provided in the applicable Final Terms, portion of the applicable Calculation Amount of each Security affected thereby) on or after the Interest Expiration Date.

Credit Derivatives Definitions and Credit Derivatives Determinations Committee

The terms and conditions of the Credit Linked Securities do not incorporate by reference the definitions and provisions of the 2003 ISDA Credit Derivatives Definitions (the "**Credit Derivatives Definitions**") and there may be differences between the definitions used in the Conditions of the Securities and the Credit Derivatives Definitions. Consequently, investing in Credit Linked Securities is not exactly equivalent to investing in a credit default swap that incorporates the Credit Derivatives Definitions.

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

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

Credit Derivatives Determinations Committees were established pursuant to the March 2009 Supplement to the 2003 ISDA Credit Derivatives Definitions to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. As at the date of this Base Prospectus, Barclays Bank PLC is a member of each of the Credit Derivatives Determinations Committees. In such capacity, it need not have regard to the interests of any Securityholders when taking any action or casting any vote. Further information about the Credit Derivatives Determinations Committee may be found at www.isda.org/credit.

Whether or not a Credit Event or Succession Event has occurred, and certain decisions relating thereto, may be dependent on determinations made by the Credit Derivatives Determinations Committee. In certain circumstances, determinations made by the Determination Agent may be overridden by subsequent determinations made by the Credit Derivatives Determinations Committee. If the Issuer delivers a Credit Event Notice or Succession Event Notice to a Securityholder, such Securityholder should be aware that such notice may be superseded by a determination of the Credit Derivatives Determinations Committee.

Risk of Loss of Principal

Investors bear the risk of loss if any Relevant Credit Event occurs and the Conditions to Settlement, if any, are satisfied. The Credit Event Redemption Amount in respect of each Cash Settled CLS may be less than the Calculation Amount as at the relevant CLS Cash Settlement Date and, in certain circumstances, may be zero. Similarly the market value of the Deliverable Obligations Portfolio in respect of each Physically Delivered CLS may be less than the Calculation Amount as at the Relevant Event Determination Date and, in certain circumstances, may be zero.

The Credit Event Redemption Amount or amount of Deliverable Obligations delivered to a Securityholder will reflect the market value of the obligations of the Reference Entity in respect of which a Credit Event occurred less a deduction for Swap Costs. Swap Costs reflect the cost to the Issuer of terminating, liquidating, obtaining or re-establishing any hedges, trading positions, term deposits or funding arrangements entered into by it or on its behalf in respect of the Credit Linked Securities. Swap Costs will be determined by the Determination Agent in its sole and absolute discretion taking into account, *inter alia*, the hedging strategy employed in respect of the Credit

Linked Securities and prevailing funding rates, interest rates and credit spreads at the time of determination. Neither the Issuer nor the Guarantor is under any duty to hedge itself with respect to any Credit Linked Securities, nor is either of them required to hedge itself in a manner that will result in the lowest unwind costs. Securityholders should be aware that Swap Costs may be greater than the product of the Calculation Amount as at the Relevant Event Determination Date and the Final Price or the market value of the Deliverable Obligations Portfolio, as the case may be, in which case the Credit Event Redemption Amount will be zero.

Exposure to Reference Entities, Obligations, Underlying Obligations, Underlying Obligors, Reference Obligations and Deliverable Obligations

Unless otherwise provided in the applicable Final Terms, purchasers of Credit Linked Securities are exposed to the credit risks and other risks associated with the Reference Entities and their Obligations, Underlying Obligations, Underlying Obligors, Reference Obligations, Deliverable Obligations and any relevant jurisdictional risks.

ISDA Credit Derivatives Determinations Committee

In making any determination in its capacity as Determination Agent or Issuer, the Issuer may have regard to decisions made by the ISDA Credit Derivatives Determinations Committee. Where the Issuer or the Guarantor is a member of such committee, it need not have regard to the interests of Securityholders when taking any action or casting any vote. Further information about the ISDA Credit Derivatives Determinations Committee may be found at www.isda.org/credit.

Synthetic Exposure

The Credit Linked Securities do not represent a claim against any Reference Entity and, in the event of any loss, purchasers of Credit Linked Securities will not have recourse under the Credit Linked Securities to any Reference Entity. Neither the Issuer nor the Guarantor is obliged to own or hold any Obligation or Reference Obligation, and no inference may be drawn from the Base Prospectus, this Credit Linked Annex or any applicable Final Terms that either the Issuer or the Guarantor holds any such Obligation or Reference Obligation or has any credit exposure to any Reference Entity. Unless otherwise provided in the applicable Final Terms, amounts payable under the Credit Linked Securities are not, in any direct or indirect way, limited by, associated with, or linked or calculated by reference to, any loss of bargain, cost of funding or any other actual loss or cost suffered by the Issuer or the Guarantor as a result of its holding or not holding any Obligation or Reference Obligation.

Portfolio Replacements, Succession Events and Substitute Reference Obligations

If specified in the applicable Final Terms, the Issuer, Guarantor or a third party (the “**Replacement Selector**”) may be entitled to effect replacements of the entities, obligations and amounts comprising a reference portfolio for a Series of Credit Linked Securities. Unless otherwise specified in the applicable Final Terms or any other agreement, the Replacement Selector may effect such replacements pursuant to any guidelines specified in the applicable Final Terms without regard to their effect on the value, market price or liquidity of any Credit Linked Securities or of the interests of any person other than the Replacement Selector. If the applicable Final Terms entitles the Replacement Selector to effect such replacements, unless otherwise specified the Replacement Selector shall have no obligation to effect a replacement of a Reference Obligation as a result of any

change in the credit of such Reference Obligation or related Reference Entity and no such inference may be drawn from such applicable Final Terms.

Upon the occurrence of a Succession Event, one or more Successor Reference Entity(s) will (unless otherwise specified in the applicable Final Terms) be deemed to be a Reference Entity in replacement of (or in addition to, as applicable) the Reference Entity originally specified in the applicable Final Terms. Further, upon a Reference Obligation ceasing to exist in the manner specified in the definition thereof, a Substitute Reference Obligation may be selected.

As a result of the circumstances discussed in the preceding two paragraphs, a Series of Credit Linked Securities may be linked to the credit of certain Reference Entities and its Obligations and Reference Obligations notwithstanding that such Reference Entities, Obligations and Reference Obligations were not specified in the applicable Final Terms upon issuance of such Series of Credit Linked Securities.

Redemption After Redemption Date

Redemption may occur irrespective of whether the Relevant Credit Event is continuing on or after a Relevant Event Determination Date. The CLS Cash Settlement Date, the Final Delivery Date or the Physical Settlement Date may be later than the Redemption Date. In certain circumstances, delivery of Deliverable Obligations contained in the Deliverable Obligations Portfolio may be delayed to a date beyond the Physical Settlement Date. If a Credit Event has occurred but a Credit Event Notice has not yet been served on or prior to the Redemption Date, the Issuer may elect to extend the maturity of the Credit Linked Securities by service of an Extension Notice. During the Extension Period the Issuer may deliver a Credit Event Notice.

Issuer Discretion

The decision when and whether to deliver a Credit Event Notice and, if applicable, a Notice of Publicly Available Information, is at the sole and absolute discretion of the Issuer. Such notices are effective when delivered to the Issue and Paying Agent. The delivery of or failure to deliver such notices to Securityholders will not affect the effectiveness of such notices.

Redemption Failure/Alternative Settlement

In relation to a Physically Delivered CLS, if a Redemption Failure Event occurs, the Security may be subject to alternative settlement and may, in certain circumstances, be redeemed without any payment or Delivery by the Issuer. If the minimum denomination of Deliverable Obligations is not a whole integral number of the amount of the Deliverable Obligations Portfolio, the Issuer may Deliver such whole integral amount of the Deliverable Obligations Portfolio and cash settle the fractional shortfall. If the Credit Event Redemption Amount in respect of such Security cannot be paid when due as a result of a Redemption Failure Event, the Securityholder, after providing a release and indemnity to the satisfaction of the Issuer, may request such payment to be made to an account or person not affected by such Redemption Failure Event, provided that, if such Redemption Failure Event is continuing for 60 calendar days after the Redemption Date, the Issuer's obligations in respect of such payment will be discharged.

Securityholder Obligations

If a Security is a Physically Delivered CLS, the Issuer's obligation to Deliver the Deliverable Obligations Portfolio is subject to various conditions, including, without limitation, the obligation of

the Securityholder to deliver to the Issuer a Delivery Entitlement Instruction within the prescribed time frame. If a Securityholder fails to do so in a timely manner, the obligations of the Issuer to that Securityholder may be discharged without any payment or Delivery. In any event, no payment or Delivery will be made in respect of a Physically Delivered CLS unless the Issuer has received any required instructions, certifications, information and, where applicable, the relevant Security has been delivered and surrendered in accordance with the terms of the Master Agency Agreement, the Base Conditions and the terms of any relevant Global Security. In addition, the Issuer's obligation to Deliver any Deliverable Obligations in respect of a Physically Delivered CLS may be dependent upon the Issuer's option to elect cash settlement instead of physical settlement in respect of a Security.

Impossibility and Illegality

In relation to a Physically Delivered CLS, if as a result of the application of the provisions of Credit Linked Condition 4.4-4.8 it is impossible, impracticable (including if unduly burdensome) or illegal for the Issuer to Deliver (by reason of an impossibility, impracticality or illegality, non-receipt of requisite consents of Consent Required Loans or Assignable Loans included in the Deliverable Obligations Portfolio, the inclusion in the Deliverable Obligations Portfolio of Participations not effected by the Latest Permissible Physical Settlement Date or for any other reason specified in such Credit Linked Conditions), then Credit Linked Condition 4.4-4.8 relating to partial cash settlement may apply in respect of any undeliverable portion of the Deliverable Obligations Portfolio. If such partial cash settlement does not apply, then in respect of the portion of the Deliverable Obligations Portfolio for which it is not possible or legal to take Delivery on the Physical Settlement Date, such Delivery will take place as soon as practicable thereafter in accordance with the provisions of the Credit Derivatives Definitions and in any event on or before the Latest Permissible Physical Settlement Date. The Issuer's obligations will be deemed to be fully discharged with respect such Security as at the date on which the Deliverable Obligations Portfolio has been fully Delivered (if any) or otherwise as at the date immediately following the Latest Permissible Physical Settlement Date.

Credit Events

Potential purchasers should note that not all Credit Events have easily ascertainable triggers and disputes can and have arisen as to whether a specific event did or did not constitute a Credit Event. However, under these Credit Linked Conditions and subject to any subsequent determinations made by a Credit Derivatives Determinations Committee, the Issuer's determination of a Credit Event will, in the absence of manifest error, be conclusive and binding on all persons (including, without limitation, the Securityholders), notwithstanding the disagreement of such persons or other financial institutions, rating agencies or commentators.

Risks associated with settlement of a Credit Event using an Auction Protocol

If "Auction Settlement" is specified as applicable in respect of any Security, then the amounts payable by and/or rights and obligations of the parties under such Security in respect of the relevant Reference Entity or Reference Obligation will be determined in accordance with the Auction Final Price (as defined in these Credit Linked Conditions). The Securityholder takes the risk that where a Final Price is determined in accordance with an Auction, this may result in a lower recovery value than a Reference Entity or Reference Obligation would have if such Auction Final Price had not been used. Also, the Issuer or Guarantor may have a conflict of interest to the extent that it participates in

any auction or other process used to determine the Credit Event under the Auction Protocol and is under no obligation to consider the interests of Securityholders when so acting.

If Auction Settlement is specified as applicable with respect to any Credit Linked Securities but the Credit Derivatives Determinations Committee does not decide to conduct an Auction with respect to obligations of the relevant Reference Entity satisfying the relevant characteristics as set out in the applicable Final Terms, then the Fallback CLS Settlement Method shall apply. In such circumstances, either the Final Price will be determined pursuant to the Valuation Method or the Issuer will Deliver to Securityholders the Deliverable Obligations Portfolio.

Leverage

Certain Credit Linked Securities may be highly leveraged investments, including, without limitation, Credit Linked Securities linked to a notional amount of Reference Entities or Reference Obligations exceeding the Aggregate Nominal Amount of Notes or the aggregate Calculation Amount per Security relating to Certificates, as applicable, of the Credit Linked Securities or Credit Linked Securities linked to the first-to-default or similar arrangement of a reference portfolio. The use of leverage is a speculative investment technique to enhance returns. However, leverage also will magnify the adverse impact of Credit Events.

Hedging

In the ordinary course of their business, including without limitation in connection with their market-making activities, the Issuer, Guarantor, the Manager and/or any Agent or any Affiliate of any of them (each such entity, a “**Programme Party**”) may effect transactions for their own account or for the account of their customers and hold long or short positions in any applicable Reference Obligation or related derivatives. In addition, in connection with the offering of the Credit Linked Securities, the Issuer and/or any other Programme Party may enter into one or more hedging transactions with respect to any applicable Reference Obligation or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any other Programme Party, the Issuer and/or any other Programme Party may enter into transactions with respect to any applicable Reference Obligation or related derivatives which may affect the market price, liquidity or value of the Credit Linked Securities and which could be deemed to be adverse to the interests of the relevant Securityholders. The Issuer and/or any other Programme Party may pursue such hedging or related derivatives actions and take such steps as they deem necessary or appropriate to protect their interests without regard to the consequences for any Securityholder.

Other risk factors

No Guarantee of Performance

The Credit Linked Securities constitute direct, unsubordinated and unsecured obligations of the Issuer that are linked to the credit risk of the Reference Entities and/or Reference Obligations specified in the applicable Final Terms. No Programme Party guarantees the performance of or otherwise stands behind the performance of any Reference Entity or Reference Obligation or is under any obligation to make good losses suffered as a result of Credit Events.

Provision of Information

The Programme Parties, whether by virtue of the types of relationships described herein or otherwise, may possess information in relation to any Reference Entity, any Affiliate of a Reference Entity, any Reference Obligation or any guarantor that is or may be material in the context of the Credit Linked Securities and that may or may not be publicly available or known to the Securityholders or any other person. The Credit Linked Securities will not create any obligation on the part of any of the Programme Parties to disclose any such relationship or information (whether or not confidential).

No Representations

None of the Programme Parties makes any representation, express or implied, as to any Reference Entity or any Reference Obligation or the credit quality thereof, or any information contained in any documents provided by any Reference Entity or filed by a Reference Entity with any exchange or with any governmental authority.

PART B - ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED SECURITIES

The terms and conditions applicable to Credit Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Credit Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Credit Linked Conditions set out below, the Credit Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Credit Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Credit Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities if specified to be Credit Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.

1 Types of Credit Linked Securities

Credit Linked Securities may be Single Name CLSs, Nth-to-Default CLSs, Portfolio CLSs or Index CLSs, or such other type of Security as described in the applicable Final Terms.

“**Single Name CLS**” means a Security, the payment of principal and/or interest on which is determined by reference to the occurrence of a Relevant Credit Event with respect to a single Reference Entity.

“**Nth-to-Default CLS**” means a Security, the payment of principal and/or interest on which is determined by reference to the occurrence of a Relevant Event Determination Date with respect to the Nth (as specified in the applicable Final Terms) Reference Entity with respect to the Reference Portfolio.

“**Portfolio CLS**” means a Security, the payment of principal and/or interest on which is determined by reference to the occurrence of a Credit Event with respect to more than one Reference Entities comprising the Reference Portfolio.

“**Index CLS**” means a Security, the payment of principal and/or interest on which is determined by reference to the level (or change in level, as applicable) of a benchmark index.

2 Credit Event Determinations and consequences

2.1 Credit Event Determination

The Issuer may, at any point during the Notice Delivery Period, deliver a Credit Event Notice (provided that an Event Determination Date may only occur following the Redemption Date where an Extension Notice has been delivered) in accordance with the provisions of these Credit Linked Conditions and the applicable Final Terms.

The Issuer’s determination of a Credit Event will, in the absence of manifest error and subject to the “Event Determination Date” definition, be conclusive and binding on all persons (including, without limitation, the Securityholders). Neither the Issuer nor the Issue and Paying Agent will have any liability whatsoever for the failure of the Issuer for any reason to determine that a Credit Event has occurred or with respect to the Issuer’s timing as to when to deliver a Credit Event Notice, Notice of Publicly Available Information or Notice of Physical

Settlement nor will they have any duty or responsibility to investigate or check whether any Credit Event has, or may have, occurred or may be continuing.

2.2 Relevant Credit Events

If a Relevant Event Determination Date has occurred in respect of a Reference Entity during the Notice Delivery Period and on or prior to the Redemption Date, then, notwithstanding anything to the contrary in Conditions 4, 5, 7 or 8 of the Base Conditions, unless otherwise specified in the applicable Final Terms:

- (i) interest will cease to accrue as at the Interest Expiration Date; and
- (ii) the Issuer may redeem each Cash Settled CLS at the Credit Event Redemption Amount on the CLS Cash Settlement Date and each Physically Delivered CLS by Delivery of the Deliverable Obligations Portfolio on or before the Final Delivery Date subject to and in accordance with the provisions of these Credit Linked Conditions and the applicable Final Terms.

If the Issuer elects to redeem the Securities the Issuer shall deliver, or may cause the Issue and Paying Agent at the expense of the Issuer to deliver, a notice (a “**Credit Event Redemption Notice**”) in accordance with Credit Linked Condition 7 (*Notices*) to the Securityholders, with a copy to the Determination Agent and the Issue and Paying Agent. The Credit Event Redemption Notice will:

- (a) identify the Series of Securities to which the Credit Event Redemption Notice relates;
- (b) state the Issuer’s intention to redeem the Securities pursuant to Credit Linked Condition 3 or 4, as applicable; and
- (c) if “Issuer Settlement Option” is specified as applicable in the applicable Final Terms, state the CLS Settlement Method that shall apply to the Securities.

If a Credit Event Notice, Notice of Publicly Available Information or, if applicable, Notice of Physical Settlement specifies the information required to be specified in a Credit Event Redemption Notice, such notice will be deemed to be a Credit Event Redemption Notice.

2.3 Credit Event Notice after Restructuring

Upon the occurrence of an Event Determination Date in respect of a Restructuring Credit Event:

- 2.3.1 the Issuer may deliver multiple Credit Event Notices with respect to such Restructuring Credit Event, each such Credit Event Notice setting forth the Nominal Amount (in the case of Notes) or the portion of the Security (by reference to its applicable Calculation Amount per Security determined on or about the date of the Credit Event Notice) (in the case of Certificates) with respect to each Security to which such Credit Event Notice applies (the aggregate of such amounts with respect to a Series, the “**Exercise Amount**”);
- 2.3.2 if the Issuer has delivered a Credit Event Notice that specifies an Exercise Amount that is less than the Nominal Amount (in the case of Notes) or the whole Security (or Calculation Amount per Security thereof determined on or about the date of the Credit Event Notice) (in the case of Certificates), as applicable, the rights and obligations of

the Issuer and the Guarantor shall, with effect from the date such Credit Event Notice is effective, be construed as if the Issuer had issued two Securities, one of which has a Nominal Amount (in the case of Notes) or Calculation Amount per Security (in the case of Certificates) equal to the Exercise Amount and, upon satisfaction of the Conditions to Settlement, will be settled (and, if applicable, redeemed) in accordance with the applicable CLS Settlement Method, and the other of which will have a Nominal Amount (in the case of Notes) or Calculation Amount per Security (in the case of Certificates) equal to the Nominal Amount or Calculation Amount per Security, as applicable, immediately prior to such Credit Event Notice minus such Security's pro rata share of the Exercise Amount and will continue in effect with such modifications required as determined by the Determination Agent to preserve the economic effects of the two Securities considered in the aggregate;

- 2.3.3 the Exercise Amount in connection with a Credit Event Notice describing a Restructuring must be an amount that is at least 1,000,000 units of the Settlement Currency (or, if Japanese Yen, 100,000,000 units) or an integral multiple thereof or the entire then outstanding Aggregate Nominal Amount if the Securities are Notes or the aggregate Calculation Amount per Security of the aggregate number of Certificates outstanding on or about the date of the relevant Credit Event Notice, as applicable. If no Exercise Amount is specified by the Issuer, the Exercise Amount shall be deemed to be the then outstanding Aggregate Nominal Amount or the aggregate Calculation Amount per Security of the aggregate number of Certificates outstanding on or about the date of the relevant Credit Event Notice, as applicable.

Upon redemption of part of each such Credit Linked Security the relevant Credit Linked Security or, if the Credit Linked Securities are represented by a Global Security, such Global Security, shall be endorsed to reflect such partial redemption.

2.4 Deferred Redemption Date

Notwithstanding anything to the contrary in Conditions 4 and 5.1 of the Base Conditions, in addition to amounts of interest (if any) accrued in accordance with the Credit Linked Conditions, in respect of the Extended Interest Period (if any), unless "Extension Interest" is specified as not applicable in the applicable Final Terms and no Relevant Event Determination Date occurs on or prior to the Securities Extension Date, interest ("**Extension Interest**") on each interest bearing Credit Linked Security will be payable in arrears on the Deferred Redemption Date in an amount determined by the Determination Agent equal to the sum for each day in the Extended Interest Period of the product of (a) the Calculation Amount per Security on such day, (b) the Barclays Bank PLC overnight deposit rate for deposits in the Settlement Currency for such day and (c) 1/360. If "Extension Interest" is specified as not applicable in the applicable Final Terms, no amount of Extension Interest or other interest shall accrue or be payable on each such Credit Linked Security in respect of any period on or following the Redemption Date, notwithstanding that the Deferred Redemption Date occurs following such date.

3 Redemption of Cash Settled CLSs

Notwithstanding anything to the contrary in Condition 5 of the Base Conditions, following delivery of a Credit Event Redemption Notice in relation to a Cash Settled CLS, each Credit Linked Security will be redeemed at its Credit Event Redemption Amount on the CLS Cash Settlement Date.

4 Redemption of Physically Delivered Securities

4.1 Redemption of Physically Delivered CLSs

Notwithstanding anything to the contrary in Condition 5 of the Base Conditions, following delivery of a Credit Event Redemption Notice in relation to a Physically Delivered CLS, each Credit Linked Security will be redeemed by Delivery of such Security's pro rata share (on a per Calculation Amount per Security basis determined on or about the date of the Credit Event Redemption Notice) of the Deliverable Obligations Portfolio subject to and in accordance with this Credit Linked Condition 4.

4.2 Delivery of Deliverable Obligations on shortfall

Subject to Credit Linked Condition 4.4 (*Partial Cash Settlement due to Impossibility or Illegality*), and unless otherwise elected by the Issuer in accordance with the Issuer CLS Settlement Option, if all or any part of the Deliverable Obligations Portfolio to be Delivered to a Securityholder is not a whole integral multiple of the smallest unit of transfer for any such Deliverable Obligation at the relevant time of Delivery, as determined by the Determination Agent, the Issuer will Deliver and such Securityholder will only be entitled to receive the portion of the Deliverable Obligations Portfolio specified by the Determination Agent which is closest to but less than the full Deliverable Obligations Portfolio, after consideration of such smallest unit or units of transfer (such portion of the Deliverable Obligations Portfolio that is not so Delivered, a "**Delivery Shortfall**"), and the Issuer will pay to such Securityholder in the Settlement Currency at the same time as such Delivery an amount in cash equal to the value of such Delivery Shortfall, as determined by the Determination Agent.

4.3 Delivery of Deliverable Obligation Portfolio

Delivery of the Deliverable Obligations Portfolio shall be made in accordance with Condition 7.4 of the Base Conditions (*Physical Delivery by delivery of the Entitlement*) as if references to "Entitlement" were to the relevant Securityholder's share of the Deliverable Obligations Portfolio and references to "Physical Delivery Date" were to the relevant Delivery Date, subject to adjustment as provided in this Credit Linked Condition 4.

Subject to the rest of this Credit Linked Condition 4, the Issuer may Deliver only the Deliverable Obligations specified in the Notice of Physical Settlement and only in the amounts specified therein. The Issuer may continue to attempt to Deliver the whole of the Deliverable Obligations specified in the Notice of Physical Settlement (x) in the case of Deliverable Obligations that are Bonds or Loans, after the Physical Settlement Date and (y) in the case of Deliverable Obligations that are not Bonds or Loans, for an additional five Business Days after the Physical Settlement Date.

Until the date on which the Deliverable Obligations Portfolio has been fully Delivered (or, if applicable, the Latest Permissible Physical Settlement Date), the Issuer or any other person

(whether or not on behalf of the Issuer) may continue to be the legal owner of the Deliverable Obligations comprising the Deliverable Obligations Portfolio which it is not possible, practical or legal to deliver. None of the Issuer nor any such other person will (i) be under any obligation to deliver or procure delivery to the relevant Securityholder or any other person any letter, certificate, notice, circular or any other document or payment whatsoever received by the Issuer or that person, (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such Deliverable Obligations comprising the Deliverable Obligations Portfolio until the date on which the Deliverable Obligations Portfolio has been fully Delivered (or, if applicable, the Latest Permissible Physical Settlement Date), (iii) be under any liability to such Securityholder or any other person in respect of any loss or damage which such Securityholder or other person may sustain or suffer as a result, whether directly or indirectly, of the Issuer or any person (whether or not on behalf of the Issuer) being the legal owner of such Deliverable Obligations comprising the Deliverable Obligations Portfolio until the date on which the Deliverable Obligations Portfolio has been fully Delivered (or, if applicable, the Latest Permissible Physical Settlement Date), or (iv) have any liability whatsoever to such Securityholder or any other person if, as a result of a Redemption Failure Event or for any other reason whatsoever (including without limitation Credit Linked Conditions 4.4-4.8) it is unable to effect Delivery of any Deliverable Obligations comprising the Deliverable Obligations Portfolio and its obligations hereunder are deemed to be fully discharged in accordance with the Credit Linked Conditions.

4.4 Partial Cash Settlement due to Impossibility or Illegality

Unless otherwise specified in the applicable Final Terms if, due to an event beyond the control of the Issuer, it is impossible, impracticable (including if unduly burdensome) or illegal for Issuer to Deliver, or due to an event beyond the control of the Issuer it is impossible, impracticable (including if unduly burdensome) or illegal for any Securityholder (the “**Affected Securityholder**”, which term shall apply to the relevant Securityholder in this Credit Linked Condition 4) to accept Delivery of, any of the Deliverable Obligations specified in the Notice of Physical Settlement on the Physical Settlement Date (including, without limitation, failure of the relevant clearance system or due to any law, regulation or court order, but excluding market conditions or the failure to obtain any requisite consent with respect to the Delivery of Loans), then on or before such date (a) the Issuer shall Deliver and the Affected Securityholder shall take Delivery of any of the Deliverable Obligations specified in the Notice of Physical Settlement for which it is possible and legal to take Delivery and (b) the Issuer shall provide a description in reasonable detail of the facts giving rise to such impossibility, impracticability or illegality and, as soon as practicable thereafter, Issuer shall Deliver and the Affected Securityholder shall take Delivery of the Deliverable Obligations specified in the Notice of Physical Settlement which were not Delivered.

4.5 Partial Cash Settlement of Consent Required Loans

Unless otherwise specified in the applicable Final Terms, if:

- (i) the Deliverable Obligations specified in the Notice of Physical Settlement include Consent Required Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Settlement Date, capable of being assigned or novated to the Affected Securityholder and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and

- (ii) Direct Loan Participation is not specified as a Deliverable Obligation Characteristic in the applicable Final Terms or “Direct Loan Participation” is specified as a Deliverable Obligation Characteristic in the related Contractual Terms of Issue and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

Cash Settlement pursuant to the Partial Cash Settlement Terms in Credit Linked Condition 4.9 shall be deemed to apply to the Securities with respect to the Deliverable Obligations specified in the Notice of Physical Settlement that consist of Consent Required Loans for which consents are not obtained or deemed given (the “**Undeliverable Loan Obligations**”).

4.6 Partial Cash Settlement of Assignable Loans

Unless otherwise specified in the applicable Final Terms, if:

- (i) the Deliverable Obligations specified in the Notice of Physical Settlement include Assignable Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Settlement Date, capable of being assigned or novated to the Affected Securityholder and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and
- (ii) Direct Loan Participation is not specified as a Deliverable Obligation Characteristic in the applicable Final Terms or “Direct Loan Participation” is specified as a Deliverable Obligation Characteristic in the applicable Final Terms and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

Cash Settlement pursuant to the Partial Cash Settlement Terms in Credit Linked Condition 4.9 shall be deemed to apply to the Securities with respect to the Deliverable Obligations specified in the Notice of Physical Settlement that consist of Assignable Loans for which consents are not obtained or deemed given (the “**Unassignable Obligations**”).

4.7 Partial Cash Settlement of Participations

Unless otherwise specified in the applicable Final Terms, if the Deliverable Obligations include Direct Loan Participations and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date, cash settlement pursuant to the Partial Cash Settlement Terms shall be deemed to apply to the Credit Linked Securities with respect to the Deliverable Obligations specified in the Notice of Physical Settlement that consist of Direct Loan Participations in respect of which the relevant participation is not effected (the “**Undeliverable Participations**”).

4.8 Alternative Procedures Relating to Loans not Delivered

If the Issuer has not Delivered any Deliverable Obligations specified in the Notice of Physical Settlement that are Loans on or prior to the date that is five Business Days after the Physical Settlement Date (the “**Alternative Procedure Start Date**”), the following provisions shall apply unless (i) Reference Obligations Only has been specified as the Deliverable Obligation Category in the applicable Final Terms, (ii) in the case of a Consent Required Loan, “Partial Cash Settlement of Consent Required Loans Applicable” is specified in the applicable Final Terms (in which case Credit Linked Condition 4.5 shall apply), (iii) in the case of an Assignable Loan, “Partial Cash Settlement of Assignable Loans Applicable” is specified in the

applicable Final Terms (in which case Credit Linked Condition 4.6 shall apply), (iv) in the case of a Direct Loan Participation, “Partial Cash Settlement of Participations Applicable” is specified in the applicable Final Terms (in which case Credit Linked Condition 4.7 shall apply) or (v) in any case, such failure to Deliver is due to an event described in Credit Linked Condition 4.4 (in which case Credit Linked Condition 4.4 shall apply).

In the event that the Issuer has failed to obtain the requisite consents to Deliver a Loan specified in the Notice of Physical Settlement and has provided a certificate signed by a Managing Director (or other substantively equivalent title) of the Issuer, which shall certify that Issuer has used reasonable efforts to obtain such consents, at any time following the Alternative Procedure Start Date, Issuer may Deliver, in lieu of all or part of such Loan, any Bond that is Transferable and Not Bearer or Loan that is Assignable, in either case selected by the Issuer and having on both the Physical Settlement Date and the Delivery Date each of the Deliverable Obligation Characteristics (other than Consent Required Loan or Direct Loan Participation), if any, specified in the applicable Final Terms and otherwise satisfying the requirements to constitute a Deliverable Obligation (and such instrument shall be deemed specified in the Notice of Physical Settlement).

4.9 Partial Cash Settlement Terms

Unless specified otherwise in the applicable Final Terms, the following terms are deemed to be defined as follows for the purposes of the Partial Cash Settlement Terms referred to in Credit Linked Conditions 4.4-4.8 above:

- 4.9.1 If “Cash Settlement” is deemed to apply pursuant to Credit Linked Conditions 4.4-4.8, the portion of the Deliverable Obligations Portfolio corresponding to the applicable Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation or Unassignable Obligation (each an “**Undeliverable Deliverable Obligation**”) shall not consist of such Undeliverable Deliverable Obligation, but shall consist of an amount equal to the outstanding principal balance (or, the equivalent Currency Amount thereof) of such Undeliverable Deliverable Obligation multiplied by the Final Price with respect to such Undeliverable Deliverable Obligation. For the purposes of this Credit Linked Condition 4.9, “**Final Price**” shall mean the highest firm bid price (expressed as a percentage of par and excluding any accrued and unpaid interest) solicited by the Determination Agent from five or more Dealers at the CLS Valuation Time (as per Credit Linked Condition 4.9.5) on the CLS Valuation Date (as per Credit Linked Condition 4.9.3) for the purchase of the applicable Undeliverable Deliverable Obligation in a quantity equal to the applicable outstanding principal balance or Due and Payable Amount which was not, or could not be, Delivered, provided, if no such firm bids are provided in respect of any such Undeliverable Deliverable Obligation at such time on such date, the firm bid price will be zero. Any quotation provided by the Issuer or an Affiliate thereof shall be deemed to be a firm quotation;
- 4.9.2 “**CLS Cash Settlement Date**” is deemed to be the date that is three Business Days after the calculation of the Final Price;
- 4.9.3 “**CLS Valuation Date**” is deemed to be the date that is two Business Days after the Latest Permissible Physical Settlement Date;
- 4.9.4 There shall be no “Minimum Quotation Amount”; and

4.9.5 “**CLS Valuation Time**” is the time specified as such in the applicable Final Terms or if no time is so specified, the time specified by the Determination Agent, which shall be as close as reasonably practicable to 11:00 a.m. in the relevant Determination Agent City, unless the Determination Agent determines that the principal market for transactions in the Undeliverable Deliverable Obligation would be closed at such time or such transactions are not being conducted in sufficient volume (as determined by the Determination Agent in its sole and absolute discretion) at such time, in which event the CLS Valuation Time shall be such other time as may be specified by the Determination Agent that such principal market is open.

5 Redemption Failure Event

“**Redemption Failure Event**” means, in each case as determined by the Determination Agent in its sole discretion, (a) it is impossible or illegal for the Issuer to pay (due to an event beyond the control of the Issuer), or for a Securityholder to accept payment of (due to an event beyond the control of such Securityholder), any cash amount (including, without limitation, the Credit Event Redemption Amount in respect of each Credit Linked Security) required to be paid on the date scheduled for such payment, (b) the failure of a Securityholder to surrender a Credit Linked Security for cancellation on or before the Redemption Date, first Delivery Date in respect of the applicable Physical Settlement Date or CLS Cash Settlement Date, as the case may be, or (c) the failure of any relevant person to duly execute, deliver and/or accept a transfer certificate or other transfer document on or before any Delivery Date and/or specify a date for transfer of the relevant Deliverable Obligation that is on or before any Delivery Date, in each case in accordance with the terms of the relevant Deliverable Obligation.

If a Redemption Failure Event has occurred and exists on the Redemption Date, the obligation of the Issuer to pay the Credit Event Redemption Amount or to Deliver the Deliverable Obligations Portfolio or part thereof, as the case may be, on such date will be postponed without further act or notice and such payment or Delivery will be made on a Business Day selected by the Determination Agent on which such Redemption Failure Event no longer exists, provided that, if such Redemption Failure Event continues to exist on the tenth Business Day after the Redemption Date or other scheduled payment date or Delivery Date in respect of an amount required to be paid or Deliverable Obligations to be Delivered (as the case may be), the Securityholder may request the Issuer in writing to make payment of such amount to such account or to such other person as the Securityholder specifies, provided that, the Issuer first receives an irrevocable and unconditional release and indemnity in respect of liabilities arising therefrom to its sole and absolute satisfaction.

Notwithstanding anything to the contrary in the Base Conditions, if the Determination Agent determines that such Redemption Failure Event continues to exist on the 60th calendar day after the Redemption Date or other scheduled payment date or Delivery Date in respect of an amount required to be paid or Deliverable Obligations to be Delivered (as the case may be) no such payment will be made by the Issuer and the Issuer’s obligations to the Securityholder hereunder will be deemed to be fully discharged as of that date.

Any postponement or deemed discharge of payment pursuant to this Credit Linked Condition 5 will not constitute a default hereunder (including for the purpose of Condition 10 of the Base Conditions) and will not entitle the relevant Securityholder to any additional interest or other payment as a result thereof. For the avoidance of doubt, the provisions of this Credit Linked Condition 5 are in addition

to any provisions of Credit Linked Condition 4 regarding, *inter alia*, the failure to Deliver Deliverable Obligations.

6 Determination Agent

Except as otherwise set forth in the applicable Final Terms any determination, discretion or calculation of the Issuer or the Determination Agent as may be specified in these Credit Linked Conditions will be made in the sole and absolute discretion of the Issuer or the Determination Agent, as applicable, and neither assume any obligation to, or relationship of agency or trust with, any Securityholders or any other person. Furthermore, each Securityholder agrees that none of the Issuer, the Guarantor or the Determination Agent is acting as fiduciary for or as an advisor to such Securityholder in respect of its duties as Issuer, Guarantor or Determination Agent. In making any such determination or calculation or exercising any such discretion, none of the Issuer, Guarantor or Determination Agent shall be required to take into account any person's interest other than its own.

The Determination Agent is responsible for, *inter alia*:

- 6.1.1 determining a Successor or Successors and making any other determinations required to be made under the Successor Provisions;
- 6.1.2 determining whether (i) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortization or prepayments), (ii) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of a Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of such Reference Entity enforceable in accordance with its terms, or (iii) for any reason other than as described in (i) or (ii) above and other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of a Reference Entity;
- 6.1.3 identifying and determining a Substitute Reference Obligation;
- 6.1.4 in the event that multiple Credit Event Notices with respect to a Restructuring Credit Event are delivered pursuant to Credit Linked Condition 2.3, making any modifications required pursuant to that Credit Linked Condition;
- 6.1.5 obtaining Quotations (and, if necessary, determining whether such Quotations shall include or exclude accrued but unpaid interest) and determining the Final Price in accordance with the applicable Valuation Method;
- 6.1.6 converting the Quotation Amount into the relevant Obligation Currency;
- 6.1.7 determining the Dealers (where none have been specified in the applicable Final Terms) and substituting Dealers;
- 6.1.8 determining the Currency Rate;
- 6.1.9 determining the Representative Amount;
- 6.1.10 determining the number of Business Days in each Physical Settlement Period; and

6.1.11 if “Include Accrued Interest” is specified in the applicable Final Terms with respect to Deliverable Obligations, determining accrued but unpaid interest; and determining the Accreted Amount of any Accreting Obligation.

Except as otherwise expressly set forth herein or in the applicable Final Terms, whenever the Determination Agent is required to act or to exercise judgment, it will do so in good faith and in a commercially reasonable manner. Each Securityholder in respect of the relevant Series of Credit Linked Securities acknowledges and agrees that the Determination Agent is not acting as a fiduciary for or an advisor to any person in respect of the Securities, and acts in all respects as an arm’s length contractual counterparty.

If any of the matters set out in this Credit Linked Condition 6 are decided and/or determined by a Credit Derivatives Determinations Committee, the Determination Agent shall follow such decision or determination to the extent such decision and/or determination is applicable to any Series of Credit Linked Securities.

7 Notices

7.1 Notices required to be delivered

The Issuer shall give notice to Securityholders of the following, to the extent required to be delivered pursuant to a Series of Credit Linked Securities and unless otherwise specified in the applicable Final Terms:

- (i) Credit Event Notice.
- (ii) Notice of Publicly Available Information.
- (iii) Notice of Physical Settlement.
- (iv) The occurrence of any Succession Event, including if applicable details of any Successors and any amendments to the weighting of each Reference Entity within the Reference Portfolio (provided that (a) no Succession Event Notice shall be required following a determination by a Credit Derivatives Determinations Committee that a Succession Event has occurred and (b) the failure of the Issuer to deliver a notice to the Securityholders pursuant to this Credit Linked Condition 7 shall not affect the effectiveness of any determinations by the Determination Agent in respect of such Succession Event (such determinations to be in accordance with these Credit Linked Conditions)).
- (v) The selection of any Replacement Reference Entity.
- (vi) If the terms of any Securities provide for the Reference Portfolio to be amended from time to time other than through a Succession Event, details of any amendments to the Reference Portfolio.
- (vii) The designation of any Substitute Reference Obligation (provided that (a) no such notice shall be required following a determination by a Credit Derivatives Determinations Committee of a Substitute Reference Obligation has occurred and (b) the failure of the Issuer to deliver a notice to the Securityholders pursuant to this Credit Linked Condition 7 shall not affect the effectiveness of any designation of such

Substitute Reference Obligation by the Determination Agent (such designation to be in accordance with these Credit Linked Conditions).

- (viii) In respect of any Cash Settled CLS, following the selection by the Issuer of an obligation of the Reference Entity constituting a Reference Obligation for the purposes of “Terms relating to Cash Settlement”, a notice specifying the identification details of such selected obligation, provided that the failure of the Issuer to deliver a notice to the Securityholders pursuant to this Credit Linked Condition shall not affect the effectiveness of any designation of such Reference Obligation by the Determination Agent (such designation to be in accordance with these Credit Linked Conditions).
- (ix) Following the determination of the CLS Cash Settlement Amount with respect to any Cash Settled CLS, a notice specifying, to the extent applicable:
 - (a) The Reference Obligation;
 - (b) The CLS Valuation Date;
 - (c) The Quotation Amount;
 - (d) The Quotations obtained;
 - (e) The Final Price or Auction Final Price, as applicable;
 - (f) The CLS Cash Settlement Amount;
 - (g) If applicable, any Settlement Expenses and/or Swap Costs; and
 - (h) If applicable, the Credit Event Redemption Amount.
- (x) Following delivery of a Notice of Physical Settlement (to the extent such information is not included in the Notice of Physical Settlement):
 - (a) The proposed Delivery Date;
 - (b) If applicable, the Settlement Expenses and/or Swap Costs; and
 - (c) The outstanding principal amount of Deliverable Obligations to be Delivered.

7.2 Effectiveness of Notices

Any notice required to be delivered by the Issuer to the Issue and Paying Agent pursuant to these Credit Linked Conditions or the applicable Final Terms shall be effective when delivered. The Issue and Paying Agent will deliver a copy thereof to Securityholders if required in accordance with the provisions of Condition 16 of the Base Conditions, provided that the failure of the Issue and Paying Agent to deliver any such notice shall not affect the effectiveness of any notice delivered by the Issuer.

A notice delivered by the Issuer to the Issue and Paying Agent on or prior to 4:00 p.m. (Determination Agent City time) on a Determination Agent City Business Day will be effective on such Determination Agent City Business Day. A notice delivered after 4:00 p.m. (Determination Agent City time) on a Determination Agent City Business Day will be deemed effective on the next following Determination Agent City Business Day, regardless of the form in which it is delivered. For purposes of the two preceding sentences, a notice given by telephone will be deemed to have been delivered at the time the telephone conversation takes

place. If the notice is delivered by telephone, a written confirmation will be executed and delivered confirming the substance of that notice within one Business Day of that notice. Failure to provide that written confirmation will not affect the effectiveness of that telephonic notice. If a notice is given by email, it will be deemed effective at the date and time it was delivered.

7.3 Confidentiality

Securityholders will treat as confidential any information about a Reference Entity which is designated by the Issuer as confidential information and conveyed to the Securityholders for the purposes of identifying the Credit Event or giving rise to its determination of a Credit Event.

8 Additional provisions for determining a Successor or Substitute Reference Obligation

8.1 Successors

8.1.1 **“Successor”** means in relation to a Reference Entity that is not a Sovereign, the entity or entities, if any, determined as set forth below:

- (a) if one entity directly or indirectly succeeds to seventy-five per cent or more of the Relevant Obligations of the Reference Entity by way of a Succession Event, that entity will be the sole Successor in respect of such Reference Entity;
- (b) if only one entity directly or indirectly succeeds to more than twenty-five per cent (but less than seventy-five per cent) of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than twenty-five per cent of the Relevant Obligations will be the sole Successor in respect of such Reference Entity;
- (c) if more than one entity each directly or indirectly succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than twenty-five per cent of the Relevant Obligations will each be a Successor determined in accordance with the provisions of (e) below. Where, pursuant to this definition, one Successor has been identified in respect of two or more Reference Entities (if more than one Reference Entity has been specified), the Reference Portfolio will be adjusted such that the Reference Entity Notional Amount of the Successor shall be equal to the sum of the Reference Entity Notional Amounts of the Reference Entities that were subject of the applicable Succession Event;
- (d) if one or more entities each directly or indirectly succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity by way of a Succession Event, and more than twenty-five per cent of the Relevant Obligations of the Reference Entity remain with the Reference Entity, each such entity and the Reference Entity will each be a Successor. Where, pursuant to this Credit Linked Condition, one Successor has been identified in respect of two or more

Reference Entities (if more than one Reference Entity has been specified), the Reference Portfolio will be adjusted such that the Reference Entity Notional Amount of the Successor shall be equal to the sum of the Reference Entity Notional Amounts of the Reference Entities that were subject of the applicable Succession Event;

- (e) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity and the Securities will not be changed in any way as a result of the Succession Event; and
- (f) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than twenty-five per cent of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations (or, if two or more entities succeed to an equal percentage of Relevant Obligations, the entity from among those entities which succeeds to the greatest percentage of obligations of the Reference Entity) will be the sole Successor.

8.1.2 The Determination Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than fourteen calendar days after the legally effective date of the Succession Event), and with effect from the legally effective date of the relevant Succession Event, whether the relevant thresholds set forth above have been met, or which entity qualifies under (f) above as applicable; provided that the Determination Agent will not make such determination if, at such time, either (A) ISDA has publicly announced that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Credit Linked Condition 8.1.1, are satisfied in accordance with the CDDC Rules (until such time, if any, as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine a Successor) or (B) ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that no event that constitutes a Succession Event has occurred. In calculating the percentages used to determine whether the relevant thresholds set forth above have been met, or which entity qualifies under Credit Linked Condition 8.1.1(d), as applicable, the Determination Agent shall use, with respect to each applicable Relevant Obligation included in such calculation, the amount of the liability with respect to such Relevant Obligation listed in the Best Available Information and shall notify the parties of such calculation

8.1.3 “**Succession Event**” means (i) with respect to a Reference Entity that is not a Sovereign, an event such as a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to any agreement or (ii) with respect to a Reference Entity that is a Sovereign, an event such as an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other event that results in any direct or indirect successor(s) to such Reference

Entity. Notwithstanding the foregoing, “Succession Event” shall not include an event (A) in which the holders of obligations of the Reference Entity exchange such obligations for the obligations of another entity, unless such exchange occurs in connection with a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event or (B) with respect to which the legally effective date (or, in the case of a Reference Entity that is a Sovereign, the date of occurrence) has occurred prior to the Succession Event Backstop Date.

For purposes of this Credit Linked Condition 8.1, “**succeed**” means, with respect to a Reference Entity and its Relevant Obligations (or, as applicable, obligations), that an entity other than such Reference Entity (i) assumes or becomes liable for such Relevant Obligations (or, as applicable, obligations) whether by operation of law or pursuant to any agreement or (ii) issues Bonds that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case such Reference Entity is no longer an obligor (primarily or secondarily) or guarantor with respect to such Relevant Obligations (or, as applicable, obligations). The determinations required pursuant to (a) above shall be made, in the case of an exchange offer, on the basis of the outstanding principal balance of Relevant Obligations tendered and accepted in the exchange and not on the basis of the outstanding principal balance of Bonds for which Relevant Obligations have been exchanged.

8.1.4 Where:

- (a) a Reference Obligation has been specified with respect to a Reference Entity;
 - (b) one or more Successors to the Reference Entity have been identified; and
 - (c) any one or more such Successors have not assumed the Reference Obligation,
- a Substitute Reference Obligation will be determined in accordance with the provisions of Credit Linked Condition 8.3 with respect to a Reference Entity.

8.1.5 Where, pursuant to this Credit Linked Condition 8.1, one or more Successors have been identified in respect of a Reference Entity that has been subject to the relevant Succession Event (the “**Affected Entity**”), (i) the Affected Entity will no longer be a Reference Entity for purposes of the Securities (unless it is a Successor as described in Credit Linked Condition 8.1.5(b) below), (ii) each Successor will be deemed a Reference Entity for purposes of the Securities, (iii) the Reference Entity Notional Amount for each such Successor will equal the Reference Entity Notional Amount of the Affected Entity immediately prior to the application of Credit Linked Condition 8 divided by the number of Successors and (iv) the Determination Agent shall make any modifications to the terms of the Securities required to preserve the economic effects of the Securities prior to the Succession Event (considered in the aggregate).

- (a) Subject to the following paragraph, if a Successor is already a Reference Entity at the time Credit Linked Condition 8 is applied (and is not itself the Affected Entity), the Reference Entity Notional Amount with respect to such Reference Entity shall be equal to the sum of (a) the Reference Entity Notional Amount in respect of the Reference Entity immediately prior to the application of Credit Linked Condition 8 and (b) the Reference Entity Notional Amount in respect of

such Reference Entity as a result of the application of Credit Linked Condition 8.5 (as amended hereby).

- (b) If a Successor is already a Reference Entity at the time Credit Linked Condition 8 is applied and, as a result of the relevant Succession Event, such Reference Entity would have more than one Reference Obligation, the immediately preceding paragraph shall not apply, there shall be deemed to be a separate Reference Entity hereunder associated with each such Reference Obligation, the Reference Entity Notional Amount of the Reference Entity that was already a Reference Entity immediately prior to the application of Credit Linked Condition 8 shall equal the Reference Entity Notional Amount in respect of such Reference Entity immediately prior to such application, the Reference Entity Notional Amount of the Successor determined by application of Credit Linked Condition 8 shall equal the amount determined by application of Credit Linked Condition 8.5 (as amended hereby) and the Conditions to Settlement may be satisfied, and settlement with respect thereto may occur, separately for each such Reference Entity.

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

8.1.7 **“Best Available Information”** means:

- (a) in the case of a Reference Entity which files information with its primary securities regulator or primary stock exchange that includes unconsolidated, pro forma financial information which assumes that the relevant Succession Event has occurred or which provides such information to its shareholders, creditors or other persons whose approval of the Succession Event is required, that unconsolidated, pro forma financial information and, if provided subsequently to the provision of unconsolidated, pro forma financial information but before the Determination Agent makes its determination for the purposes of this Credit Linked Condition 8, other relevant information that is contained in any written communication provided by the Reference Entity to its primary securities regulator, primary stock exchange, shareholders, creditors or other persons whose approval of the Succession Event is required; or
- (b) in the case of a Reference Entity which does not file with its primary securities regulators or primary stock exchange, and which does not provide to shareholders, creditors or other persons whose approval of the Succession Event is required, the information contemplated in (a) above, the best publicly available

information at the disposal of the Determination Agent to allow it to make a determination for the purposes of this Credit Linked Condition 8.

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

With respect to a Sovereign Reference Entity, “**Successor**” means each entity which becomes a direct or indirect successor to such Reference Entity by way of Succession Event, irrespective of whether any such successor assumes any of the obligations of such Reference Entity.

The Determination Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than fourteen calendar days after the date of the occurrence of the relevant Succession Event), and with effect from the date of the occurrence of the Succession Event, each Sovereign and/or entity, if any, that qualifies under this Credit Linked Condition 8.1.8; provided that the Determination Agent will not make such determination if, at such time, either (A) ISDA has publicly announced that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Credit Linked Condition 8.1.9, 8.1.10(i) and 8.1.9(ii)(B) are satisfied in accordance with the CDDC Rules (until such time, if any, as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine a Successor) or (B) ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that no event that constitutes a Succession Event has occurred.

- 8.1.9 “**Succession Event Backstop Date**” means (i) for purposes of any Succession Event, as determined by DC Resolution, the date that is 90 calendar days prior to the Succession Event Resolution Request Date or (ii) otherwise, the date that is 90 calendar days prior to the earlier of (A) the date on which the Succession Event Notice is effective and (B) in circumstances where (I) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in paragraph (i) of the definition of “Succession Event Resolution Request Date” are satisfied in accordance with the CDDC Rules, (II) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (III) the Succession Event Notice is delivered by the Issuer not more than fourteen calendar days after the day on which ISDA publicly announces that that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Succession Event Resolution Request Date. The Succession Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms.

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

- (i) whether an event that constitutes a Succession Event has occurred with respect to the relevant Reference Entity; and

- (ii) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred, (A) with respect to a Reference Entity that is not a Sovereign, the legally effective date of such event or (B) with respect to a Reference Entity that is a Sovereign, the date of the occurrence of such event,

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

8.1.11 **“Succession Event Notice”** means an irrevocable notice from the Determination Agent that describes a Succession Event that occurred on or after the Succession Event Backstop Date and any consequential amendments to the Reference Portfolio and/or the Credit Linked Securities as a result thereof.

8.2 Successor provisions for Nth-to-Default Securities

In respect of Nth-to-Default Securities, this Credit Linked Condition 8.2 shall apply. If there is any inconsistency between this Credit Linked Condition 8.2 and the rest of the Credit Linked Conditions (including Credit Linked Condition 8.1), then this Credit Linked Condition 8.2 shall prevail.

(A) Treatment of certain Succession Events

- (1) Where any Reference Entity (the **“Surviving Reference Entity”**) (other than the Reference Entity that is subject to the Succession Event) would be a Successor to any other Reference Entity (the **“Legacy Reference Entity”**) pursuant to a Succession Event through the application of Credit Linked Condition 8.1.1(a):
 - (a) such Surviving Reference Entity shall be deemed not to be a Successor to the Legacy Reference Entity; and
 - (b) the replacement Reference Entity selected in accordance with the terms of **“Selection of Replacement Reference Entity”** (the **“Replacement Reference Entity”**) shall be deemed to be a Successor to the Legacy Reference Entity pursuant to that Succession Event.
- (2) In the event that the Successors to the Legacy Reference Entity would include two or more Surviving Reference Entities as a result of the application of Credit Linked Condition 8.1.1(a), the terms of Credit Linked Condition 8.1.5 and **“Selection of Replacement Reference Entity”** shall apply.
- (3) Credit Linked Condition 8.1.5 is deleted and replaced in its entirety with the following:

“8.1.5 Where, pursuant to Credit Linked Condition 8.1(c) or (d), more than one Successor has been identified, the Reference Portfolio or, as the case may be, the relevant New Reference Portfolio (as defined below) within which such Reference Entity is comprised, will be divided into the same number of new Reference Portfolios (the **“New Reference Portfolios”**) as there are Successors, with the following terms:

- (i) each Successor will be a Reference Entity for the purposes of one of the New Reference Portfolios and each of the Reference Entities that is not a subject of the applicable Succession Event shall be a Reference Entity for the purposes of each and every one of the New Reference Portfolios;

- (ii) the notional amount in respect of each New Reference Portfolio shall be equal to the Nominal Amount (in the case of Notes) or the Calculation Amount per Security (determined on or about the date of the applicable Succession Event) (in the case of Certificates), as applicable, divided by the number of Successors;
- (iii) all other terms and conditions of the original Reference Portfolio will be replicated in each New Reference Portfolio except to the extent modification is required, as determined by the Determination Agent, to preserve the economic effects of the original Reference Portfolio in the New Reference Portfolios (considered in the aggregate);
- (iv) the Determination Agent shall make such other conforming and consequential changes as it shall deem appropriate to give effect to clauses (i) to (iii) above including, without limitation, the amendment of Credit Linked Conditions 2, 5 and 7 of the Credit Linked Securities to allow, *inter alia*, for redemption of an Aggregate Nominal Amount of Notes or Number of Certificates with an aggregate Calculation Amount per Security (determined on or about the date of the applicable Succession Event), as applicable, equal to the nominal amount of one (or more) New Reference Portfolio(s) in respect of which a Relevant Event Determination Date has occurred, with the remainder of the Aggregate Nominal Amount of Notes or the remainder of the Certificates, as applicable, remaining outstanding and accruing interest on such reduced Aggregate Nominal Amount (in the case of Notes) or Number (in the case of Certificates), as applicable (until such time as a further Event Determination Date in respect of a different New Reference Portfolio may occur or a redemption of the remaining Nominal Amount or Number of the Securities, as applicable may otherwise occur pursuant to the terms hereof).

(B) Selection of Replacement Reference Entity

Upon a determination by the Determination Agent of the occurrence of a Succession Event, the Issuer shall select an Eligible Reference Entity as the Replacement Reference Entity and the Transaction Type applicable to such Eligible Reference Entity.

“**Eligible Reference Entity**” means an entity:

- (1) that is in the same Moody’s or S&P industry group as the relevant Surviving Reference Entity;
- (2) that has a bid-side credit spread (at the time the Issuer delivers to the Issue and Paying Agent the notice specifying the Eligible Reference Entity that it has selected to be the Replacement Reference Entity) no greater than 110% of the bid-side credit spread of the relevant Surviving Reference Entity at that same time (the “**Credit Spread Requirement**”), in each case based on a credit default swap:
 - (a) on market standard terms for the relevant entity as at the time of such determination;
 - (b) in respect of a notional amount equal to at least 50%, but not more than 100%, of the Aggregate Nominal Amount (in the case of Notes) or

aggregate Calculation Amount per Security of the Certificates outstanding, as applicable]; and

- (c) with a term equal to the period from and including the date of the determination to and including the Redemption Date (the “**Remaining Term**”), provided that if the Issuer, having used reasonable endeavours, cannot obtain Quotations from at least three Dealers in respect of the Remaining Term, the term for the purposes of this sub-clause (c) shall be five years.

The bid-side credit spreads for the purpose of the Credit Spread Requirement shall be the unweighted arithmetic mean of the spread quotations obtained by the Issuer (on the basis of the terms set out above) from at least three Dealers, as determined by the Issuer in a commercially reasonable manner and notified by the Issuer to the Issue and Paying Agent;

- (3) that is principally traded in the credit derivatives market in respect of the same Geographical Region as the relevant Surviving Reference Entity, as determined in a commercially reasonable manner by the Issuer, where “**Geographical Region**” means North America, Latin America, Western Europe, Eastern Europe, Australia/New Zealand, Singapore, Asia (excluding Japan), Japan or such region determined in a commercially reasonable manner by the Issuer to give best effect to then current market practice in respect of the relevant Surviving Reference Entity; and
- (4) that is not an Affiliate of any Reference Entity, the Issue and Paying Agent or the Issuer both immediately prior to and following the relevant Succession Event.

(C) Fallback Successor Process

If the Issuer fails to specify a Replacement Reference Entity in accordance with “Selection of Replacement Reference Entity” above, then:

- (1) the Legacy Reference Entity shall cease to be a Reference Entity unless it is itself a Successor; and
- (2) each Surviving Reference Entity shall continue to be a Successor, together with any other Successors, and all other terms of the Securities shall remain unaffected.

(D) Effective Date for Substitution of Reference Entity Following a Succession Event

The substitution of a Reference Entity in accordance with the terms hereof shall be deemed to be effective on the legally effective date of the Succession Event.

8.3 Substitute Reference Obligation

“**Substitute Reference Obligation**” means one or more obligations of the Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of any Qualifying Guarantee) that will replace one or more Reference Obligations, identified by the Determination Agent in accordance with the following procedures:

- (i) In the event that (A) a Reference Obligation is redeemed in whole or (B) in the opinion of the Determination Agent (A) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortization or prepayments), (B) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of a Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of such Reference Entity enforceable in accordance with its terms, or (C) for any other reason, other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of a Reference Entity, the Determination Agent shall identify one or more Obligations to replace such Reference Obligation.
- (ii) Any Substitute Reference Obligation or Substitute Reference Obligations shall be an Obligation that (i) ranks *pari passu* in priority of payment with the ranking in priority of payment of each of the Substitute Reference Obligation and such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as of the date as of which such Reference Obligation was issued or incurred and not reflecting any change to such ranking in priority of payment after such date), (ii) preserves the economic equivalent, as closely as practicable as determined by the Determination Agent, of the delivery and payment obligations of the parties and (iii) is an obligation of the relevant Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of a Qualifying Guarantee). The Substitute Reference Obligation or Substitute Reference Obligations identified by the Determination Agent shall, without further action, replace such Reference Obligation or Reference Obligations.
- (iii) If more than one specific Reference Obligation is identified as a Reference Obligation in relation to a Series, any of the events set forth under Credit Linked Condition 8.3 has occurred with respect to one or more but not all of the Reference Obligations, and the Determination Agent determines that no Substitute Reference Obligation is available for one or more of such Reference Obligations, each Reference Obligation for which no Substitute Reference Obligation is available shall cease to be a Reference Obligation.
- (iv) If more than one specific Reference Obligation is identified as a Reference Obligation in relation to a Series, any of the events set forth under Credit Linked Condition 8.3 has occurred with respect to all of the Reference Obligations, and the Determination Agent determines that at least one Substitute Reference Obligation is available for any such Reference Obligation, then each such Reference Obligation shall be replaced by a Substitute Reference Obligation and each Reference Obligation for which no Substitute Reference Obligation is available will cease to be a Reference Obligation.
- (v) If (i) more than one specific Reference Obligation is identified as a Reference Obligation, any of the events set forth in Credit Linked Condition 8.3 has occurred with respect to all of the Reference Obligations and the Determination Agent determines that no Substitute Reference Obligation is available for any of the Reference Obligations, or (ii) only one specific Reference Obligation is identified as a Reference Obligation, any of the events set forth in Credit Linked Condition 8.3 has occurred with respect to such Reference Obligation and the Determination Agent determines that no Substitute

Reference Obligation is available for that Reference Obligation, then the Determination Agent shall continue to attempt to identify a Substitute Reference Obligation until the Extension Date. If (A) an Event Determination Date occurs on or prior to the Extension Date, (B) no Substitute Reference Obligation is identified as at the Extension Date and (C) the Settlement Method provides for the valuation or delivery of a Deliverable Obligation, then the Securities will be redeemed on the Extension Date on the basis that an Event Determination Date did not occur.

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

9 Additional Provisions relating to Deliverable Obligations

9.1 Restructuring Maturity Limitation

If “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” is specified in the applicable Final Terms and Restructuring is the only Credit Event specified in a Credit Event Notice delivered by the Issuer, then a Deliverable Obligation may be specified (or deemed specified pursuant to Credit Linked Condition 4.8) in the Notice of Physical Settlement or specified in any NOPS Amendment Notice, as applicable, only if it (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the Restructuring Maturity Limitation Date.

“**Fully Transferable Obligation**” means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent, for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this Credit Linked Condition 9.1.

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

“**Restructuring Maturity Limitation Date**” means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Redemption Date, provided that, in circumstances where Redemption Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a “**Latest Maturity Restructured Bond or Loan**”) and the Redemption Date occurs prior to the final maturity date of such Latest Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan. In the event that the Redemption Date is later than (i)(A) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (B) the 2.5-year Limitation Date, and, in

either case, no Enabling Obligation exists or (ii) the 20 year Limitation Date, the Restructuring Maturity Limitation Date will be the Redemption Date.

“Eligible Transferee” means

- (i) any
 - (a) bank or other financial institution;
 - (b) insurance or reinsurance company;
 - (c) mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in clause (iii)(a) of this definition below); and
 - (e) registered or licensed broker or dealer (other than a natural person or proprietorship),provided, however, in each case that such entity has total assets of at least USD 500,000,000;
- (ii) an Affiliate of an entity specified in the preceding clause (i);
- (iii) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
 - (a) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligation, commercial paper conduit or other special purpose vehicle) that (1) has total assets of at least USD 100,000,000 or (2) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least USD 100,000,000;
 - (b) that has total assets of at least USD 5000,000,000; or
 - (c) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support or other agreement by an entity described in clauses (i), (ii), (iii)(b) or (iv) of this definition; and
- (iv) a Sovereign, Sovereign Agency or Supranational Organisation.

All references in this Credit Linked Condition 9.1 to USD include equivalent amounts in other currencies.

9.2 Modified Restructuring Maturity Limitation

If “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms and Restructuring is the only Credit Event specified in a Credit Event Notice delivered by Issuer, then a Deliverable Obligation may be specified (or deemed specified pursuant to Credit Linked Condition 4.8) in the Notice of Physical Settlement or specified in any NOPs Amendment Notice, as applicable, only if it (i) is a Conditionally Transferable Obligation and (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date.

“Conditionally Transferable Obligation” means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any

Deliverable Obligation other than Bonds, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor of a Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer to so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this Credit Linked Condition 9.2.

Where Physical Settlement is specified in the applicable Final Terms (or is applicable as the Fallback CLS Settlement Method) Modified Restructuring Maturity Limitation under this Credit Linked Condition 9.2 applies and a Deliverable Obligation is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer, then if the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Physical Settlement Date (in which case it shall be deemed to have been refused), Issuer shall promptly notify the Securityholders of such refusal (or deemed refusal) and if the Securityholder does not designate a third party or the Securityholder does not take Delivery on or prior to the Alternative Procedure Start Date, then Credit Linked Condition 4.8 shall apply.

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

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

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

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

For the purposes of Credit Linked Conditions 9.1 and 9.2:

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

“Limitation Date” means the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the **“2.5-year Limitation Date”**), 5 years (the **“5-year Limitation Date”**), 7.5 years, 10 years, 12.5 years, 15 years or 20 years (the **“20-year Limitation Date”**), as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms.

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

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

9.3 Deliverable Obligations where the Transaction Type is Emerging European Corporate LPN

Where a Reference Entity is specified to have a Transaction Type of “Emerging European Corporate LPN” or where this Credit Linked Condition 9.3 is stated to be applicable in the applicable Final Terms, the following shall apply:

- (i) Multiple Holder Obligation will be Not Applicable with respect to any Reference Obligation (and any Underlying Loan).
- (ii) Each Reference Obligation will be an Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, including but not limited to the definition thereof, and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity.
- (iii) Each Reference Obligation will be a Deliverable Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, including but not limited to the definition thereof, and in particular, notwithstanding that the obligation is not an obligation of the Reference Entity. For the avoidance of doubt with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance Instrument, the outstanding principal balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation. The Not Subordinated Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity.
- (iv) **“Reference Obligation”** means, as of the Trade Date, each of the obligations listed as a Reference Obligation of the Reference Entity in the applicable Final Terms or set forth on the relevant LPN Reference Obligations List (each, a **“Markit Published LPN Reference Obligation”**), as published by Markit Group Limited, or any successor thereto, which list is currently available at

<http://www.markit.com/marketing/services.php>, any Additional LPN, determined in accordance with (v) below, and each Additional Obligation.

- (v) **“Additional LPN”** means any bond issued in the form of a loan participation note (an **“LPN”**) by an entity (the **“LPN Issuer”**) for the sole purpose of providing funds for the LPN Issuer to (A) finance a loan to the Reference Entity (the **“Underlying Loan”**); or (B) provide finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument (the **“Underlying Finance Instrument”**); provided that, (i) either (a) in the event that there is an Underlying Loan with respect to such LPN the Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity; or (b) in the event that there is an Underlying Finance Instrument with respect to such LPN the Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics; (ii) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currency- Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and (iii) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of the holders of the LPNs. **“First Ranking LPN Interest”** means a charge, security interest (or other type of interest having similar effect) (an **“LPN Interest”**), which is expressed as being “first ranking”, “first priority”, or similar (**“First Ranking LPN”**) in the document creating such LPN Interest (notwithstanding that such LPN Interest may not be First Ranking LPN under any insolvency laws of any relevant insolvency jurisdiction of the LPN Issuer).
- (vi) **“LPN Reference Obligation”** means each Reference Obligation other than any Additional Obligation. For the avoidance of doubt, any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation from constituting a Reference Obligation Each LPN Reference Obligation is issued for the sole purpose of providing funds for the LPN Issuer to finance a loan to the Reference Entity. For the purposes of these Credit Linked Conditions each such loan shall be an Underlying Loan.
- (vii) **“Additional Obligation”** means each of the obligations listed as an Additional Obligation of the Reference Entity in the applicable Final Terms or set forth on the relevant LPN Reference Obligations List, as published by Markit Group Limited, or any successor thereto, as of the Trade Date, which list is currently available at <http://www.markit.com/marketing/services.php>.

9.4 Russian Federation as Reference Entity

Where the Reference Entity is the Russian Federation, any obligation that is an IAN, MinFin or PRIN, as determined by the Determination Agent, shall be an Obligation or a Deliverable Obligation.

“IAN” means floating rate interest notes due 2002 and 2015 issued by Vnesheconombank of the USSR pursuant to the Restructuring Agreement and an Exchange Agreement, dated as of 6 October 1997, among Vnesheconombank of the USSR, the Closing Agent and Participating Creditors named therein.

“**MinFin**” (also known as “OVVZs” or “Taiga” bonds) means Internal Government Hard Currency Bonds issued by the Ministry of Finance of the Russian Federation representing (i) restructured debt of the former USSR (Series II, III, IV, V and VIII) or (ii) debt of the Russian Federation issued in 1996 (Series VI and VII).

“**PRIN**” means Vnesheconombank’s loans arising under a Restructuring Agreement and an Exchange Agreement, dated as of 6 October 1997, among Vnesheconombank of the USSR, the Closing Agent and Participating Creditors named therein.

9.5 Monoline Insurer as Reference Entity

Where “**Monoline Provisions**” is specified to be applicable with respect to any Reference Entity, the following amendments shall be made to the Credit Linked Conditions.

(i) Additional Definitions

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

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

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

(ii) The definitions of “Obligation” and “Deliverable Obligation” are amended by adding “or Qualifying Policy” after “or as provider of a Qualifying Affiliate Guarantee”.

(iii) In the event that an Obligation or a Deliverable Obligation is a Qualifying Policy, the terms of the definition thereof will apply, with references to the Qualifying Guarantee,

the Underlying Obligation and the Underlying Obligor deemed to include the Qualifying Policy, the Insured Instrument and the Insured Obligor, respectively, except that:

- (a) the Obligation Category Borrowed Money and the Obligation Category and Deliverable Obligation Category Bond shall be deemed to include distributions payable under an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the Deliverable Obligation Category Bond shall be deemed to include such an Insured Instrument, and the terms “obligation” and “obligor” as used in these Credit Linked Conditions in respect of such an Insured Instrument shall be construed accordingly;
 - (b) references in the definitions of Assignable Loan and Consent Required Loan to the guarantor and guaranteeing shall be deemed to include the insurer and insuring, respectively;
 - (c) neither the Qualifying Policy nor the Insured Instrument must satisfy on the relevant date the Deliverable Obligation Characteristic of Accelerated or Matured, whether or not that characteristic is otherwise specified as applicable in the applicable Final Terms;
 - (d) if the Assignable Loan, Consent Required Loan, Direct Loan Participation or Transferable Deliverable Obligation Characteristics are specified in the applicable Final Terms and if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument;
 - (e) with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term “outstanding principal balance” shall mean the outstanding Certificate Balance and “maturity”, as such term is used in the Maximum Maturity Deliverable Obligation Characteristic, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur; and
 - (f) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Qualifying Guarantee must satisfy on the relevant date the Obligation Characteristic or the Deliverable Obligation Characteristic of Not Subordinated.
- (iv) **Not Contingent.** An Insured Instrument will not be regarded as failing to satisfy the Not Contingent Deliverable Obligation Characteristic solely because such Insured Instrument is subject to provisions limiting recourse in respect of such Insured Instrument to the proceeds of specified assets (including proceeds subject to a priority of payments) or reducing the amount of any Instrument Payments owing under such Insured Instrument, provided that such provisions are not applicable to the Qualifying Policy by the terms thereof and the Qualifying Policy continues to guarantee or insure, as applicable, the Instrument Payments that would have been required to be made absent any such limitation or reduction.
- (v) “**Deliver**” with respect to an obligation that is a Qualifying Policy means to Deliver both the Insured Instrument and the benefit of the Qualifying Policy (or a custodial receipt

issued by an internationally recognized custodian representing an interest in such an Insured Instrument and the related Qualifying Policy), and “Delivery” and “Delivered” will be construed accordingly.

- (vi) **Provisions for Determining a Successor.** Credit Linked Condition 8(iii) is hereby amended by adding “or insurer” after “or guarantor”.
- (vii) **Substitute Reference Obligation.** Credit Linked Condition 8(c) is hereby amended by adding “or Qualifying Policy” after “or as provider of a Qualifying Affiliate Guarantee” in the definition of Substitute Reference Obligation and paragraph (b) thereof. For purposes of Credit Linked Condition 8(c)(i)(B) and Part C(III) of this Credit Linked Annex, references to the Qualifying Guarantee and the Underlying Obligation shall be deemed to include the Qualifying Policy and the Insured Instrument, respectively.
- (viii) *Restructuring*

With respect to an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest or a Qualifying Policy with respect thereto, paragraphs (i) to (iv) of the definition of “Restructuring” is hereby amended to read as follows:

- (i) a reduction in the rate or amount of the Instrument Payments described in clause (A)(x) of the definition thereof that are guaranteed or insured by the Qualifying Policy;
 - (ii) a reduction in the amount of the Instrument Payments described in clause (A)(y) of the definition thereof that are guaranteed or insured by the Qualifying Policy;
 - (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of the Instrument Payments described in clause (A)(x) of the definition thereof or (B) the payment of the Instrument Payments described in clause (A)(y) of the definition thereof, in each case that are guaranteed or insured by the Qualifying Policy;
 - (iv) a change in the ranking in priority of payment of (A) any Obligation under a Qualifying Policy in respect of Instrument Payments, causing the Subordination of such Obligation to any other Obligation or (B) any Instrument Payments, causing the Subordination of such Insured Instrument to any other instrument in the form of a pass-through certificate or similar funded beneficial interest issued by the Insured Obligor, it being understood that, for this purpose, Subordination will be deemed to include any such change that results in a lower ranking under a priority of payments provision applicable to the relevant Instrument Payments;
or
 - (v) any change in the currency or composition of any payment of Instrument Payments that are guaranteed or insured by the Qualifying Policy to any currency which is not a Permitted Currency.
- (ix) Paragraph (iii) of the definition of “**Restructuring**” shall be amended by adding “or, in the case of Qualifying Policy and an Insured Instrument, where (A) the Qualifying Policy continues to guarantee or insure, as applicable, that the same Instrument Payments will be made on the same dates on which the Qualifying Policy guaranteed or insured that

such Instrument Payments would be made prior to such event and (B) such event is not a change in the ranking in the priority of payment of the Qualifying Policy” after “Reference Entity”.

- (x) For purposes of the definition of “Restructuring”, the term Obligation shall be deemed to include Insured Instruments for which the Reference Entity is acting as provider of a Qualifying Policy. In the case of a Qualifying Policy and an Insured Instrument, references to the Reference Entity in the first paragraph of the definition shall be deemed to refer to the Insured Obligor and the reference to the Reference Entity in the second paragraph thereof shall continue to refer to the Reference Entity.
- (xi) In the event that a Fully Transferable Obligation or Conditionally Transferable Obligation is a Qualifying Policy, the Insured Instrument must meet the requirements of the relevant definition and, if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument. References in the definition of Conditionally Transferable Obligation to the guarantor and guaranteeing shall be deemed to include the insurer and insuring, respectively. With respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term “final maturity date”, as such term is used in Credit Linked Conditions 9(a) and (b) and the definition of Restructuring Maturity Limitation Date, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.
- (xii) For purposes of Part C(2)(i)(B) of the definition of Deliverable Obligation, Part C(4), Part C(7) of this Credit Linked Annex, references to the Underlying Obligation and the Underlying Obligor shall be deemed to include Insured Instruments and the Insured Obligor, respectively. Any transfer or similar fee reasonably incurred by the Issuer in connection with the Delivery of a Qualifying Policy and payable to the Reference Entity shall be part of the Settlement Expenses.

10 Additional Provisions for Index CLS

“**Index CLS**” means a Credit Linked Security where the timing and/or amount of payments of interest and/or principal is determined in accordance with the formula or formulae set out in the applicable Final Terms with reference to the performance of a benchmark index (the “**Index**”).

The applicable Final Terms may contain provisions for adjusting the applicable formulae in circumstances where, owing to market disruption events or otherwise, the level of the Index is not able to be measured by the Determination Agent.

11 Representations

By its holding of a Credit Linked Security, each Securityholder is deemed to acknowledge and agree that:

- (i) none of the Issuer, the Guarantor, the Manager or any of their Affiliates has made any representation whatsoever with respect to any Reference Entity, any Reference Obligation, any

Obligation, any Deliverable Obligation, any Underlying Obligor or any Underlying Obligation on which it is relying or is entitled to rely;

- (ii) the Issuer will be entitled to perform its obligations under the Credit Linked Securities in accordance with the relevant CLS Settlement Method applicable to such Credit Linked Securities, irrespective of the existence or amount of the Issuer's credit exposure to a Reference Entity, and the Issuer need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event;
- (iii) the Credit Linked Securities do not create any rights or impose any obligations in respect of any entity that is not the Issuer (or, if applicable, the Guarantor);
- (iv) the Issuer, the Guarantor, the Determination Agent and each of their Affiliates may deal in each Reference Obligation, Obligation, Deliverable Obligation or Underlying Obligation and may, where permitted, accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with, a Reference Entity, any Affiliate of a Reference Entity, any Underlying Obligor or any other person or entity having obligations relating to a Reference Entity or any Underlying Obligor, and may act with respect to such business in the same manner as each of them would if the Credit Linked Securities did not exist, regardless of whether any such action might have an adverse effect on a Reference Entity, any Underlying Obligor or the position of the Securityholders or otherwise (including, without limitation, any action which might constitute or give rise to a Credit Event); and
- (v) the Issuer, the Guarantor, the Determination Agent and each of their Affiliates may, whether by virtue of the types of relationships described herein or otherwise, on the Trade Date or at any time thereafter, be in possession of information in relation to a Reference Entity or any Underlying Obligor that is or may be material in the context of such Credit Linked Securities and that may or may not be publicly available or known to the Securityholders, and the Credit Linked Securities do not create any obligation on the part of such entity to disclose to the Securityholders any such relationship or information (whether or not confidential).
- (vi) With respect to the Credit Derivatives Determinations Committees, each Securityholder is deemed to agree:
 - (a) that no DC Party and no legal counsel or other third-party professional hired by a DC Party in connection with such DC Party's performance of its respective duties under the CDDC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, shall be liable, whether for negligence or otherwise, to the Issuer, Guarantor or any Securityholder for any form of damages, whether direct, indirect, special, consequential or otherwise, that might arise in connection with such DC Party's performance of its duties, or any advice given by legal counsel or any other third-party professional hired by such DC Party in connection with such DC Party's performance of its respective duties, under the CDDC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, except in the case of fraud or wilful misconduct on the part of such DC Party, legal counsel or other third-party professional, as applicable; provided that, notwithstanding the foregoing, legal counsel or any other third-party professional hired by a DC Party in connection with such DC Party's performance of its duties under the CDDC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, may be still be liable to such DC Party;

- (b) to waive any claim, whether for negligence or otherwise, that may arise against a DC Party and any legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the CDDC Rules, except in the case of fraud or wilful misconduct on the part of such DC Party, legal counsel or other third-party professional, as applicable; provided that, notwithstanding the foregoing, legal counsel or any other third-party professional hired by a DC Party in connection with such DC Party's performance of its duties under the CDDC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, may be still be liable to such DC Party;
- (c) unless otherwise specified in the applicable Final Terms, any DC Resolution of the relevant Credit Derivatives Determinations Committee that is applicable to the Credit Linked Securities as determined by the Determination Agent shall be binding on it:
 - (I) until such time as ISDA publicly announces that such DC Resolution has been reversed by a subsequent DC Resolution of the relevant Credit Derivatives Determinations Committee, if any, (subject to (c)(ii) below); and/or
 - (II) unless the effect of such DC Resolution would be the reverse a prior DC Resolution of the relevant Credit Derivatives Determinations Committee, any prior determination by the Determination Agent or determination that an Event Determination Date has occurred, applicable:
 - (A) that has resulted in the identification of one or more Successors;
 - (B) that has resulted in the identification of one or more Substitute Reference Obligations; or
 - (C) that has resulted in the occurrence of an Auction Final Price Determination Date or Physical Settlement Date, as applicable, or to the extent that a Valuation Date or Delivery Date, as applicable, has occurred, in each case, on or prior to the date that ISDA publicly announces such DC Resolution of the relevant Credit Derivatives Determinations Committee);
 - (III) notwithstanding the fact that:
 - (A) these Credit Linked Conditions may require such determination to be made by the Determination Agent; or
 - (B) in order to reach such DC Resolution, the relevant Credit Derivatives Determinations Committee may be required to Resolve one or more factual matters before being able to reach such DC Resolution; and
 - (IV) notwithstanding any actual or perceived conflict of interest on the part of a DC Party, legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the CDDC Rules;
 - (V) that no DC Party is (A) under any obligation to research, investigate, supplement, or verify the veracity of, any information on which the relevant Credit Derivatives Determinations Committee bases its decision and (B) acting as a fiduciary for, or

as an advisor to, any Securityholder in connection with the relevant Securities;
and

(VI) that, in reaching any DC Resolution that is applicable to such Credit Derivative Transaction, the relevant Credit Derivatives Determinations Committee shall be under no requirement to consult with, or individually notify, any Securityholder, notwithstanding any provision of these Credit Linked Conditions to the contrary.

(vii) Each Securityholder shall be deemed to acknowledge the disclaimers set out in Section 5.1(B) of the CDDC Rules on the Trade Date. A copy of the CDDC Rules is available at www.isda.org/credit.

12 Additional Disruption Events

Hedging Disruption and Increased Cost of Hedging shall not constitute Additional Disruption Events for the purposes of any Credit Linked Security, unless otherwise specified in the applicable Final Terms.

**PART C –
DEFINITIONS AND INTERPRETATIONS APPLICABLE TO CREDIT LINKED SECURITIES**

1 Certain general definitions relating to Credit Linked Securities

“**2005 Matrix Supplement**” means the supplement to the 2003 ISDA Credit Derivatives Definitions published on March 7, 2005 and available at www.isda.org.

“**Additional Business Centre**” means New York and any other city specified in the applicable Final Terms.

“**Cash Settled CLSs**” means either:

- (a) Securities in respect of which the CLS Settlement Method is specified as “Cash Settlement” or “Auction Settlement” in the applicable Final Terms; or
- (b) Securities in respect of which the Issuer CLS Settlement Option has been designated as applicable and in respect of which the CLS Settlement Method has been selected by the Issuer upon the occurrence of an Event Determination Date to be Cash Settlement.

“**Credit Derivatives Determinations Committees**” means the committees established by ISDA for purposes of reaching certain DC Resolutions in connection with credit derivative transactions, as more fully described in the Credit Derivatives Determinations Committees Rules, as amended from time to time in accordance with the terms thereof (the “**CDDC Rules**”). A copy of the Rules is available at www.isda.org/credit.

“**Credit Event Redemption Amount**” means, unless otherwise specified in the applicable Final Terms, in respect of each Security an amount equal to the CLS Cash Settlement Amount *minus* such Security’s pro rata share of the Settlement Expenses and Swap Costs.

“**DC Party**” has the meaning given to that term in the CDDC Rules.

“**DC Resolution**” has the meaning given to that term in the CDDC Rules.

“**Determination Agent City**” means the city specified as such in the applicable Final Terms or, if a city is not so specified:

- (a) in respect of a Reference Entity the Transaction Type of which is North American Corporate, Standard North American Corporate, Latin America Corporate B, Latin America Corporate BL, Latin America Sovereign or North American Sovereign, New York;
- (b) in respect of a Reference Entity the Transaction Type of which is Australia Corporate, New Zealand Corporate, Singapore Corporate, Asia Corporate, Asia Sovereign, Australia Sovereign, New Zealand Sovereign, Singapore Sovereign, Singapore in respect of a Single Name CLS, and Hong Kong in all other cases;
- (c) in respect of a Reference Entity the Transaction type of which is Japan Corporate or Japan Sovereign: Tokyo in respect of a Single Name CLS, and Hong Kong in all other cases;
- (d) in respect of any other Reference Entity, London.

“**Determination Agent City Business Day**” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the Determination Agent City.

“**Interest Expiration Date**” means the earlier to occur of the day prior to (i) the Redemption Date and (ii) unless “Credit Event Accrued Interest” is specified as not applicable in the applicable Final Terms, the Interest Payment Date (or Issue Date where no Interest Payment Date has occurred) occurring on or immediately preceding the Relevant Event Determination Date or otherwise, the Relevant Event Determination Date.

“**Physically Delivered CLSs**” means either:

- (a) Securities in respect of which the CLS Settlement Method is specified as “Physical Settlement” and in respect of which settlement occurs by way of Delivery of the Deliverable Obligations Portfolio; or
- (b) Securities in respect of which the Issuer CLS Settlement Option has been designated as applicable and in respect of which the CLS Settlement Method has been selected by the Issuer upon the occurrence of an Event Determination Date to be Physical Settlement.

“**Resolve**” has the meaning given to that term in the CDDC Rules, and “Resolved” and “Resolves” shall be interpreted accordingly.

“**Term**” means the period commencing on and including the Trade Date of the Securities and ending on and including the Redemption Date (or, if applicable, Deferred Redemption Date) of the Securities.

1.1 Timing

Time Zones

Any reference in these Credit Linked Conditions to an event occurring on or prior to a date shall be determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions as published by ISDA on March 7, 2005), Tokyo time).

Settlement Suspension

If, following the determination of an Event Determination Date in accordance with the definition thereof but prior to the Physical Settlement Date or, to the extent applicable, a CLS Valuation Date, ISDA publicly announces that the conditions to convening a Credit Derivatives Determinations Committee in respect of the relevant Reference Entity are satisfied in accordance with the CDDC Rules, all timing requirements in these Credit Linked Conditions that pertain to settlement, shall toll and remain suspended until such time as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved (a) whether or not a Credit Event has occurred or (b) not to determine the such matters. During such suspension period, the Issuer is not obliged to take any action in connection with the settlement of such Credit Event or the redemption, if any, of the Credit Linked Securities. Once ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved (i) such matters or (ii) not to determine such matters, the relevant timing requirements that pertain to settlement that have previously tolled or been suspended shall resume on the Business Day following such public announcement by ISDA

with the Issuer having the benefit of the full day notwithstanding when the tolling or suspension began.

2 Reference entities and obligations

“Deliverable Obligation” means, subject to Credit Linked Condition 9:

- (i) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of any Qualifying Guarantee) determined pursuant to the method described in these Credit Linked Conditions (but excluding any Excluded Deliverable Obligation) that (A) is payable in an amount equal to its outstanding principal balance or Due and Payable Amount, as applicable, (B) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in Section 5 below or right of set-off by or of a Reference Entity or any applicable Underlying Obligor and (C) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Delivery Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement;
- (ii) subject to the second paragraph of Section 3 below, each Specified Reference Obligation, unless specified in the applicable Final Terms as an Excluded Deliverable Obligation;
- (iii) solely in relation to a Restructuring Credit Event applicable to a Sovereign Reference Entity, any Sovereign Restructured Deliverable Obligation (but excluding any Excluded Deliverable Obligation) that (i) is payable in an amount equal to its outstanding principal balance or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defense (other than a counterclaim or defense based on the factors set forth in Section 5 below or right of set-off by or of a Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Delivery Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement; and
- (iv) any other obligation of a Reference Entity specified as such in the applicable Final Terms.

“Excluded Deliverable Obligation” means any obligation of a Reference Entity specified as such or of a type described in the applicable Final Terms.

“Excluded Obligation” means any obligation of a Reference Entity specified as such or of a type described in the applicable Final Terms.

“Obligation” means (a) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of any Qualifying Guarantee) determined pursuant to the method described in “Method for determining Obligations” below (but excluding any Excluded Obligation), (b) each

Reference Obligation, unless specified in the applicable Final Terms as an Excluded Obligation, and (c) any other obligation of a Reference Entity specified as such in the applicable Final Terms.

“**Reference Entity**” means the entity or entities specified as such in the applicable Final Terms. Any Successor to a Reference Entity either (a) identified by the Determination Agent pursuant to Credit Linked Condition 8.1 or 8.2 on or following the Trade Date or (b) in respect of which ISDA publicly announces on or following the Trade Date that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a Succession Event Resolution Request Date, a Successor in accordance with the CDDC Rules shall, in each case, be the Reference Entity.

“**Reference Entity Notional Amount**” means, in respect of each Reference Entity, the amount specified in the applicable Final Terms. If no such amount is specified in the applicable Final Terms, the Reference Entity Notional Amount for each Reference Entity on any day shall be the Aggregate Nominal Amount of the Notes Outstanding or the aggregate Calculation Amount per Security of the Certificates outstanding, as applicable, on such day divided by the number of Reference Entities in the Reference Portfolio on such day.

“**Reference Obligation**” means, in respect of a Reference Entity and subject to the applicable Final Terms:

- (a) for the purposes of “Terms relating to Cash Settlement”, an obligation of the Reference Entity satisfying the definition of Deliverable Obligation in accordance with these Credit Linked Conditions as selected by the Issuer in its sole discretion; and
- (b) For all other purposes (including the determination of Subordination), the Specified Reference Obligation described in the applicable Final Terms (if any are so specified or described) and any Substitute Reference Obligation identified in accordance with Credit Linked Condition 8.3

“**Reference Portfolio** “ means the Reference Entity and Reference Obligation or the portfolio of Reference Entities and Reference Obligations, as the case may be, specified in the applicable Final Terms, as the same may be amended from time to time in accordance with the provisions of the Credit Linked Conditions and the applicable Final Terms.

“**Sovereign Restructured Deliverable Obligation**” means an Obligation of a Sovereign Reference Entity (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred and (b) described by the Deliverable Obligation Category specified in the applicable Final Terms, and, subject to Section 3 below, having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring without regard to whether the Obligation would satisfy such Deliverable Obligation Category or Deliverable Obligation Characteristics after such Restructuring.

3 Method for determining Obligations and Deliverable Obligations

Method for determining Obligations

For purposes of this Section 3, the term “**Obligation**” means each obligation of each Reference Entity described by the Obligation Category specified in the applicable Final Terms and having each of the Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, as of

the date of the event which constitutes the Credit Event which is the subject of either the Credit Event Notice or as of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

“Obligation Category” means Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the applicable Final Terms.

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

“Borrowed Money” means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

“Reference Obligations Only” means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligations Only.

“Bond” means any obligation of a type included in the “Borrowed Money” Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money.

“Loan” means any obligation of a type included in the “Borrowed Money” Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

“Bond or Loan” means any obligation that is either a Bond or a Loan.

“Obligation Characteristics” means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance.

“Not Subordinated” means an obligation that is not Subordinated to (I) the most senior Reference Obligation in priority of payment or (II) if no Specified Reference Obligation is specified in the applicable Final Terms, any unsubordinated Borrowed Money obligation of the Reference Entity; provided that, if any of the events set forth under Credit Linked Condition 8.3 has occurred with respect to all of the Reference Obligations or if Credit Linked Condition 8.1.4) is applicable with respect to the Reference Obligation (each, in each case, a **“Prior Reference Obligation”**) and no Substitute Reference Obligation has been identified for any of the Prior Reference Obligations at the time of the determination of whether an obligation satisfies the “Not Subordinated” Obligation Characteristic or Deliverable Obligation Characteristic, as applicable, “Not Subordinated” shall mean an obligation that would not have been Subordinated to the most senior such Prior Reference Obligation in priority of payment unless otherwise specified in the applicable Final Terms. For purposes of determining whether an obligation satisfies the “Not Subordinated” Obligation Characteristic or Deliverable Obligation Characteristic, the ranking in priority of payment of each Reference Obligation or each Prior Reference Obligation, as applicable, shall be determined as of the date as of which the relevant Reference Obligation or Prior Reference Obligation, as applicable, was issued or incurred, and shall not reflect any change to such ranking in priority of payment after such date.

“Subordination” means, with respect to an obligation (the **“Subordinated Obligation”**) and another obligation of the Reference Entity to which such obligation is being compared (the **“Senior**

Obligation”), a contractual, trust or similar arrangement providing that (i) upon the liquidation, dissolution, reorganization or winding up of the Reference Entity, claims of the holders of the Senior Obligation will be satisfied prior to the claims of the holders of the Subordinated Obligation or (ii) the holders of the Subordinated Obligation will not be entitled to receive or retain payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the Senior Obligation. “Subordinated” will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign.

“Specified Currency” means an obligation that is payable in the currency or currencies specified as such in the applicable Final Terms (or, if “Specified Currency” is specified in the applicable Final Terms and no currency is so specified, any of the lawful currencies of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies, which currencies shall be referred to collectively in the applicable Final Terms as the **“Standard Specified Currencies”**);

“Not Sovereign Lender” means any obligation that is not primarily owed to a Sovereign or Supranational Organization, including, without limitation, obligations generally referred to as “Paris Club debt”;

“Not Domestic Currency” means any obligation that is payable in any currency other than the Domestic Currency;

“Not Domestic Law” means any obligation that is not governed by the laws of (A) the relevant Reference Entity, if such Reference Entity is a Sovereign, or (B) the jurisdiction of organization of the relevant Reference Entity, if such Reference Entity is not a Sovereign;

“Listed” means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange; and

“Not Domestic Issuance” means any obligation other than an obligation that was, at the time the relevant obligation was issued (or reissued, as the case may be) or incurred, intended to be offered for sale primarily in the domestic market of the relevant Reference Entity. Any obligation that is registered or qualified for sale outside the domestic market of the relevant Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the relevant Reference Entity) shall be deemed not to be intended for sale primarily in the domestic market of the Reference Entity.

Method for determining Deliverable Obligations

“Deliverable Obligation” may be defined as each obligation of each Reference Entity described by the Deliverable Obligation Category specified in the applicable Final Terms, and, subject to the section above (*Method for determining Obligations*), having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, as of the Delivery Date. The following terms shall have the following meanings:

“Deliverable Obligation Category” means one of Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan except that no Deliverable Obligation Characteristics shall be applicable where “Reference Obligations Only” applies.

“Deliverable Obligation Characteristics” means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.

If an obligation would have been capable of being specified as a Deliverable Obligation immediately prior to a Credit Event in respect of a Reference Entity, such obligation (as in effect after such Credit Event) shall continue to be able to constitute a Deliverable Obligation after the occurrence of such Credit Event. If it is not possible or reasonably practicable to specify any Obligation as a Deliverable Obligation of the Reference Entity because there is or will be no Deliverable Obligation in existence at any time, the Issuer may, if applicable, designate by notice (which may be by telephone) to the Issue and Paying Agent one or more bonds, loans, instruments, certificates or other obligations (an **“Exchanged Obligation”**) which have been or will be issued in exchange, whether pursuant to a mandatory or voluntary exchange (an **“Obligation Exchange”**), for one or more bonds, loans, instruments, certificates or obligations of the Reference Entity that would have been capable of being specified as a Deliverable Obligation immediately prior to the occurrence of the relevant Credit Event of the Reference Entity, provided, that failure to deliver such notice shall not affect the effectiveness of such designation.

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

If a Reference Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Reference Obligation may be included as a Deliverable Obligation only if the rights referred to in clauses (A) and (B) above have not been exercised (or such exercise has been effectively rescinded) on or before the Delivery Date.

“Assignable Loan” means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction or organization) that are not then a lender or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if a Reference Entity is guaranteeing such Loan) or any agent;

“Consent Required Loan” means a Loan that is capable of being assigned or novated with the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if a Reference Entity is guaranteeing such Loan) or any agent;

“Direct Loan Participation” means a Loan in respect of which, pursuant to a participation agreement, Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Securityholder that provides each Securityholder with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each Securityholder and either (A) Issuer or Guarantor (to the extent Issuer or Guarantor is then a lender or a member of the relevant lending syndicate), or (B) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate);

“Transferable” means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:

- (i) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation); or
- (ii) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds;

“Maximum Maturity” means an obligation that has a remaining maturity from the Physical Settlement Date of not greater than the period specified in the applicable Final Terms (or if no such period is specified, 30 years);

“Accelerated or Matured” means an obligation under which the total amount owed, whether at maturity, by reason of acceleration, upon termination or otherwise (other than amounts in respect of default interest, indemnities, tax gross-ups and other similar amounts), is, or on or prior to the Delivery Date will be, due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws; and

“Not Bearer” means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognized clearing system.

Interpretation of provisions

If the Obligation Characteristic **“Listed”** is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though Listed had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category;

If (i) either of the Deliverable Obligation Characteristics **“Listed”** or **“Not Bearer”** is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Deliverable Obligation Category; (ii) the Deliverable Obligation Characteristic **“Transferable”** is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with

respect to Deliverable Obligations that are not Loans (and shall only be relevant to the extent that obligations other than Loans are covered by the selected Deliverable Obligation Category); or (iii) any of the Deliverable Obligation Characteristics “Assignable Loan”, “Consent Required Loan” or “Direct Loan Participation” is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the selected Deliverable Obligation Category;

If any of Payment, Borrowed Money, Loan or Bond or Loan is specified as the Deliverable Obligation Category and more than one of Assignable Loan, Consent Required Loan and Direct Loan Participation are specified as Deliverable Obligation Characteristics, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.

Provisions relating to Qualifying Guarantees

In the event that an Obligation or a Deliverable Obligation is a Qualifying Guarantee, the following will apply:

For purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Qualifying Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation.

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

For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.

For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics to an Underlying Obligation, references to the Reference Entity shall be deemed to refer to the Underlying Obligor.

The terms “outstanding principal balance” and “Due and Payable Amount” (as they are used in these Credit Linked Conditions, when used in connection with Qualifying Guarantees are to be interpreted to be the then “outstanding principal balance” or “Due and Payable Amount”, as applicable, of the Underlying Obligation which is supported by a Qualifying Guarantee.

“Qualifying Participation Seller” means any participation seller that meets the requirements specified in the applicable Final Terms. If no such requirements are specified, there shall be no Qualifying Participation Seller.

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

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

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

“Voting Shares” shall mean those shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

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

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

“Supranational Organization” means any entity or organization established by treaty or other arrangement between two or more Sovereigns or the Sovereign Agencies of two or more Sovereigns and includes, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

“Domestic Currency” means the currency specified as such in the applicable Final Terms and any successor currency. If no currency is so specified, the Domestic Currency shall be the lawful currency and any successor currency of (a) the relevant Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the relevant Reference Entity is organized, if the Reference Entity is not a Sovereign. In no event shall Domestic Currency include any successor currency if such successor currency is the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro (or any successor currency to any such currency).

4 Conditions to Settlement

“Conditions to Settlement” means the conditions set out in the applicable Final Terms; provided, however, that all of the Conditions to Settlement shall be deemed to be satisfied by the occurrence

of an Event Determination Date to the extent that such Event Determination Date is not subsequently reversed prior to the Auction Final Price Determination Date, a CLS Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date), or the Redemption Date, as applicable, unless “Physical Settlement” is specified as the CLS Settlement Method in the applicable Final Terms (or is applicable pursuant to the Issuer CLS Settlement Option), in which case all of the Conditions to Settlement shall be deemed to be satisfied by the satisfaction of the Notice of Physical Settlement Condition to Settlement on or following the occurrence of an Event Determination Date.

The “**Notice of Publicly Available Information Condition to Settlement**” is satisfied by the delivery of a Notice of Publicly Available Information by the Issuer delivering the Credit Event Notice to the Issue and Paying Agent that is effective during one of the periods set out in paragraph (i) of the definition of “Event Determination Date”, provided that the Notice of Publicly Available Information Condition to Settlement shall be deemed to be satisfied in circumstances where ISDA publicly announces on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) that the relevant Credit Derivatives Determination Committee has Resolved that an event that constitutes a Credit Event has occurred with respect to the relevant Reference Entity or Obligation thereof.

The “**Notice of Physical Settlement Condition to Settlement**” is satisfied by the delivery by the Issuer of a Notice of Physical Settlement to the Issue and Paying Agent.

“**Credit Event Backstop Date**” means (a) for purposes of any event that constitutes a Credit Event (or with respect to Repudiation/Moratorium, the event described in paragraph (a)(i) of the definition thereof for purposes of the relevant Reference Entity, as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date or (b) otherwise, the date that is 60 calendar days prior to the earlier of (i) the first date on which both the Credit Event Notice and, if “Notice of Publicly Available Information” is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by the Issuer to the Issue and Paying Agent and are effective during the Notice Delivery Period and (ii) in circumstances where (A) the conditions to convening a Credit Derivatives Determinations Committee to Resolve such matters are satisfied in accordance with the CDDC Rules, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (C) the Credit Event Notice and, if “Notice of Publicly Available Information” is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by the Issuer to the Issue and Paying Agent and are effective no more than fourteen calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Credit Event Resolution Request Date. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

“**Credit Event Notice**” means an irrevocable notice from the Issuer (which may be in writing (including by facsimile and/or email) and/or by telephone) to the Issue and Paying Agent that describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

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

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

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

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

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

“Event Determination Date” means:

- (a) The first date on which both the Credit Event Notice and, if “Notice of Publicly Available Information” is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by the Issuer and are effective during either:
 - (i) the Notice Delivery Period; or
 - (ii) the period (I) from, and including, the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in paragraphs (a) and (b) of the “Credit Event Resolution Request Date” definition (II) to, and including, the date that is 14 calendar days thereafter, provided that a Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date),

provided however that:

(i) the Issuer shall not deliver a Credit Event Notice if, prior to the date of delivery, a DC No Credit Event Announcement has occurred; and

(ii) if a DC Credit Event Announcement occurs, the Issuer may elect that the Event Determination Date be the Credit Event Resolution Request Date.

- (b) No Event Determination Date will occur, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a CLS Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date), or the Redemption Date or Deferred Redemption Date, as applicable, a DC No Credit Event Announcement Date occurs with respect to the relevant Reference Entity or Obligation thereof.
- (c) If, in accordance with the provisions above, (i) following the determination of an Event Determination Date such Event Determination Date is deemed (A) to have occurred on a date that is different from the date that was originally determined to be the Event Determination Date or (B) not to have occurred or (ii) an Event Determination Date is deemed to have occurred prior to a preceding Interest Payment Date, the Determination Agent will determine (I) the adjustment payment, if any, that is payable to reflect any change that may be necessary to the amounts previously calculated and/or paid in respect of the Credit Linked Securities and (II) the date in which such adjustment payment is payable, if any. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

“Extension Date” means the latest of (a) the Redemption Date, (b) the Grace Period Extension Date if (i) “Grace Period Extension” is specified as applicable in the applicable Final Terms, (ii) the Credit Event that is the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable, is a Failure to Pay that occurs after the Redemption Date and (iii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the Redemption Date and (c) the Repudiation/Moratorium Evaluation Date if (i) the Credit Event that is the subject of the Credit Event Notice or Credit Event Resolution Request Date, as applicable, is a Repudiation/Moratorium for which the event described in Credit Linked Condition 4.6(a)(ii) occurs after the Redemption Date (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the Redemption Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied.

“Grace Period” means:

- (i) subject to clauses (ii) and (iii), the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as of the date as of which such Obligation is issued or incurred;
- (ii) if “Grace Period Extension” is specified in the applicable Final Terms as applicable, a Potential Failure to Pay has occurred on or prior to the Redemption Date and the applicable grace period cannot, by its terms, expire on or prior to the Redemption Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the applicable Final Terms or, if no period is specified, thirty calendar days; and
- (iii) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace

Period Business Days shall be deemed to apply to such Obligation; provided that, unless “Grace Period Extension” is specified as applicable in the applicable Final Terms, such deemed Grace Period shall expire no later than the Redemption Date.

“**Grace Period Business Day**” means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and if a place or places are not so specified, in the jurisdiction of the Obligation Currency.

“**Grace Period Extension Date**” means, if (a) “Grace Period Extension” is specified as applicable in the applicable Final Terms and (b) a Potential Failure to Pay occurs on or prior to the Redemption Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If Grace Period Extension is not specified as applicable in the applicable Final Terms, Grace Period Extension shall not apply. If (i) “Grace Period Extension” is specified as applicable in the applicable Final Terms, (ii) a Potential Failure to Pay occurs on or prior to the Redemption Date and (iii) an Event Determination Date in respect of that Failure to Pay does not occur on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date), the Credit Linked Securities will be redeemed on the Deferred Redemption Date.

“**Notice Delivery Period**” means the period from and including the Trade Date to and including a day that is 3 Business Days following the date that is fourteen calendar days after the Extension Date.

“**Notice of Physical Settlement**” means a notice from Issuer to the Issue and Paying Agent that (a) irrevocably confirms that Issuer will redeem the Securities (unless the applicable Final Terms provide for multiple Deliveries) and require performance in accordance with Physical Settlement as the CLS Settlement Method and (b) contains a detailed description of each Deliverable Obligation that Issuer will, subject to Credit Linked Condition 4, Deliver to Securityholders, including the outstanding principal balance or Due and Payable Amount, as applicable, (in each case, the “**Outstanding Amount**”) of each such Deliverable Obligation and, if available, the CUSIP or ISIN number (or, if such identifying number is not available, the rate and tenor) of each such Deliverable Obligation. Where (i) the relevant Credit Event is a Restructuring and, (ii) either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the applicable Final Terms and (iii) the Redemption Date is later than (A) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (B) the 2.5-year Limitation Date, contains a detailed description of at least one Enabling Obligation, which description will include the CUSIP or ISIN number, if available and applicable (or, if such identifying number is not available, the rate and tenor), of such Enabling Obligation and any other information necessary to establish that such obligation is an Enabling Obligation. The Issuer may, from time to time, give notice in the manner specified above (each such notification, a “**NOPS Amendment Notice**”) that the Issuer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NOPS Amendment Notice is effective) or the detailed description(s) thereof. A NOPS Amendment Notice shall contain a revised detailed description of each replacement Deliverable Obligation that Issuer will, subject to Credit Linked Condition 4, Deliver to Securityholders (each, a “**Replacement Deliverable Obligation**”) and shall also specify the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced (with respect to each such Deliverable Obligation, the “**Replaced Deliverable Obligation Outstanding**

Amount”). The Outstanding Amount of each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Physical Settlement Date (determined without reference to any change resulting from such NOPS Amendment Notice). Notwithstanding the foregoing, the Issuer may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice prior to the relevant Delivery Date; it being understood that such notice of correction shall not constitute a NOPS Amendment Notice.

“Notice of Publicly Available Information” means an irrevocable notice from the Issuer delivering the relevant Credit Event Notice or Repudiation/Moratorium Extension Notice that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. In relation to a Repudiation/Moratorium Credit Event, the Notice of Publicly Available Information must cite Publicly Available Information confirming the occurrence of both clauses (i) and (ii) of the definition of Repudiation/Moratorium. The notice given must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If Notice of Publicly Available Information is applicable to a Series and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

“Publicly Available Information” means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice has occurred and which (i) has been published in or on not less than the Specified Number of Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information; provided that, if either of the parties or any of their respective Affiliates is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless such party or its Affiliate is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation, (ii) is information received from or published by (A) a Reference Entity that is not the Issuer or Guarantor (or a Sovereign Agency in respect of a Reference Entity which is a Sovereign) or (B) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation, (iii) is information contained in any petition or filing instituting a proceeding described in paragraph (d) of the definition of “Bankruptcy” against or by a Reference Entity or (iv) is information contained in any order, decree, notice or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body.

With respect to a Credit Event for which Issuer is (i) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for the Obligation with respect to which a Credit Event has occurred and (ii) a holder of such Obligation, the Issuer shall be required to deliver to the Issue and Paying Agent a certificate signed by a Managing Director (or other substantively equivalent title) of Issuer, which shall certify the occurrence of a Credit Event with respect to such Obligation.

Publicly Available Information need not state (i) in relation to the definition of “Downstream Affiliate”, the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity and

(ii) that such occurrence (A) has met the Payment Requirement or Default Requirement, (B) is the result of exceeding any applicable Grace Period or (C) has met the subjective criteria specified in certain Credit Events.

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

“Relevant Credit Event” means:

- (i) in the case of a Single-Name CLS, the first Credit Event to occur with respect to the Reference Entity;
- (ii) in the case of an Nth-to-Default CLS, the Credit Event in relation to the first Event Determination Date to occur with respect to the Nth Reference Entity; and
- (iii) in the case of any other Securities, as specified in the applicable Final Terms.

“Relevant Event Determination Date” means the Event Determination Date occurring with respect to a Relevant Credit Event.

“Specified Number” means, unless otherwise specified in the applicable Final Terms, two.

5 Credit Events

“Credit Event” means the occurrence one or more of the Credit Events specified in the applicable Final Terms which may include Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium or Restructuring, or any additional Credit Event specified in the applicable Final Terms. If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

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

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

“Default Requirement” means the amount specified as such in the applicable Final Terms or its equivalent in the relevant Obligation Currency or, if Default Requirement is not so specified, USD 10,000,000 or its equivalent in the relevant Obligation Currency, in either case as of the occurrence of the relevant Credit Event.

“Failure to Pay” means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

“Governmental Authority” means any de facto or de jure government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of a Reference Entity or of the jurisdiction of organization of a Reference Entity.

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

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

“Obligation Default” means one or more Obligations in an aggregate amount of not less than the Default Requirement have become capable of being declared due and payable before they would otherwise have been due and payable as a result of, or on the basis of, the occurrence of a default,

event of default or other similar condition or event (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

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

“Repudiation/Moratorium” means the occurrence of both of the following events: (i) an authorized officer of a Reference Entity or a Governmental Authority (x) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement or (y) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement and (ii) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date. For the purposes of this definition:

- (a) **“Repudiation/Moratorium Evaluation Date”** means, if a Potential Repudiation/Moratorium occurs on or prior to the Redemption Date, (i) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (A) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (B) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (ii) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium; provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Redemption Date unless the Repudiation/Moratorium Extension Condition is satisfied. If (I) the Repudiation/Moratorium Extension Condition is satisfied and (II) an Event Determination Date in respect of that Repudiation/Moratorium does not occur on or prior to the final day of the Notice Delivery Period, the later of the Redemption Date and the Repudiation/Moratorium Evaluation Date will be the Deferred Redemption Date.
- (b) **“Potential Repudiation/Moratorium”** means the occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.
- (c) The **“Repudiation/ Moratorium Extension Condition”** is satisfied (i) if ISDA publicly announces, pursuant to a valid request that was delivered in accordance with the CDDC Rules and effectively received on or prior to the date that is fourteen calendar days after the Redemption Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the relevant Reference Entity and that such event occurred on or prior to the Redemption Date or (ii) otherwise, by the delivery by the Issuer of a Repudiation/Moratorium Extension Notice and, if “Notice of Publicly Available Information” is specified as a Condition to Settlement, a Notice of Publicly Available Information that are each effective on or prior to the date that is fourteen calendar days after the Redemption Date. In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or capable of being satisfied, if, or to the extent that, ISDA publicly announces, pursuant to a

valid request that was delivered in accordance with the CDDC Rules and effectively received on or prior to the date that is fourteen calendar days after the Redemption Date, that the relevant Credit Derivatives Determinations Committee has Resolved that either (A) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the relevant Reference Entity or (B) an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Securities has occurred with respect to an Obligation of the relevant Reference Entity but that such event occurred after the Redemption Date.

- (d) “**Repudiation/Moratorium Extension Notice**” Redemption Date means an irrevocable notice (which may be in writing (including by facsimile and/or email) and/or by telephone) from the Issuer that describes a Potential Repudiation/Moratorium that occurred on or prior to the Redemption Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

“**Restructuring**” means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as of the later of (i) the Credit Event Backstop Date applicable to the relevant Securities and (ii) the date as of which such Obligation is issued or incurred:

- (a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;
- (b) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
- (c) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest or (B) the payment of principal or premium;
- (d) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
- (e) any change in the currency or composition of any payment of interest or principal to any currency which is not a Permitted Currency. “**Permitted Currency**” means (1) the legal tender of any Group of 7 country (or any country that becomes a member of the Group of 7 if such Group of 7 expands its membership) or (2) the legal tender of any country which, as of the date of such change, is a member of the Organization for Economic Cooperation and Development and has a local currency long-term debt rating of either AAA or higher assigned to it by Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. (“**S&P**”) or any successor to the rating business thereof, Aaa or higher assigned to it by Moody’s Investors Service, Inc. (“**Moody’s**”) or any successor to the rating business thereof or AAA or higher assigned to it by Fitch Ratings or any successor to the rating business thereof.

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

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

For purposes of this definition and “Multiple Holder Obligation” below, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of any Qualifying Guarantee. In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in this definition shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in this definition shall continue to refer to the Reference Entity.

Unless “Multiple Holder Obligation” is expressed to be not applicable in the applicable Final Terms, then none of the events described above shall constitute a Restructuring unless the Obligations is a Multiple Holder Obligation, where “**Multiple Holder Obligation**” means an Obligation that (i) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other and (ii) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six-and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event (provided that part (ii) shall be deemed to be satisfied where the Obligation is a Bond).

6 General terms relating to Redemption and Settlement

“**CLS Settlement Method**” means:

- (i) the terms relating to the settlement of Cash Settled CLSs, as provided in the Base Conditions, these Credit Linked Conditions in respect of such Securities and the applicable Final Terms; and
- (ii) the terms relating to the settlement of Physically Delivered CLSs, as provided in the Credit Linked Conditions in respect of such Securities and the applicable Final Terms.

“**Deferred Redemption Date**” means, if an Extension Notice is effective and no Event Determination Date occurs on or prior to the Securities Extension Date, the date falling five Business Days after the Securities Extension Date or, if an Extension Notice is effective and an Event Determination Date occurs on or prior to the Extension Date, in respect of Cash Settled CLSs, the CLS Cash Settlement Date, or, in respect of Physically Delivered CLSs, the Final Delivery Date.

“**Extended Interest Period**” means the period, if any, from and including the Redemption Date to but excluding the Deferred Redemption Date.

“Extension Notice “ means an irrevocable notice (which may be by telephone) from the Issuer to the Issue and Paying Agent which is effective on or prior to the Redemption Date that specifies one or more Reference Entities which the Issuer determines, in its sole and absolute discretion, is or may be subject to a Credit Event, Potential Failure to Pay or a Potential Repudiation/Moratorium.

“Fallback CLS Settlement Method” means, with respect to a Series of Credit Linked Securities for which “Auction Settlement” is specified as the CLS Settlement Method in the applicable Final Terms, if “Physical Settlement” is specified as the Fallback CLS Settlement Method in the applicable Final Terms, Physical Settlement, otherwise Cash Settlement.

“Issuer CLS Settlement Option” means, if specified in the applicable Final Terms, the option, exercisable by the Issuer in its sole discretion, for the Issuer to redeem the Securities by way of Cash Settlement, Auction Settlement or Physical Settlement upon the occurrence of a Relevant Event Determination Date.

“Securities Extension Date” means the later to occur of (a) the last applicable day specified in the definition of Notice Delivery Period in respect of each Reference Entity specified in an Extension Notice and (b) 14 calendar days after the day on which ISDA publicly announces that either (I) the relevant Credit Derivatives Determinations Committee has Resolved the matters described in the definition of “Event Determination Date Conditions” (interpreted for the purposes of this definition as if the words “other than Restructuring” did not appear therein) or (II) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, in either case relating to a Credit Event Resolution Request Date that occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date).

7 Terms relating to Cash Settlement

“CLS Cash Settlement Amount” means, with respect to any Security, the product of (a) the Nominal Amount (in the case of the Notes) or Calculation Amount (in respect of Certificates) of such Security determined as at the relevant Event Determination Date and (b) the Final Price (if Cash Settlement applies) or Auction Final Price (if Auction Settlement applies).

“CLS Cash Settlement Date” means (a) if the Credit Event Redemption Amount is not specified in the applicable Final Terms, the date that is the number of Business Days specified in the applicable Final Terms (or, if a number of Business Days is not so specified, five Business Days) following the calculation of the Final Price and (b) if the Credit Event Redemption Amount is specified in the related applicable Final Terms, the date that is the number of Business Days specified in the related applicable Final Terms (or, if a number of Business Days is not so specified, five Business Days) following the satisfaction of all Conditions to Settlement (or, if “Cash Settlement” is applicable as a fallback to Auction Settlement, any Auction Cancellation Date or any No Auction Announcement Date, if later); provided, however, that if Auction Settlement is applicable then the CLS Cash Settlement Date shall be the cash settlement date determined pursuant to the Credit Derivatives Auction Settlement Terms for such Auction.

“CLS Valuation Date” means:

- (a) if “Single CLS Valuation Date” is specified in the applicable Final Terms, a date selected by the Issuer not less than five Business Days after satisfaction of all Conditions to Settlement or if “Cash Settlement” is applicable pursuant to the fallback provisions in Auction Settlement, any Auction Cancellation Date or any No Auction Announcement Date, if later);

- (b) if “Multiple CLS Valuation Dates” is specified in the applicable Final Terms, the dates specified in the applicable Final Terms; and
- (c) if neither “Single CLS Valuation Date” nor “Multiple CLS Valuation Dates” is specified in the applicable Final Terms, Single CLS Valuation Date shall apply.

“**CLS Valuation Time**” means the time specified as such in the applicable Final Terms or, if no time is so specified, the time specified by the Determination Agent, which shall be as close as reasonably practicable to 11:00 a.m. in the relevant Determination Agent City, unless the Determination Agent determines that the principal market for transactions in the Reference Obligation would be closed at such time or such transactions are not being conducted in sufficient volume (as determined by the Determination Agent in its sole and absolute discretion) at such time, in which event the CLS Valuation Time shall be such other time as may be specified by the Determination Agent that such principal market is open.

“**Dealer**” means, as selected by the Determination Agent, at least five financial institutions, funds or other entities that purchase or deal in obligations of the type of the relevant Reference Obligation, Obligation or Undeliverable Obligation one of which institutions, funds or other entities may be the Issuer or the Guarantor or an Affiliate thereof.

“**Final Price**” means the price of the Reference Obligation, expressed as a percentage, determined in accordance with the specified Valuation Method. Unless Auction Settlement applies, the Determination Agent shall, as soon as reasonably practicable after obtaining all Quotations for a CLS Valuation Date, notify the Issue and Paying Agent in writing of each such Quotation (together with a written computation showing such calculation) that it receives in connection with the calculation of the Final Price. The Issue and Paying Agent shall deliver such notice through the relevant settlement system to holders of Securities, provided that the failure of the Issue and Paying Agent to deliver any such notice shall not affect the effectiveness of any notice delivered by the Determination Agent. If “Auction Settlement” is specified to be applicable or is elected to be applicable pursuant to the Issuer CLS Settlement Option, then notwithstanding the Valuation Method, Final Price means the Auction Final Price.

“**Full Quotation**” means, in accordance with the Quotation Method, each firm quotation obtained from a Dealer at the CLS Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation with an outstanding principal balance equal to the Quotation Amount.

“**Market Value**” means, with respect to a Reference Obligation on a CLS Valuation Date, (a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (b) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations; (d) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation; (e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained, subject to paragraph (b) of the “Quotation” definition, an amount as determined by the Determination Agent on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation is obtained; and (f) if two or more Full Quotations or a Weighted Average Quotation are not obtained within the additional five Business Day

period set forth in paragraph (b) of the “Quotation” definition the Market Value shall be determined as provided in such definition.

“**Minimum Quotation Amount**” means the amount specified as such in the applicable Final Terms (or its equivalent in the relevant Obligation Currency) or, if no amount is so specified, the lower of (a) USD 1,000,000 (or its equivalent in the relevant Obligation Currency) and (b) the Quotation Amount.

“**Quotation**” means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage with respect to a CLS Valuation Date in the manner that follows:

- (a) The Determination Agent shall attempt to obtain Full Quotations with respect to the CLS Valuation Date from five or more Dealers. If the Determination Agent is able to obtain two or more such Full Quotations from Dealers other than the Issuer or Guarantor in respect of such CLS Valuation Date, then the Determination Agent shall use such Full Quotations to determine the Final Price in accordance with the specified Valuation Method. If the Determination Agent is unable to obtain two or more such Full Quotations in respect of such CLS Valuation Date but is able to obtain a Weighted Average Quotation in respect of such CLS Valuation Date, then the Determination Agent shall use such Weighted Average Quotation to determine the Final Price in accordance with the specified Valuation Method.
- (b) If the Determination Agent is unable to obtain two or more such Full Quotations or such a Weighted Average Quotation in respect of such CLS Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until and including the fifth Business Day) the Determination Agent shall attempt to obtain two or more such Full Quotations from Dealers other than the Issuer or Guarantor and, if two or more such Full Quotations are not available from Dealers other than the Issuer or Guarantor on such Business Day, a Weighted Average Quotation on such Business Day. If the Determination Agent is able to obtain two or more such Full Quotations in respect of any such Business Day from Dealers other than the Issuer or Guarantor, then the Determination Agent shall use such Full Quotations to determine the Final Price in accordance with the specified Valuation Method. If the Determination Agent is unable to obtain two or more such Full Quotations in respect of any such Business Day but is able to obtain a Weighted Average Quotation in respect of any such Business Day, then the Determination Agent shall use such Weighted Average Quotation to determine the Final Price in accordance with the specified Valuation Method.
- (c) If the Determination Agent is unable to obtain two or more such Full Quotations or such a Weighted Average Quotation from Dealers other than the Issuer or Guarantor on or prior to the fifth Business Day following the relevant CLS Valuation Date, then the Determination Agent shall use the Full Quotation, if any, obtained from the Issuer or Guarantor on such fifth Business Day to determine the Final Price in accordance with the specified Valuation Method.
- (d) If the Determination Agent is unable to obtain a Full Quotation from the Issuer or Guarantor on such fifth Business Day following the relevant CLS Valuation Date, then the Quotation shall be deemed to be zero.
- (e) Any quotation provided by the Issuer, the Guarantor or an Affiliate thereof shall be deemed to be a firm quotation.
- (f) The Determination Agent shall determine, based on then current market practice in respect of the Reference Obligation, whether such Quotations shall include or exclude accrued but

unpaid interest. All Quotations shall be obtained in accordance with this specification or determination.

- (g) If any Quotation obtained with respect to an Accreting Obligation is expressed as a percentage of the amount payable in respect of such obligation at maturity, such Quotation will instead be expressed as a percentage of the outstanding principal balance for purposes of determining the Final Price.

“Quotation Amount” means the amount specified as such in the applicable Final Terms or, if no amount is so specified, an amount specified by the Determination Agent not in excess of the Aggregate Nominal Amount of the Securities outstanding in the case of the Notes or the aggregate Calculation Amount of the Certificates outstanding, as applicable, in respect of the Credit Linked Securities (or, in either case, its equivalent in the relevant Obligation Currency converted by the Determination Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained).

“Quotation Method” means the applicable Quotation Method specified in the applicable Final Terms by reference to one of the following terms (or, if no Quotation Method is specified, Bid shall apply):

- (a) **“Bid”** means that only bid quotations shall be requested from Dealers;
- (b) **“Offer”** means that only offer quotations shall be requested from Dealers; or
- (c) **“Mid-market”** means that bid and offer quotations shall be requested from Dealers and shall be averaged for purposes of determining a relevant Dealer’s quotation.

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

“Weighted Average Quotation” means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Dealers at the CLS Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation with an outstanding principal balance of as large a size as available but less than the Quotation Amount (but of a size equal to the Minimum Quotation Amount or, if quotations of a size equal to the Minimum Quotation Amount are not available, quotations as near in size as practicable to the Minimum Quotation Amount) that in the aggregate are approximately equal to the Quotation Amount.

“Valuation Method”:

- (a) The following Valuation Methods may be specified in the applicable Final Terms for a Series with only one Reference Obligation and only one CLS Valuation Date:
- (i) **“Market”** means the Market Value determined by the Determination Agent with respect to the CLS Valuation Date; or
- (ii) **“Highest”** means the highest Quotation obtained by the Determination Agent (or in accordance with the definition thereof) with respect to the CLS Valuation Date; or
- (iii) **“Lowest”** means the lowest Quotation obtained by the Determination Agent (or in accordance with the definition thereof) with respect to the CLS Valuation Date.

If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Highest.

- (b) The following Valuation Methods may be specified in the applicable Final Terms for a Series with only one Reference Obligation and more than one CLS Valuation Date:
- (i) “**Average Market**” means the unweighted arithmetic mean of the Market Values determined by the Determination Agent with respect to each CLS Valuation Date; or
 - (ii) “**Highest**” means the highest Quotation obtained by the Determination Agent (or in accordance with the definition thereof) with respect to any CLS Valuation Date; or
 - (iii) “**Average Highest**” means the unweighted arithmetic mean of the highest Quotations obtained by the Determination Agent (or in accordance with the definition thereof) with respect to each CLS Valuation Date.

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

- (c) The following Valuation Methods may be specified for a Series with more than one Reference Obligation and only one CLS Valuation Date:
- (i) “**Blended Market**” means the unweighted arithmetic mean of the Market Values for each Reference Obligation determined by the Determination Agent with respect to the CLS Valuation Date; or
 - (ii) “**Blended Highest**” means the unweighted arithmetic mean of the highest Quotations obtained by the Determination Agent (or in accordance with the definition thereof) for each Reference Obligation with respect to the CLS Valuation Date.

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

- (d) The following Valuation Methods may be specified for a Series with more than one Reference Obligation and more than one CLS Valuation Date:
- (i) “**Average Blended Market**” means, using values with respect to each CLS Valuation Date determined by the Determination Agent in accordance with the Blended Market Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each CLS Valuation Date; or
 - (ii) “**Average Blended Highest**” means, using values with respect to each CLS Valuation Date determined by the Determination Agent in accordance with the Blended Highest Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each CLS Valuation Date.

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

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

8 Terms relating to Auction Settlement

If “**Auction Settlement**” is specified with respect to a Series in the applicable Final Terms or elected pursuant to the Issuer CLS Settlement Option and an Event Determination Date occurs on or prior to the Auction Final Price Determination Date, the Auction Final Price shall be the Final Price with respect to the related Credit Event. Without prejudice to the foregoing, but without duplication of settlement, if (a) an Auction Cancellation Date occurs, (b) a No Auction Announcement Date occurs, (c) ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, not to determine whether or not an event constitutes a Credit Event for purposes of the relevant Credit Derivative Transaction or (d) an Event Determination Date was determined pursuant to paragraph (a)(i) of the definition of “Event Determination Date” and no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Event Determination Date, Auction Settlement shall not apply and the Fallback CLS Settlement Method shall apply.

“**Auction**” has the meaning set forth in the Transaction Auction Settlement Terms.

“**Auction Cancellation Date**” has the meaning set forth in the Transaction Auction Settlement Terms.

“**Auction Final Price**” has the meaning set forth in the Transaction Auction Settlement Terms in respect of the relevant Reference Entity, provided that: (i) where both a Senior Auction and a Subordinate Auction are held in connection with an Auction in respect of such Reference Entity, the Issuer may in its sole and absolute discretion elect to apply the price determined pursuant to the Senior Auction where the Reference Obligation in respect of the Affected Reference Entity is specified as a “Sub” or “Subordinated” Reference Obligation; and (ii) if the Credit Event is a Restructuring, the Determination Agent shall select which of the Transaction Auction Settlement Terms shall apply in a commercially reasonable manner in accordance with then current market practice by reference to the Redemption Date of the relevant Securities.

“**Auction Final Price Determination Date**” has the meaning set forth in the Transaction Auction Settlement Terms.

“**Credit Derivatives Auction Settlement Terms**” means any Credit Derivatives Auction Settlement Terms published by ISDA, in accordance with the CDDC Rules, a copy of which will be published by ISDA on its website from time to time and may be amended from time to time in accordance with the CDDC Rules. A form of the Credit Derivatives Auction Settlement Terms is available at www.isda.org/credit.

“**No Auction Announcement Date**” means, with respect to a Credit Event, the date on which ISDA first publicly announces that (a) no Transaction Auction Settlement Terms will be published will be held with respect to such Reference Entity and Credit Event following a prior public announcement by ISDA to the contrary, (b) following the occurrence of a Restructuring only, no Credit Derivatives Auction Settlement Terms will be published with respect to such Reference Entity and Restructuring or (c) the relevant Credit Derivatives Determinations Committee has Resolved that an Auction will be held but in respect of a different Credit Event, Reference Entity or Deliverable Obligations as are applicable to the relevant Series.

“**Senior Auction**” means an Auction in respect of one or more Obligations of the relevant Reference Entity specified as “Senior” pursuant to such Auction.

“Subordinated Auction” means an Auction in respect to of one or more Obligations of the relevant Reference Entity specified as “Subordinated” or “Sub” pursuant to such Auction.

“Transaction Auction Settlement Terms” means the Credit Derivatives Auction Settlement Terms applicable to the relevant Reference Entity and Reference Obligation.

9 Terms relating to Delivery

“Deliver” means to deliver, novate, transfer (including, in the case of a Qualifying Guarantee, transfer of the benefit of the Qualifying Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to Securityholders free and clear of any and all liens, charges, claims or encumbrances (including, without limitation, any counterclaim, defense (other than a counterclaim or defense based on the factors set forth in (a) to (d) of the definition of “Credit Event”) or right of set-off by or of the Reference Entity or, as applicable, an Underlying Obligor); provided that to the extent that the Deliverable Obligations consist of Direct Loan Participations, “Deliver” means to create (or procure the creation) of a participation in favour of each Securityholder and to the extent that the Deliverable Obligations consist of Qualifying Guarantees, “Deliver” means to Deliver both the Qualifying Guarantee and the Underlying Obligation. **“Delivery”** and **“Delivered”** will be construed accordingly. In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time. Notwithstanding the previous sentence, in the case of a Loan, each of the Issuer and each Securityholder agrees to comply, for purposes of the settlement of the relevant Credit Derivative Transaction, with the provisions of any documentation (which term shall be deemed to include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves is appropriate, which is consistent with the delivery and payment obligations of the parties hereunder. The Issuer and each Securityholder further agrees that compliance by it with the provisions of any such documentation, shall be required for, and, without further action, constitute, Delivery for purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and neither the Issuer nor any Securityholder shall be permitted to request that the other take, nor shall it be required to take, any action under Credit Linked Condition 4.3 unless otherwise contemplated by such documentation.

“Deliverable Obligations Portfolio “ means, in respect of each Physically Delivered CLS, subject to Credit Linked Condition 8.1 and unless otherwise elected by the Issuer in accordance with the Issuer CLS Settlement Option as set out in these Credit Linked Conditions, such Deliverable Obligations as may be selected by the Issuer with: (a) an outstanding principal balance, in respect of Deliverable Obligations that are Borrowed Money obligations or (b) Due and Payable Amount, in respect of Deliverable Obligations that are not Borrowed Money obligations (or in either case, the equivalent Currency Amount thereof), in an aggregate amount (excluding any accrued and unpaid interest) equal to (i) the Aggregate Nominal Amount of the Notes outstanding or the aggregate Calculation Amount of the Certificates outstanding, in respect of the Credit Linked Securities, as applicable, as

of the relevant Event Determination Date less (ii) (if, at the option of the Issuer, Settlement Expenses and Swap Costs are to be deducted rather than separately paid by each such Securityholder) an outstanding principal balance or Due and Payable Amount, as the case may be, of such Deliverable Obligations with a market value as determined by the Determination Agent equal to the Settlement Expenses and Swap Costs. If the amount of the Deliverable Obligations Portfolio is less than zero, no Deliverable Obligations will be required to be Delivered and the amount of the Deliverable Obligations Portfolio will be deemed to be zero. If an obligation by its terms represents or contemplates an obligation to pay an amount greater than the outstanding principal balance of such obligation as of the Delivery Date as a result of the occurrence or non-occurrence of an event or circumstance, the outstanding principal balance of such obligation shall not include any additional amount that would be payable upon the occurrence or non-occurrence of such event or circumstance.

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

“Delivery Method” has the meaning specified in the applicable Final Terms, or, if no such meaning is specified, shall mean, unless otherwise agreed between a Securityholder and the Issuer, that delivery to such Securityholder shall be to a securities account designated by such Securityholder.

“Due and Payable Amount” means the amount that is due and payable under (and in accordance with the terms of) a Deliverable Obligation on the Delivery Date, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts).

“Final Delivery Date” means, in respect of a Physical Settlement Date, the final Delivery Date to occur with respect to Deliverable Obligations comprised in the Deliverable Obligations Portfolio pertaining to such Physical Settlement Date.

“Latest Permissible Physical Settlement Date” means, in respect of Credit Linked Condition 4.4, the date that is thirty calendar days after the Physical Settlement Date and, in respect of Credit Linked Condition 4.5, 4.6 and 4.7, the date that is fifteen Business Days after the Physical Settlement Date (or, where “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation” applies, the Modified Restructuring Maturity Limitation Date).

“Physical Settlement Date” means the last day of the longest Physical Settlement Period following the satisfaction of all applicable Conditions to Settlement.

“Physical Settlement Period” means the number of Business Days specified as such in the applicable Final Terms or, if a number of Business Days is not so specified, then, with respect to a Deliverable Obligation specified in the Notice of Physical Settlement, the longest number of Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the Determination Agent

10 Terms relating to Currencies

“Currency Amount” means, with respect to (a) a Deliverable Obligation specified in a Notice of Physical Settlement that is denominated in a currency other than the Settlement Currency, an amount converted to the Settlement Currency using a conversion rate determined by reference to the Currency Rate and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment

Notice, an amount converted to the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice with respect to the relevant portion of the applicable Calculation Amount into the currency of denomination of the relevant Replacement Deliverable Obligation.

“**Currency Rate**” means with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation is denominated that is either (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time or (ii) if such rate is not available at such time, determined by the Determination Agent and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

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

“**Next Currency Fixing Time**” means 4:00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant NOPS Amendment Notice, as applicable, is effective.

“**Revised Currency Rate**” means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time or (b) if such rate is not available at such time, by the Determination Agent in a commercially reasonable manner.

11 Terms relating to Convertible, Exchangeable and Accreting Obligations

With respect to any Accreting Obligation, “**outstanding principal balance**” means the Accreted Amount thereof.

With respect to any Exchangeable Obligation that is not an Accreting Obligation, “**outstanding principal balance**” shall exclude any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

“**Accreted Amount**” means, with respect to an Accreting Obligation, an amount equal to (A) the sum of (1) the original issue price of such obligation and (2) the portion of the amount payable at maturity that has accreted in accordance with the terms of the obligation (or as otherwise described below), less (B) any cash payments made by the obligor thereunder that, under the terms of such obligation, reduce the amount payable at maturity (unless such cash payments have been accounted for in clause (A)(2) above), in each case calculated as of the earlier of (x) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (y) the Delivery Date or applicable CLS Valuation Date, as the case may be. Such Accreted Amount shall include any accrued and unpaid periodic cash interest payments (as determined by the Determination Agent) only if “Include Accrued Interest” is specified as being applicable in the applicable Final Terms. If an Accreting Obligation is expressed to accrete pursuant to a straight-line

method or if such Obligation's yield to maturity is not specified in, nor implied from, the terms of such Obligation, then, for purposes of clause (A)(2) above, the Accreted Amount shall be calculated using a rate equal to the yield to maturity of such Obligation. Such yield shall be determined on a semi-annual bond equivalent basis using the original issue price of such obligation and the amount payable at the scheduled maturity of such obligation, and shall be determined as of the earlier of (x) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal and (y) the Delivery Date or applicable CLS Valuation Date, as the case may be. The Accreted Amount shall exclude, in the case of an Exchangeable Obligation, any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

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

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

"Equity Securities" means:

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

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

EQUITY LINKED ANNEX

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PART A – DESCRIPTION AND RISK FACTORS

1 Brief description of Equity Linked Securities

Equity Linked Securities are Securities where (i) in relation to Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option; or (ii) in relation to Exercisable Certificates and Warrants, the exercise of the Securities or the amount payable or deliverable on exercise; or (iii) any additional amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of a share, fund, unit, depositary, receipt, interest, equity interest or other equity unit, an equity index or a basket of shares, equity interests, equity units or equity indices over a period of time or on certain dates.

2 Risk Factors relating to Equity Linked Securities

Equity Linked Securities have a different risk profile to ordinary unsecured debt securities. The return on an Equity Linked Security is linked to the performance of a Share or an Index or a Basket of Shares or a Basket of Indices underlying that Equity Linked Security. Investing in an Equity Linked Security is not equivalent to investing directly in any underlying Share or the components of any underlying Index.

This section describes additional factors to which prospective investors should have regard when considering an investment in Equity Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

2.1 Certain Considerations Associated with Share Linked Securities

In the case of Share Linked Securities, no issuer of, or other legal arrangement giving rise to, such Shares will have participated in the preparation of the applicable Final Terms or in establishing the terms of the relevant Securities and none of BCCL, the Bank or any Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of, or such other legal arrangement giving rise to, Shares contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in any applicable Final Terms) that would affect the trading price of the relevant Share(s) will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of, other legal arrangement giving rise to, Shares could affect the trading price of the Share and therefore the trading price of the Equity Linked Securities.

Due to the character of the particular markets on which most equity securities or debt instruments are traded, the absence of last sale information and the limited availability of quotations for such equity securities may make it difficult for many investors to obtain timely, accurate data for the price or yield of such equity securities or debt instrument.

Except as otherwise provided in the Conditions relating to Physically Delivered Securities that are Equity Linked Securities, Securityholders will not have any voting rights or rights to receive

dividends or distributions or any other rights with respect to the relevant Shares to which such Securities relate.

Fluctuations in the value of the relevant Index or basket of underlying Indices (including the prices of any Component included in such Index or Basket of Indices) will affect the value of the related Equity Linked Securities.

Where the Equity Linked Securities are Physically Delivered Securities, the Determination Agent may determine that a Settlement Disruption Event is subsisting and may exercise its right to pay the relevant Settlement Amount in lieu of delivering the relevant Reference Assets. Such a determination may have an adverse effect on the value of the relevant Equity Linked Securities.

2.2 Certain Considerations Associated with Securities relating to a Share or Shares issued or created by a Share Company that is a fund, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement (“ETF”)

Where the Securities are linked to an ETF or a basket of ETFs and the investment objective of such ETF(s) is to track the performance of an index, the investors of such Securities are exposed to the performance of such ETF(s) rather than the underlying share or indices such ETF(s) tracks. The investors will bear the risk that such ETFs may not reflect the actual return such investors would obtain if they actually owned the shares or the indices underlying such ETFs. Accordingly, investors who purchase Equity Linked Securities that are linked to ETF(s) may receive a lower payment upon redemption or exercise or cancellation of such Securities than such investors would have received if they had invested in the shares or the indices underlying such ETF(s) directly.

No assurance can be given that such managers will succeed in meeting the investment objectives of the ETF, that any analytical model used thereby will prove to be correct or that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which such ETF has or may invest will prove accurate.

2.3 Certain Considerations Associated with Securities relating to American Depositary Receipts (“ADR”) and Global Depositary Receipts (“GDR”) (or Basket of ADRs and/or GDRs)

Investors who purchase Equity Linked Securities that are linked to ADRs or GDRs may receive a Settlement Amount that does not reflect the actual return such investors would obtain if they actually owned the shares underlying such ADRs or GDRs. Accordingly, investors who purchase Securities that are linked to ADRs or GDRs may receive a lower payment upon redemption, exercise or cancellation of such Securities than such investors would have received if they had invested in the shares underlying such ADRs or GDRs directly.

The issuer of the shares underlying the ADRs or GDRs may make distributions in respect of their shares that are not passed on to the owners of ADRs or GDRs, which can affect the value of the Equity Linked Securities linked to such ADRs and GDRs.

In respect of Physically Delivered Securities that are linked to ADRs or GDRs, in the event that investors receive ADRs or GDRs as a result of physical settlement, depending on the jurisdiction under which such ADRs or GDRs have been issued and the jurisdiction to which the agreement relating to such ADRs or GDRs is subject, it cannot be ruled out that the

corresponding jurisdiction does not recognise the investor holding such ADRs or GDRs as the actual beneficial owners of the underlying shares.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED SECURITIES

*The terms and conditions applicable to Equity Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “**Equity Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Equity Linked Conditions set out below, the Equity Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Equity Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Equity Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Equity Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

1 Index Modification, Cancellation, Disruption or Adjustment Event

The following provisions will apply to all Index Linked Securities.

1.1 Index Adjustment Events

If:

1.1.1 on or prior to any date on which the level of an Index is to be calculated, including without limitation any Averaging Date or Valuation Date (a “**Determination Date**”), in respect of Linked Index Securities, the relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an “**Index Modification**”) or permanently cancels the Index and no successor Index exists (an “**Index Cancellation**”); or

1.1.2 on any Determination Date in respect of Index Linked Securities the Index Sponsor fails to calculate and announce a relevant Index (an “**Index Disruption**” and together with an Index Modification and an Index Cancellation, an “**Index Adjustment Event**”),

then the Determination Agent shall on each relevant Determination Date determine if such Index Adjustment Event has a material effect on the relevant Securities and if so shall calculate the level of that Index by using, in lieu of a published level for the relevant Index, the level for that Index as at that Determination Date as determined by the Determination Agent in accordance with the formula for and method of calculating that Index last in effect prior to that Index Adjustment Event, but using only those securities that constituted the relevant Index immediately prior to that Index Adjustment Event (other than those securities that have since ceased to be listed on any relevant Exchange).

In the event that the Determination Agent determines that it can no longer continue to calculate such Index, the Determination Agent may, in its sole discretion, deem such Index Adjustment Event to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in

accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions as the case may be in respect of the Securities.

1.2 Successor Index Sponsor or Substitution of Index with substantially similar calculation

If an Index is (1) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (“**Successor Index Sponsor**”) acceptable to the Determination Agent or (2) replaced by a successor index (“**Successor Index**”) using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then (x) the index as calculated and announced by the Successor Index Sponsor or (y) the Successor Index, will be deemed to be the Index.

1.3 Correction of an Index

If the level of an Index published on any Determination Date and used or to be used by the Determination Agent to determine the relevant Index value is subsequently corrected and the correction is published by the Index Sponsor or a Successor Index Sponsor prior to the second Exchange Business Day preceding the Redemption Date, any Optional Cash Redemption Date, any Optional Physical Redemption Date, any Early Cash Redemption Date, any Early Physical Redemption Date, any Early Cancellation Date, any Early Physical Cancellation Date, any Specified Early Cash Redemption Date, any Specified Early Physical Date, any Exercise Date, the Expiration Date, any Exercise Cash Settlement Date or any Physical Delivery Date the Determination Agent shall recalculate the relevant Settlement Amount, Entitlement or other relevant amount, as the case may be, using such corrected level of the relevant Index. The Determination Agent shall notify the Issuer and the Issue and Paying Agent shall notify the Securityholders of (1) that correction and (2) the amount, if any, that is payable or deliverable as a result of that correction.

1.4 Consequences of Disrupted Days following a Market Disruption Event affecting an Index or Basket of Indices

If, in the opinion of the Determination Agent, a Valuation Date is a Disrupted Day, then:

1.4.1 in the case of Index Linked Security referencing an Index, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the Disrupted Days, would have been the Valuation Date (the “**Scheduled Valuation Date**”) is a Disrupted Day. In that case (1) the eighth Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (2) the Determination Agent shall determine the level of the Index (the “**Index Level**”) in the manner set out in the applicable Final Terms or, if not set out or not practicable, shall determine the level of the Index as of the Valuation Time on the eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the relevant Exchange traded or quoted price (the “**Traded Price**”) as of the Valuation Time on that eighth Scheduled Trading Day of each security included in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Share on that eighth Scheduled Trading Day, its determination made in a

commercially reasonable manner of the Traded Price for the relevant Share as of the Valuation Time on that eighth Scheduled Trading Day); or

- 1.4.2 in the case of Index Linked Security referencing a Basket of Indices, the Valuation Date for each Index not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index affected by the occurrence of a Disrupted Day (each an “**Affected Index**”) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Index. In that case (1) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Index, notwithstanding the fact that such day is a Disrupted Day, and (2) the Determination Agent shall determine the level of the Basket of Indices using, in relation to the Affected Index, the Index Level determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the Index Level as of the Valuation Time on the eighth Scheduled Trading Day determined in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security/commodity included in that Index (or if an event giving rise to a Disrupted Day has occurred in respect of the relevant security/commodity on that eighth Scheduled Trading Day, its determination made in a commercially reasonable manner of the Traded Price for the relevant security/commodity as of the Valuation Time on that eighth Scheduled Trading Day.

2 Share Adjustments or Disruptions

The following conditions will apply to all Share Linked Securities.

2.1 Potential Adjustment Events

The Issuer may at any time determine and declare that a Potential Adjustment Event has occurred. Following such declaration by the Issuer of any Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will (i) make the corresponding adjustment(s), relevant to the exercise, settlement, payment or other terms of the Securities as the Determination Agent determines appropriate to account for the diluting or concentrative effect of such Potential Adjustment Event (the “**Adjustment(s)**”) and (ii) determine the effective date(s) of the Adjustment(s). The Determination Agent may (but need not) determine the appropriate Adjustment(s) by reference to the Adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Shares traded on that options exchange.

Any adjustment to the terms of the Securities following a Potential Adjustment Event shall take into account the economic cost of any taxes, duties, levies, fees or registration payable by or on behalf of the Issuer or any of its relevant Affiliates or a foreign investor charged on subscription, acquisition or receipt of any Shares or other securities received as a result of the Potential Adjustment Event, such calculations to be determined and carried out by the Determination Agent in good faith.

2.2 Merger Events

Following the occurrence of any Merger Event (as determined by the Determination Agent in its sole discretion), the Issuer shall, in its sole discretion, deem such Merger Event to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Conditions 5 or 6 of the Base Conditions as the case may be in respect of the Securities.

2.3 Nationalisation, Insolvency and Delisting

Following the occurrence of any Nationalisation, Insolvency or Delisting (as determined by the Determination Agent in its sole discretion), the Issuer shall, in its sole discretion, deem such Nationalisation, Insolvency or Delisting, as the case may be, to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions as the case may be in respect of the Securities.

2.4 Tender Offers

Following the occurrence of any Tender Offer (as determined by the Determination Agent in its absolute discretion), the Issuer shall, in its sole discretion, deem such Tender Offer to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions as the case may be in respect of the Securities.

2.5 Substitution of Shares

If “Substitution of Shares” is specified as applicable in the applicable Final Terms, if any Share shall be affected by a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, (the “**Affected Shares**”) then without prejudice to the rights that the Issuer has under the Securities (as described above), the Issuer or the Determination Agent on its behalf shall have the discretion to substitute the Affected Shares with substitute shares (the “**Substitute Shares**”) as selected by the Determination Agent in its sole discretion for inclusion in the Basket of Shares as of the Announcement Date or the Tender Offer Date, as the case may be.

The Substitute Shares shall have such criteria as the Determination Agent deems appropriate including, but not limited to, the following:

- 2.5.1 the Substitute Shares shall be of same broad economic sector as the Share Company of the Affected Shares;
- 2.5.2 the issuer of the Substitute Share shall be of a similar international standing and creditworthiness as the Share Company of the Affected Shares; and
- 2.5.3 the Substitute Share shall not be a Share already in the Basket of Shares.

The Initial Price of the Substitute Shares shall be determined in accordance with the following:

Initial Price = Substitute Price x (Affected Share(k)/Affected Share(j))

where:

“**Substitute Price**” means the official closing price per Share of the relevant Substitute Shares as of the Valuation Time on the dates on which the Affected Share(j) is determined or if such date is not a Scheduled Trading Date on the relevant Exchange in respect of the Substitute Shares, the following Scheduled Trading Date of the Substitute Shares;

“**Affected Share(k)**” means the “Initial Price” of the relevant Affected Shares as specified in the applicable Final Terms; and

“**Affected Share(j)**” means the last closing price per Share of the Affected Shares on or prior to the Announcement Date or the Tender Offer Date (as the case may be).

The Determination Agent shall notify the Securityholders as soon as practicable after the selection of the Substitute Shares and the failure by the Determination Agent to give such notice shall not however prejudice or invalidate the Substitute Shares being included as of the time and date specified above.

If Physical Settlement is specified in the Settlement Method in the applicable Final Terms or is elected by the Issuer or Securityholder pursuant to Condition 5 or 6 of the Base Conditions (as the case may be), Entitlement Substitution shall be deemed to be applicable with respect to a series of Share Linked Securities.

2.6 Consequences of Disrupted Days following a Market Disruption Event affecting a Share or Basket of Shares

If, in the opinion of the Determination Agent, any Valuation Date is a Disrupted Day, then:

2.6.1 in the case of a Share Linked Security referencing a Share, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day, in which case that eighth Scheduled Trading Day shall be deemed to be the Valuation Date notwithstanding the fact that it is a Disrupted Day, and the Determination Agent shall determine in a commercially reasonable manner the relevant Traded Price for such Share that would have prevailed on that eighth Scheduled Trading Day but for that Disrupted Day; and

2.6.2 in the case of a Share Linked Security referencing a Basket of Shares, the Valuation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Share affected by the occurrence of a Disrupted Day (each an “**Affected Share**”) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Share, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Share. In that case (1) that that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Share notwithstanding the fact that such day is a Disrupted Day and (2) the Determination Agent shall determine the relevant Traded Price for such Share that would have prevailed on that eighth Scheduled Trading Day but for that Disrupted Day.

3 Adjustments

If the Issuer requests that the Determination Agent determine whether an appropriate adjustment can be made in accordance with Condition 5 or 6 of the Base Conditions, as the case may be, the Issuer shall not be obliged to make any adjustment that it does not think is appropriate and none of the Determination Agent, the Issuer or any other party shall be liable for the Issuer making or failing to make any such adjustment.

In particular, notwithstanding that an adjustment is required to be made by the provisions set out in these Equity Linked Conditions in respect of any event affecting a Share Company or its Shares, or an Index or its Index Sponsor, the Issuer reserves the right not to make that adjustment if, at the time the adjustment is to be made pursuant thereto, an option on the relevant Share or Index is traded on any Futures or Options Exchange and no adjustment is made by that Futures or Options Exchange to the entitlement under that traded option in respect of that event.

4 FX Disruption Event

4.1 If “FX Disruption Event” is specified as applying in the applicable Final Terms, upon the occurrence of an FX Disruption Event, the Issuer may in its sole and absolute discretion take any one or more of the actions described below:

4.1.1 make payment of the relevant Settlement Amount and/or any other amount payable by the Issuer pursuant to the Conditions in the Specified Currency instead of the Settlement Currency the amount payable in the Specified Currency being determined by the Determination Agent in its sole and absolute discretion; or

4.1.2 deduct an amount calculated by the Determination Agent in its sole and absolute discretion as representing the applicable charge or deduction arising in connection with the FX Disruption Event from the relevant Settlement Amount and/or any other amount payable by the Issuer pursuant to the Conditions; or

4.1.3 postpone the relevant Redemption Date, Optional Cash Redemption Date, Early Cash Redemption Date, Early Cancellation Date, Exercise Cash Settlement Date, payment of the Disruption Cash Settlement Price and/or payment of any other amount payable by the Issuer pursuant to the Conditions until in the determination of the Determination Agent an FX Disruption Event is no longer subsisting.

4.2 Upon the occurrence of an FX Disruption Event, the Issuer shall give notice as soon as practicable to the Securityholders in accordance with Condition 16 of the Base Conditions stating the occurrence of the FX Disruption Event, giving details thereof and the action proposed to be taken in relation thereto.

5 Dividends and Rights Issue Provisions for Market Access Products

In the case of Share Linked Securities which are Cash Settled Securities referencing a Share, if “Market Access Dividend” and “Rights Issue Provisions” are specified as applying in the applicable Final Terms, the following provisions shall apply to such Securities:

5.1 Cash Dividends

- 5.1.1 In the event that on or after the Issue Date a Cash Dividend is declared by the Share Company, notwithstanding any provisions in these Equity Linked Conditions to the contrary, the Determination Agent shall calculate (A) the relevant Distributed Amount and (B) the relevant Expected Dividend Date.
- 5.1.2 The Issuer shall give notice to Securityholders in accordance with Condition 16 of the Base Conditions of the Cash Dividend and the Expected Dividend Date.
- 5.1.3 Subject as provided below, the Issuer shall pay to each Securityholder on the Cash Dividend Payment Date an amount equal to its *pro rata* share of the Cash Dividend Amount on the Cash Dividend Payment Date, provided that if the relevant Dividend Date has not occurred prior to the earlier of (A) the date that falls six months after the Expected Dividend Date or (B) the Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Early Physical Redemption Date, Specified Early Cash Redemption Date, Specified Early Physical Redemption Date, Early Cancellation Date, Early Physical Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable, the Issuer shall not be obliged to pay the relevant Cash Dividend Amount and the Issuer shall have no further obligation in respect thereof.
- 5.1.4 In order to receive the Cash Dividend Amount, in relation to Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), a Securityholder must deliver to the Relevant Clearing System with a copy to the Issue and Paying Agent a duly completed notice (a “**Cash Dividend Notice**”) in the applicable form set out in Schedule 9 to the Master Agency Agreement on or prior to the Cash Dividend Notice Cut-off Date. A Cash Dividend Notice may only be delivered in such manner as is acceptable to the Relevant Clearing System.
- 5.1.5 In order to receive the Cash Dividend Amount, in relation to Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, a Securityholder must deliver through computerised instruction through DTC (via its DWAC function) to the New York Agent with a copy to the Issue and Paying Agent a duly completed notice (a “**Cash Dividend Notice**”) in the applicable form set out in Schedule 9 to the Master Agency Agreement on or prior to the Cash Dividend Notice Cut-off Date.
- 5.1.6 In the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), upon receipt of a Cash Dividend Notice, the Relevant Clearing System, shall (subject to its rules and procedures) verify that the person delivering the Cash Dividend Notice is the Securityholder of the Securities described therein according to the books of the Relevant Clearing System. Subject thereto, the Relevant Clearing System will (subject to its rules and procedures) confirm to the Issue and Paying Agent the Series number and number of Securities the subject of such notice, the relevant account details and the details for the payment of the Cash Dividend Amount of each Security that is the subject of such notice. Upon receipt of such confirmation, the Issue and

Paying Agent will inform the Issuer thereof and the Issuer shall pay the relevant Cash Dividend Amount to the relevant Securityholder's account at the Relevant Clearing System specified by such Securityholder in the Cash Dividend Notice.

- 5.1.7 In the case of Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, upon receipt of a Cash Dividend Notice, the New York Agent shall verify that the person delivering the Cash Dividend Notice is the Securityholder according to the records of DTC. Subject thereto, the New York Agent shall notify the Issuer of the Series number and the number of Securities the subject of such notice, the account details and the details for the payment of the Cash Dividend Amount of each Security that is the subject of such notice and the Issuer shall pay the relevant Cash Dividend Amount to the relevant Securityholder's account at DTC specified by such Securityholder in the Cash Dividend Notice.
- 5.1.8 In the event that a Securityholder fails to deliver a duly completed Cash Dividend Notice on or prior to the Cash Dividend Notice Cut-off Date as provided above, such Securityholder's right to receive the Cash Dividend Amount in respect of its Securities shall lapse and the relevant Issuer shall have no further liability in respect thereof.
- 5.1.9 A Cash Dividend Notice may not be withdrawn after receipt thereof by the Relevant Clearing System or the New York Agent, as the case may be, and after delivery of a Cash Dividend Notice the relevant Securityholder may not transfer the Securities which are the subject of such Cash Dividend Notice until after the payment of the relevant Cash Dividend Amounts in respect of the relevant Securities.

Securityholders should note that in the event that a duly completed Cash Dividend Notice is duly delivered as provided above, the Issuer's only obligation in respect thereof is to pay the relevant Cash Dividend Amount(s) to the account (in the case of Securities represented by a Permanent Global Security, Regulation S Global Security or Rule 144A Global Security, with the Relevant Clearing System, as applicable) specified in such Cash Dividend Notice and to no other person or account.

5.2 Stock Dividends

- 5.2.1 In the event that a Stock Dividend is declared by the Share Company on or after the Issue Date, notwithstanding any provision in these Equity Linked Conditions to the contrary, the Determination Agent shall calculate (A) the relevant Share Number, (B) the relevant Ex-Dividend Date, and (C) the relevant Expected Stock Delivery Date.
- 5.2.2 The Determination Agent shall give notice to the Securityholders in accordance with Condition 16 of the Base Conditions of the Stock Dividend, the Ex-Dividend Date and the Expected Stock Delivery Date.
- 5.2.3 In the event that the Stock Delivery Date falls on or prior to the Stock Dividend Cut-off Date the Issuer shall, subject as provided below, deliver to each Securityholder, an amount of Securities equal to the New Security Amount in respect of each Security held by him as soon as practicable after the Stock Delivery Date.
- 5.2.4 In the event that the Stock Delivery Date falls after the Stock Dividend Cut-off Date, the Issuer shall, subject as provided below, pay to each Securityholder the Cash Amount in respect of each Security held by him on the Cash Amount Payment Date, provided that

if the relevant Stock Delivery Date has not occurred on or prior to the relevant Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Early Physical Redemption Date, Early Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable, the Issuer shall not be obliged to pay the relevant Cash Amount(s) and the Issuer shall have no further obligation in respect thereof.

- 5.2.5 In order to receive the New Security Amount or the Cash Amount, as the case may be, in relation to Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depository, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), a Securityholder must deliver to the Relevant Clearing System with a copy to the Issue and Paying Agent a duly completed notice (a “**Stock Dividend Notice**”) in the applicable form set out in Schedule 9 to the Master Agency Agreement on or prior to the Stock Dividend Notice Cut-off Date. A Stock Dividend Notice may only be delivered in such manner as is acceptable to the Relevant Clearing System.
- 5.2.6 In order to receive the New Security Amount or the Cash Amount, as the case may be, in relation to Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, a Securityholder must deliver through computerised instruction through DTC (via its DWAC function) to the New York Agent with a copy to the Issue and Paying Agent a duly completed notice (a “**Stock Dividend Notice**”) in the applicable form set out in Schedule 9 to the Master Agency Agreement on or prior to the Stock Dividend Notice Cut-off Date.
- 5.2.7 In the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depository, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), upon receipt of a Stock Dividend Notice, the Relevant Clearing System, as the case may be, shall (subject to its rules and procedures) verify that the person delivering the Stock Dividend Notice is the Securityholder of the Securities described therein according to the books of the Relevant Clearing System. Subject thereto, the Relevant Clearing System will (subject to its rules and procedures) confirm to the Issue and Paying Agent the Series number and number of Securities the subject of such notice, the relevant account details and the details for the delivery of the New Security Amount or payment of the Cash Amount, as the case may be, of each Security that is the subject of such notice. Upon receipt of such confirmation, the Issue and Paying Agent will inform the Issuer thereof and the Issuer shall deliver the New Security Amount to the relevant Securityholder’s securities account or pay the relevant Cash Amount to the relevant Securityholder’s cash account, as the case may be, at the Relevant Clearing System specified by such Securityholder in the Stock Dividend Notice.
- 5.2.8 In the case of Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, upon receipt of a Stock Dividend Notice, the New York Agent shall verify that the person delivering the Stock Dividend Notice is the Securityholder according to the records of DTC. Subject thereto, the New York Agent shall notify the Issuer of the Series number and the number of Securities the subject of such notice, the account details and the details for the delivery of the New Security Amount or payment of the Cash Amount, as the case may be, of each

Security that is the subject of such notice and the Issuer shall deliver the New Security Amount to the relevant Securityholder's securities account or pay the relevant Cash Amount to the relevant Securityholder's cash account at DTC specified by such Securityholder in the Stock Dividend Notice.

- 5.2.9 In the event that a Securityholder fails to deliver a Stock Dividend Notice prior to the Stock Dividend Notice Cut-off Date as provided above, such Securityholder's right to receive the New Security Amount or the Cash Amount in respect of its Securities shall lapse and the Issuer shall have no further liability in respect thereof.
- 5.2.10 A Stock Dividend Notice may not be withdrawn after receipt thereof by the Relevant Clearing System or the New York Agent, as the case may be, and after delivery of the Stock Dividend Notice the relevant Securityholder may not transfer the Securities which are the subject of such Stock Dividend Notice until after the delivery of the New Security Amounts or payment of the Cash Amounts, as the case may be, in respect of the relevant Securities.
- 5.2.11 Delivery of the New Security Amount in respect of each Security is subject to compliance with all applicable securities laws, and in the event that any such delivery of the New Security Amount would result in non compliance with any applicable securities laws, in lieu of such delivery, the Issuer shall pay to the relevant Securityholder the Cash Amount.

Securityholders should note that in the event that a duly completed Stock Dividend Notice is duly delivered as provided above, the Issuer's only obligation in respect thereof is to deliver the relevant New Security Amount(s) or to pay the relevant Cash Amount(s), as the case may be, in each case as provided above and to no other person or account.

5.3 Rights Issue

- 5.3.1 In the event that the Determination Agent determines that a Rights Issue Event has occurred on or after the Issue Date notwithstanding any provision in these Equity Linked Conditions to the contrary, the Determination Agent shall determine (A) the relevant Rights Date, (B) the relevant Ex-Rights Date, (C) the relevant Rights Share Number, (D) the relevant Subscription Price and (E) the Expected Rights Delivery Date.
- 5.3.2 The Issuer shall give notice to the Securityholders in accordance with Condition 16 of the Base Conditions of the occurrence of a Rights Issue Event, the Subscription Price and the Expected Rights Delivery Date.
- 5.3.3 In the event that the Rights Delivery Date falls on or prior to the Rights Cut-off Date, the Issuer shall, subject as provided below, deliver to each Securityholder an amount of Securities equal to the Rights Security Amount in respect of each Security held by him as soon as practicable after the Rights Delivery Date.
- 5.3.4 In the event that the Rights Delivery Date falls after the Rights Cut-off Date, the Issuer shall, subject as provided below, pay to each Securityholder the Rights Cash Amount in respect of each Security held by him on the Rights Cash Amount Payment Date, provided that if the relevant Rights Delivery Date has not occurred on or prior to the relevant Redemption Date, Optional Cash Redemption Date, Optional Physical

Redemption Date, Early Cash Redemption Date, Early Physical Redemption Date, Early Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable, the Issuer shall have no obligation to pay the relevant Rights Cash Amount(s) and the Issuer shall have no further obligation in respect thereof.

- 5.3.5 In order to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in relation to Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), a Securityholder must (A) deliver to the Relevant Clearing System with a copy to the Issue and Paying Agent a duly completed notice (a “**Common Depositary Rights Notice**”) in the applicable form set out in out in Schedule 9 to the Master Agency Agreement and (B) pay to the Issuer the relevant Rights Amount, in each case on or prior to the Rights Subscription Cut-off Date. A Rights Notice may only be delivered in such manner as is acceptable to the Relevant Clearing System.
- 5.3.6 In order to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in relation to Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, a Securityholder must (A) deliver through computerised instruction through DTC (via its DWAC function) to the New York Agent with a copy to the Issue and Paying Agent a duly completed notice (a “**DTC Rights Notice**”) in the applicable form set out in out in Schedule 9 to the Master Agency Agreement and (B) pay to the Issuer the relevant Rights Amount, in each case on or prior to the Rights Subscription Cut-off Date.
- 5.3.7 In the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), upon receipt of a Rights Notice, the Relevant Clearing System shall (subject to its rules and procedures) verify that the person delivering the Rights Notice is the Securityholder of the Securities described therein according to the books of the Relevant Clearing System. Subject thereto, the Relevant Clearing System will (subject to its rules and procedures) confirm to the Issue and Paying Agent the Series number and number of Securities the subject of such notice, the relevant account details and the details for the delivery of the Rights Security Amount or payment of the Rights Cash Amount, as the case may be, of each Security that is the subject of such notice. Upon receipt of such confirmation, the Issue and Paying Agent will inform the Issuer thereof and subject to the receipt of the relevant Rights Amount the Issuer shall deliver the Rights Security Amount to the relevant Securityholder’s securities account or pay the relevant Rights Cash Amount to the relevant Securityholder’s cash account, as the case may be, at the Relevant Clearing System specified by such Securityholder in the Rights Notice.
- 5.3.8 In the case of Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, upon receipt of a Rights Notice, the New York Agent shall verify that the person delivering the Rights Notice is the Securityholder according to the records of DTC. Subject thereto, the New York Agent shall notify the Issuer of the Series number and the number of Securities the subject of such notice, the details and the account details for the delivery of the Rights Security

Amount or payment of the Rights Cash Amount, as the case may be, of each Security that is the subject of such notice and subject to the receipt of the relevant Rights Amount the Issuer shall deliver the Rights Security Amount to the relevant Securityholder's securities account or pay the relevant Rights Cash Amount to the relevant Securityholder's cash account at DTC specified by such Securityholder in the Rights Notice.

- 5.3.9 In the event that a Securityholder fails to deliver a duly completed Rights Notice and pay the relevant Rights Amount prior to the Rights Subscription Notice Cut-off Date as provided above, such Securityholder's rights to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in respect of its Securities shall lapse and the Issuer shall have no further liability in respect thereof.
- 5.3.10 A Rights Notice may not be withdrawn after receipt thereof by the Relevant Clearing System or the New York Agent and after delivery of a Rights Notice the relevant Securityholder may not transfer the Securities which are the subject of such Rights Notice until after the delivery of the Rights Security Amounts or payment of the Rights Cash Amounts, as the case may be, in respect of the relevant Securities.
- 5.3.11 Delivery of the Rights Security Amount in respect of each Security is subject to compliance with all applicable securities laws, and in the event that any such delivery of the Rights Security Amount would result in non compliance with any applicable securities laws, in lieu of such delivery, the Issuer shall pay to the relevant Securityholder the Rights Cash Amount.

Securityholders should note that in the event that a duly completed Rights Notice is duly delivered and the relevant Rights Amount(s) are paid by or on behalf of the relevant Securityholder in each case as provided above, the Issuer's only obligation in respect of such Rights Notice is to deliver the relevant Rights Amount(s) or pay the relevant Rights Cash Amount(s) as provided above and to no other person or account.

5.4 General

- 5.4.1 Any determination as to whether a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice is duly completed and in proper form shall be made, in the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC) or, in the case of Securities represented by a Rule 144A Global Security held by a custodian on behalf of DTC, the New York Agent, in each case, in consultation with the Issue and Paying Agent, and shall be conclusive and binding on the Issuer, the Guarantor, the Agents and the relevant Securityholder. Subject as set out below, any Cash Dividend Notice, Stock Dividend Notice or Rights Notice so determined to be incomplete or not in proper form, or which is not copied to the Issue and Paying Agent immediately after being delivered or sent to the Relevant Clearing System or the New York Agent, as the case may be, as provided above, shall be null and void.
- 5.4.2 If a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice is subsequently corrected to the satisfaction of the Relevant Clearing System or the New York Agent, as the case may be, in consultation with the Issue and Paying Agent, it shall be deemed to

be a new Cash Dividend Notice, Stock Dividend Notice or Rights Notice, as the case may be, submitted at the time such correction was delivered to the Relevant Clearing System or the New York Agent, as the case may be, with a copy to the Issue and Paying Agent.

- 5.4.3 The Relevant Clearing System or the New York Agent, as the case may be, shall (subject to its rules and procedures) notify the Securityholder submitting a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice if, in consultation with the Issue and Paying Agent, it has determined that such Cash Dividend Notice, Stock Dividend Notice or Rights Notice, as the case may be, is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, (where the Issuer is BCCL) the Guarantor, the Issue and Paying Agent, the Relevant Clearing System or the New York Agent shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Securityholder.
- 5.4.4 Copies of the Cash Dividend Notice, Stock Dividend Notice and Rights Notice may be obtained during normal business hours from the specified offices of the Agents.
- 5.4.5 In the event that a Stock Dividend is declared by the Share Company as provided in Equity Linked Condition 5.2 above or the Determination Agent determines that a Rights Issue Event has occurred as provided in Equity Linked Condition 5.3 above, the Issuer shall not be bound by the provisions in the Conditions with respect to giving of notice or issuing of new Securities or payment of Cash Amount or Rights Cash Amount, as the case may be, if the Issuer determines in its sole and absolute discretion that (1) there is insufficient investment quota available to the Issuer or any of its relevant Affiliates to take up the Stock Dividend or Rights Issue or the Issuer or any of its relevant Affiliates is otherwise restricted in obtaining, holding or dealing in the Shares resulting from the Stock Dividend or Rights Issue Event, or (2) the Issuer or any of its relevant Affiliates is not given sufficient notice of the Stock Dividend or Rights Issue Event by the Share Company or any other relevant agents or intermediaries to enable the Issuer to notify the Securityholders and perform any action required in connection with such Stock Dividend or Rights Issue Event.

6 Notice of Adjustments

All determinations made by the Determination Agent pursuant to these Equity Linked Conditions shall be conclusive and binding on the Securityholders, the Guarantor (where the Securities are issued by BCCL), the Issue and Paying Agent and the Issuers, except in the case of manifest error. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 16 of the Base Conditions, provided that failure to give, or non-receipt of, such notice will not affect the validity or binding nature of such adjustment.

7 Additional Disruption Events

Each of Increased Cost of Stock Borrow, Loss of Stock Borrow, Fund Disruption Event and Insolvency Filing shall constitute Additional Disruption Events with respect to a series of Equity Linked Securities if so specified in the relevant Final Terms.

PART C – DEFINITIONS APPLICABLE TO EQUITY LINKED SECURITIES

1 Definitions Relating To Equity Linked Securities

“Announcement Date” means (A) in respect of a Merger Event or Nationalisation or Delisting, the date of the first public announcement of a firm intention, in the case of a Merger Event, to merge or to make an offer and, in the case of a Nationalisation, to nationalise (whether or not amended or on the terms originally announced) and, in the case of a Delisting, the date of the first public announcement by the Exchange that the relevant shares will cease to be listed, traded or publicly quoted, that leads to the Merger Event or the Nationalisation or Delisting, as the case may be and (B) in respect of an Insolvency, the date of the first public announcement of the termination, dissolution or institution of a proceeding, presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency, in each case as determined by the Determination Agent.

“Averaging Date” means, in respect of a Valuation Date or Actual Exercise Date (as the case may be) each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Determination Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (a) if “Omission” is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant level, price or amount provided that, if through the operation of this provision no Averaging Date would occur in respect of such Valuation Date or Actual Exercise Date, then the provisions of the definition of “Valuation Date” and these Equity Linked Conditions 1.4 or 2.6 (as applicable) will apply for purposes of determining the relevant level, price or amount on the final Averaging Date with respect to that Valuation Date or Actual Exercise Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
- (b) if “Postponement” is specified as applying in the applicable Final Terms, then the provisions of the definition of “Valuation Date” and these Equity Linked Conditions 1.4 or 2.6 (as applicable) will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (c) if “Modified Postponement” is specified as applying in the applicable Final Terms then:
 - (i) where the Securities reference a single Reference Asset, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Valuation Date or Actual Exercise Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date), and (B) the Determination Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a) of the definition of “Valuation Date” and these Equity Linked Conditions 1.4 or 2.6 (as applicable); and

- (ii) where the Securities reference a basket or portfolio of Reference Assets, the Averaging Date for each Reference Asset not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the “**Scheduled Averaging Date**”) and the Averaging Date for a Reference Asset affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Reference Asset. If the first succeeding Valid Date in relation to such Reference Asset has not occurred as of the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Valuation Date or Actual Exercise Date, then (A) that eighth Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in respect of such Reference Asset, and (B) the Determination Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (b) of the definition of “Valuation Date” and these Equity Linked Conditions 1.4 or 2.6 (as applicable),

for the purposes of this definition, “**Valid Date**” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in relation to the Valuation Date or Actual Exercise Date does not or is not deemed to occur.

“**Basket of Indices**” means, in relation to a Series of Securities, a basket composed of each Index specified in the applicable Final Terms in the relative proportions indicated in the applicable Final Terms.

“**Basket of Shares**” means, in relation to a Series of Securities, a basket composed of Shares of each Share Company specified in the applicable Final Terms in the relative proportions and numbers of Shares specified.

“**Cash Amount**” means, in respect of a Security and a Stock Dividend, an amount calculated by the Determination Agent equal to the share of (a) the market value of the Distributed Shares determined by the Determination Agent in its sole and absolute discretion less (b) Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Stock Delivery Date), as the case may be, such amount, if an FX Disruption Event has not occurred on or prior to the relevant Stock Delivery Date, to be converted into the Settlement Currency at the Dividend Exchange Rate on the Stock Delivery Date.

“**Cash Amount Payment Date**” means, in respect of a Stock Dividend, the date falling ten Business Days after the relevant Stock Delivery Date.

“**Cash Dividend**” means any cash dividend to be paid by the Share Company in respect of the Shares.

“**Cash Dividend Amount**” means, in respect of a Security, an amount calculated by the Determination Agent equal to the share of (a) the Distributed Amount less (b) Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Dividend Date), as the case may be, such amount, if an FX Disruption Event has not occurred on or prior to the relevant Dividend Date, to be converted into the Settlement Currency at the Dividend Exchange Rate on the Dividend Date.

“Cash Dividend Notice Cut-Off Date” means the day falling three Business Days prior to the Expected Dividend Date.

“Cash Dividend Payment Date” means, in respect of a Cash Dividend, the fifth Business Day following the Dividend Date in respect of such Cash Dividend.

“Component” means, in relation to an Index, any Share which comprises such Index.

“Delisting” means in respect of any Shares, that the relevant Exchange announces that pursuant to the rules of such Exchange, the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union).

“Disrupted Day” means:

- (a) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred, and
- (b) with respect to any Multi-exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index; (ii) the Related Exchange fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred.

“Distributed Amount” means, in respect of a Cash Dividend, the amount of such dividend payable by the Share Company in respect of one Share, as determined by the Determination Agent in its sole and absolute discretion.

“Distributed Shares” means the Share Number less one.

“Dividend Date” means, in respect of a Cash Dividend, the date on which such Cash Dividend would be received by a foreign investor in the Shares as determined by the Determination Agent in its sole and absolute discretion.

“Dividend Exchange Rate” means the rate specified as such in the applicable Final Terms.

“Early Closure” means:

- (a) except with respect to a Multi-exchange Index, the closure on any Exchange Business Day of the relevant Exchange (or in the case of an Index Linked Security, any relevant Exchange(s) relating to Components that comprise 20 per cent. or more of the level of the relevant Index) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or any Related Exchange(s) at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (b) the submission deadline of orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day, and
- (b) with respect to any Multi-exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular

trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

“Equity Linked Security” means a Security that is a Share Linked Security or an Index Linked Security or a combination of both.

“Exchange” means:

- (a) (i) in respect of an Index relating to Index Linked Securities other than a Multi-exchange Index, each exchange or quotation system specified as such for such Index or Indices in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Components underlying such Index or Indices has temporarily relocated provided that the Determination Agent has determined that there is comparable liquidity relative to the Components underlying such Index or Indices on such temporary substitute exchange or quotation system as on the original Exchange, and (ii) with respect to any Multi-exchange Index, and in respect of each Component, the principal stock exchange on which such Component is principally traded, as determined by the Determination Agent; and
- (b) in respect of a Share relating to Share Linked Securities, each Exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated provided that the Determination Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange.

“Exchange Business Day” means:

- (a) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which each Exchange is open for trading during its regular trading sessions, notwithstanding any such Exchange closing prior to its Scheduled Closing Time, and
- (b) with respect to a Multi-exchange Index, any Scheduled Trading Day on which: (i) the Index Sponsor publishes the level of the Index; and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or the Related Exchange closing prior to its Scheduled Closing Time.

“Exchange Disruption” means:

- (a) except with respect to a Multi-exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange (or in the case of Index Linked Securities, on any relevant Exchange(s) relating to Components that comprise 20 per cent. or more of the level of the relevant Index), or (ii) to effect transactions in, or obtain market values for, futures and options contracts relating to the Components or the relevant Index on any relevant Related Exchange, and
- (b) with respect to any Multi-exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component on the

Exchange in respect of such Component; or (ii) futures or options contracts relating to the Index on the Related Exchange.

“Ex-Dividend Date” means, in respect of a Stock Dividend, the date on which the Shares are to trade on the Exchange ex-dividend, as determined by the Determination Agent in its sole and absolute discretion.

“Exercise Business Day” means, with respect to (a) Cash Settled Securities, a day that is a Business Day and (b) Physically Delivered Securities, a day that is a Business Day and a Scheduled Trading Day.

“Expected Dividend Date” means, in respect of a Cash Dividend, the date on which such Cash Dividend is expected to be paid by the Share Company, as determined by the Determination Agent in its sole and absolute discretion.

“Expected Rights Delivery Date” means, in respect of a Rights Issue, the date on which the Share Company is expected to make delivery of the new Shares to holders of Shares pursuant to the relevant Rights Issue, as determined by the Determination Agent in its sole and absolute discretion.

“Expected Stock Delivery Date” means, in respect of a Stock Dividend, the date on which the Share Company is expected to make delivery of the Stock Dividend, as determined by the Determination Agent in its sole and absolute discretion.

“Expenses” means, in respect of a Security, all taxes, duties and/or expenses, including any applicable depository charges, transaction charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the redemption of such Security and/or delivery or transfer of the Relevant Assets.

“Ex-Rights Date” means, in respect of a Rights Issue Event, the date on which the Shares are to trade on the Exchange ex-rights, as determined by the Determination Agent.

“FX Disruption Event” means:

- (a) the determination by the Determination Agent of the occurrence of any event on or prior to the relevant Payment Date that has or would have the effect of preventing or delaying the Issuer and/or any of its Affiliates directly or indirectly from:
 - (i) converting the Specified Currency into the Settlement Currency through customary legal channels;
 - (ii) converting the Specified Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in the Specified Jurisdiction;
 - (iii) delivering the Settlement Currency from accounts inside the Specified Jurisdiction to accounts outside the Specified Jurisdiction; or
 - (iv) delivering the Specified Currency between accounts inside the Specified Jurisdiction or to a party that is a non-resident of the Specified Jurisdiction; or
- (b) the Determination Agent determines that the government of the Specified Jurisdiction has given public notice of its intention to impose any capital controls which the Determination Agent determines are likely to materially affect the Issuer’s ability to hedge its obligations with respect to the Securities or to unwind such hedge.

“Fund Disruption Event” means any of the following:

- (a) the Shares are reclassified or the Share Company is acquired by, or aggregated into, another fund, depositary bank, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement, whose mandate, risk-profile and/or benchmarks are different from the mandate, risk-profile and/or benchmark of the Share Company as stated as of the Trade Date;
- (b) there is a material change in the Share Company, the constitutional documents of the Share Company, the mandate, risk profile or investment guidelines or objectives of the Share Company as stated as of the Trade Date;
- (c) there is a material breach of the investment, borrowing or stock lending restrictions of the Share Company;
- (d) the director, trustee and/or investment manager of the Share Company, in accordance with the provisions of the constitutional documents of the Share Company, requires the Issuer to redeem or transfer such Shares held by the Issuer or its Affiliates;
- (e) the currency denomination of the Shares is amended in accordance with the constitutional documents of the Share Company;
- (f) any change in the regulatory or tax treatment applicable to the Share Company or the Shares, as applicable, which could have a negative effect on the Issuer or its Affiliates if it were the holder of such Shares;
- (g) the activities of the Share Company, the director, the trustee and/or the investment manager of the Share Company or any service provider of the Share Company is placed under review by its regulators for reasons of wrongdoing, breach of any rule or regulation or other similar reason or any disciplinary action is taken in respect of such director, trustee and/or investment manager or service provider, as the case may be, by its regulators;
- (h) a change in the national, international, financial, political, economic conditions or currency exchange rate or exchange controls;
- (i) a material change or prospective material change in the size, nature, management, frequency of trading of the Shares or any other characteristics of the Share Company;
- (j) the occurrence or existence of any event, circumstance or cause beyond the control of the Issuer that has had or would be expected to have a material adverse effect on (i) the hedge positions of the Issuer and/or its Affiliates or their ability to hedge their positions or (ii) the cost which the Issuer and/or its Affiliates incurs in hedging its position, in each case with respect to the Share Company;
- (k) in relation to the events (a) to (f) above, there is an announcement by or on behalf of the Share Company or by the Exchange that such an event will occur; or
- (l) an illegality occurs or the relevant authorisation or licence is revoked in respect of the directors, the trustee and/or the investment manager of the Share Company and/or the Share Company.

“Futures or Options Exchange” means the relevant exchange in options or futures contracts on the relevant Share or Shares or the relevant Index or Indices, as the case may be, as determined by the Determination Agent in its absolute discretion.

“Hedging Shares” means the number of Shares (in the case of Share Linked Securities) or Components comprised in an Index (in the case of Index Linked Securities) that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities.

“Increased Cost of Stock Borrow” means that the Issuer and/or any of its Affiliates would incur a rate to borrow any Share (in the case of Share Linked Securities) or any security/commodity comprised in an Index (in the case of Index Linked Securities) that is greater than the Initial Stock Loan Rate.

“Index” means an index or indices (including, but not limited to, a proprietary index created by the Issuer or an associate of the Issuer) specified in the applicable Final Terms.

“Index Linked Security” means a Security, payments or deliveries in respect of which will be contingent on and/or calculated by reference to an Index or a Basket of Indices, as the case may be, as specified in the applicable Final Terms.

“Index Sponsor” means, in relation to an Index, the corporation or entity that is responsible for setting and reviewing the rules and procedures, and the methods of calculation and adjustments, if any, related to such Index.

“Initial Stock Loan Rate” means, in respect of a Share (in the case of Share Linked Securities) or a Component comprised in an Index (in the case of Index Linked Securities), the initial stock loan rate specified in relation to such Share in the applicable Final Terms.

“Insolvency” means by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution termination or winding-up of or any analogous proceeding affecting a Share Company (i) all the Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (ii) the holders of the Shares of that Share Company become legally prohibited from transferring them or (iii) the Share Company is dissolved, terminated or ceases to exist, as the case may be.

“Insolvency Filing” means that a Share Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, or it has a resolution passed or an announcement published for its dissolution or termination, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company shall not be deemed an Insolvency Filing.

“Loss of Stock Borrow” means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Share (in the case of Share Linked Securities) or any Components comprised in an Index (in the case of Index Linked Securities) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

“Market Disruption Event” means:

- (i) except with respect to a Multi-exchange Index, the occurrence or existence of:
 - (a) a Trading Disruption which the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time;
 - (b) an Exchange Disruption, which the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time;
 - (c) an Early Closure; or
 - (d) any event, which the Determination Agent determines is material, which disrupts or impairs the ability of the Issuer or of any market participants to effect transactions in, or obtain market values for, futures, options or derivatives contracts relating to the Reference Asset (including any proprietary index created by the Issuer or an associate of the Issuer);
- (ii) with respect to a Multi-exchange Index:
 - (a) both of the following are satisfied:
 - (I) the occurrence or existence, in respect of any Component, of:
 - (A) a Trading Disruption in respect of such Component, which the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded;
 - (B) an Exchange Disruption in respect of such Component, which the Determination Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded; OR
 - (C) an Early Closure in respect of such Component; AND
 - (II) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Index; OR
- (iii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of:
 - (a) a Trading Disruption; (b) an Exchange Disruption, which in either case the Determination Agent determines is material, at any time during the one hour period that ends at the Valuation Time in respect of the Related Exchange; or (c) an Early Closure, in each case in respect of such futures or options contracts.

In addition:

(1) for the purposes of determining whether a Market Disruption Event exists in respect of an Index which is not a Multi-exchange Index at any time, if a Market Disruption Event occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of such Index shall be based in a comparison of (x) the portion of the level of such Index attributable to that security and (y) the overall level of such Index, in each case immediately before the Market Disruption Event occurred; and

(2) for the purposes of determining whether a Market Disruption Event exists in respect of an Index which is a Multi-exchange Index at any time, if a Market Disruption Event occurs in respect of a Component included in such Index at any time, then the relevant percentage contribution of that Component to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component to (y) the overall level of the Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market “opening data”.

“**Maximum Stock Loan Rate**” means, in respect of a Share (in the case of Share Linked Securities) or a Component comprised in an Index (in the case of Index Linked Securities), the rate specified as such in the applicable Final Terms.

“**Merger Date**” means, in respect of a Merger Event, the date upon which all holders of the relevant Shares (other than, in the case of a takeover offer, Shares owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Shares.

“**Merger Event**” means in respect of any relevant Shares, any:

- (a) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent. or more of such Shares outstanding;
- (b) consolidation, amalgamation, merger or binding share exchange of the Share Company with or into another entity (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Company is the continuing entity and which results in a reclassification or change of less than 20 per cent. of the relevant Shares outstanding);
- (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity for such Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent. or more of such Shares (other than such Shares owned or controlled by the offeror); or
- (d) consolidation, amalgamation, merger or binding share exchange of the Share Company or its subsidiaries with or into another entity in which the Share Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event

if, in each case, the date on which the Determination Agent determines that such event occurs is on or before, in the case of Physically Delivered Securities, the Physical Delivery Date, or in any other case, the Determination Date in respect of the relevant Security.

“**Multi-exchange Index**” means any Index specified as such in the applicable Final Terms.

“**Nationalisation**” means that all the Shares or all the assets or substantially all the assets of the Share Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

“**New Security Amount**” means, in respect of each Security, an amount of Securities calculated by the Determination Agent equal to the share of (a) the Distributed Shares less (b) Shares with a market value determined by the Determination Agent in its sole and absolute discretion on such day selected by the Determination Agent falling on or after the relevant Stock Delivery Date equal to the sum of Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Stock

Delivery Date), as the case may be, provided that where a Securityholder delivers a Stock Dividend Notice in respect of more than one Security, the New Security Amount shall be aggregated in respect of such Securities, provided further that the aggregate New Security Amounts will be rounded down to the nearest whole number and a cash adjustment (calculated by the Determination Agent in its sole and absolute discretion) shall be paid by the Issuer in lieu of the amount of Securities so rounded down.

“Number of Shares” means in the case of (i) a Share Linked Security referencing a Share, the number of Shares specified as such in the applicable Final Terms and (ii) a Share Linked Security referencing a Basket of Shares, the number of Shares of each Share Company comprised in the Basket of Securities, as specified in the applicable Final Terms.

“Payment Date” means a day on which a payment is due in respect of the Equity Linked Securities.

“Potential Adjustment Event” means any of the following:

- (a) a subdivision, consolidation or reclassification of the relevant Shares (other than a Merger Event) or a free distribution or dividend of any such Shares to existing holders of the relevant Shares by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) additional Shares, or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of dissolution, liquidation or termination of the Share Company equally or proportionately with such payments to Securityholders of such Shares, (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Company as a result of a spin-off or other similar transaction or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other) at less than the prevailing market price as determined by the Determination Agent;
- (c) an amount per Share which the Determination Agent determines should be characterised as an extraordinary dividend;
- (d) a call by the Share Company in respect of the relevant Shares that are not fully paid;
- (e) a repurchase by the Share Company or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of the Share Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrant, debt instruments or stock rights at a price below their market value, as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) any other similar event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

“Related Exchange” means, subject to the proviso below, in respect of a Reference Asset, each exchange or quotation system specified as such for such Reference Asset in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation

system to which trading in futures and options contracts relating to such Reference Asset has temporarily relocated (provided that the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Reference Asset on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however that where “All Exchanges” is specified as the Related Exchange in the applicable Final Terms, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Reference Asset.

“**Relevant Settlement Day**” means a Scheduled Trading Day.

“**Rights Amount**” means, in respect of a Security, an amount calculated by the Determination Agent equal to the product of (i) the Rights Share Number and (ii) the Subscription Price, provided that where a Securityholder delivers a Rights Notice in respect of more than one Security, the Rights Amount shall be aggregated in respect of such Securities.

“**Rights Cash Amount**” means, in respect of a Security and a Rights Issue Event, an amount calculated by the Determination Agent equal to the market value of the Rights Share Number determined by the Determination Agent in its sole and absolute discretion, less a pro rata share of Expenses, such amount, if an FX Disruption Event has not occurred on or prior to the relevant Rights Delivery Date, to be converted into the Settlement Currency at the Dividend Exchange Rate on the Rights Delivery Date.

“**Rights Cash Amount Payment Date**” means, in respect of a Rights Issue Event, the date falling ten Business Days after the relevant Rights Delivery Date.

“**Rights Cut-off Date**” means the day falling four calendar months prior to the Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Early Physical Redemption Date, Early Cancellation Date, Specified Early Cash Redemption Date, Specified Early Physical Redemption Date, Early Physical cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable.

“**Rights Date**” means, in respect of a Rights Issue Event, the date by which the relevant rights must be subscribed, as determined by the Determination Agent in its sole and absolute discretion.

“**Rights Delivery Date**” means, in respect of a Rights Issue, the date on which the Rights Amounts would be received by a foreign investor in Shares, as determined by the Determination Agent in its sole and absolute discretion.

“**Rights Issue**” means, in the determination of the Determination Agent, a rights issue (howsoever described) by the Share Company).

“**Rights Issue Event**” means, in the determination of the Determination Agent, the announcement of a Rights Issue by the Share Company.

“**Rights Notice**” means a Common Depositary Rights Notice, a DTC Rights Notice, or a Register Rights Notice.

“**Rights Security Amount**” means, in respect of each Security, an amount of Securities calculated by the Determination Agent equal to the share of (a) the Rights Share Number less (b) Shares with a market value determined by the Determination Agent in its sole and absolute discretion on such day selected by the Determination Agent falling on or after the relevant Rights Delivery Date equal to the

sum of the Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the Rights Delivery Date), as the case may be, provided that where a Securityholder delivers a Rights Notice in respect of more than one Security, the Rights Security Amount shall be aggregated in respect of such Securities, provided further that the aggregate Rights Security Amounts will be rounded down to the nearest whole number and a cash adjustment (calculated by the Determination Agent in its sole and absolute discretion) shall be paid by the Issuer in lieu of the amount of Securities so rounded down.

“Rights Share Number” means, in respect of a Rights Issue Event, the number of new Shares that a Securityholder of one Share may subscribe pursuant to the relevant Rights Issue, as determined by the Determination Agent in its sole and absolute discretion.

“Rights Subscription Cut-off Date” means a day falling ten Business Days prior to the relevant Rights Date.

“Scheduled Closing Time” means, in respect of any Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after-hours or other trading outside regular trading session hours.

“Scheduled Trading Day” means:

- (a) except with respect to a Multi-exchange Index, any day on which each Exchange and each Related Exchange are scheduled to open for trading for their respective regular trading sessions, provided that a day shall be a Scheduled Trading Day if it is known at any time before that day each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that an Exchange or Related Exchange is not scheduled to be open for trading for its regular trading session on that day; and
- (b) with respect to any Multi-exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session, provided that a day shall be a Scheduled Trading Day if it is known at any time before that day that the Related Exchange is scheduled to be open for trading for its regular trading session on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that the Related Exchange is not scheduled to be open for trading for its regular trading session on that day.

“Scheduled Valuation Date” means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

“Share” means, in relation to an Equity Linked Security, a share, a unit, a depositary receipt, an interest or an equity unit to which such Security relates.

“Share Company” means, in the case of an Equity Linked Security, the company, the depositary bank, the fund, the pooled investment vehicle, the collective investment scheme, the partnership, the trust or other legal arrangement that has issued or gave rise to the relevant Share.

“Share Linked Security” means, a Security, payments or deliveries in respect of which will be contingent on and/or calculated by reference to a Share or a Basket of Shares, as the case may be, as specified in the applicable Final Terms.

“Share Number” means, in respect of a Stock Dividend, the number of Shares that a holder of one Share would hold after such Stock Dividend, as determined by the Determination Agent in its sole and absolute discretion.

“Specified Currency” means the currency specified in the applicable Final Terms.

“Specified Jurisdiction” means the jurisdiction specified in the applicable Final Terms.

“Stock Delivery Date” means, in respect of a Stock Dividend, the date on which the Stock Dividend would be received by a foreign investor in the Shares, as determined by the Determination Agent in its sole and absolute discretion.

“Stock Dividend” means any dividend in the form of Shares to be delivered by the Share Company in respect of the Shares.

“Stock Dividend Cut-Off Date” means the day falling four calendar months prior to the Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Specified Early Physical Redemption Date, Specified Early Cash Redemption Date, Early Physical Redemption Date Early Cancellation Date, Early Physical Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable.

“Stock Dividend Notice Cut-Off Date” means the day falling 10 Business Days prior to the relevant Expected Stock Delivery Date.

“Subscription Price” means, in respect of a Rights Issue Event, an amount calculated by the Determination Agent in its sole and absolute discretion equal to the amount that a holder of a Share would have to pay to exercise its rights in respect of such Share under the relevant Rights Issue.

“Tender Offer” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent and less than 100 per cent of the outstanding voting shares of the Share Company as determined by the Determination Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant.

“Tender Offer Date” means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Determination Agent).

“Trading Disruption” means:

- (a) except with respect to a Multi-exchange Index, any suspension of, impairment of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to the Share on the Exchange, or in the case of an Index Linked Security, on any relevant Exchange(s) relating to any Component that comprise 20 per cent or more of the level of the relevant Index or Indices, or (ii) in futures or options contracts relating to the Shares or the relevant Index or Indices on any relevant Related Exchange; and
- (b) with respect to any Multi-exchange Index, any suspension of, impairment of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to any Component on the Exchange in respect of such Component; or (ii)

in futures or options contracts relating to the Index (or any Component thereof) on the Related Exchange.

For the avoidance of doubt, the following events shall be deemed to be a suspension or limitation of trading for the purposes of a Trading Disruption, as determined by the Determination Agent: (i) a price change exceeding limits set by the relevant Exchange; (ii) an imbalance of orders or (iii) a disparity in bid prices and ask prices.

“Valuation Date” means, unless otherwise specified in the applicable Final Terms, in the case of:

- (a) a particular Series of Securities that references a Share or an Index, the date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day) unless there is a Disrupted Day in respect of such Share or Index on that date in which event Equity Linked Condition 1.4 or 2.6 (as applicable) will apply; and
- (b) a particular Series of Securities that references a Basket of Shares and/or a Basket of Indices, the date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Date for a Share or an Index in such Basket of Shares or Basket of Indices (as the case may be), the date determined in the manner set out in the applicable Final Terms, or, if not set out, the next following Scheduled Trading Day for all Shares and/or Indices in such Basket of Shares and/or Basket of Indices) unless there is a Disrupted Day in respect of any relevant Share or Index on that date in which event Equity Linked Condition 1.4 or 2.6 (as applicable) will apply,

provided that in each case, where the Securities are redeemed pursuant to Condition 5, the date will be the second Business Day preceding the relevant Redemption Date, Optional Redemption Date or Early Cash Redemption Date.

“Valuation Time” means the time specified as such in the applicable Final Terms, or if no such time is specified, Scheduled Closing Time on the relevant Exchange on the Valuation Date or Averaging Date, as the case may be, in relation to each Index or Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time. In relation to a Multi-exchange Index, “Valuation Time” means (i) for the purposes of determining whether a Market Disruption Event has occurred: (a) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component, and (b) in respect of any options contracts or future contracts on the relevant Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of the relevant Index is calculated and published by the Index Sponsor.

FUND LINKED ANNEX

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PART A – DESCRIPTION AND RISK FACTORS

1 Brief description of Fund Linked Securities

Fund Linked Securities are Securities where, the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option or any other amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of one or more fund shares, interests, other units or indices (one or more components of which may reference Fund Shares over a period of time or on certain dates.

2 Risk Factors relating to Fund Linked Securities

Fund Linked Securities have a different risk profile to ordinary unsecured debt securities.

This section describes additional factors to which prospective investors should have regard when considering an investment in Fund Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

2.1 General Risks relating to Fund Linked Securities

An investment in Fund Linked Securities may bear similar market risks to a direct fund investment and prospective investors should take advice accordingly. Prospective investors in any such Fund Linked Securities should be aware that depending on the terms of the Fund Linked Securities (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest or delivery of any specified Fund Shares may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment. In addition, the movements in the price of units, shares or interests in the fund or funds may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the timing of changes in the relevant price of the units or shares in the fund or funds may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the price or prices of the units, shares or interests in the fund or funds, the greater the effect on yield.

Prospective investors should also be aware that in the event of the occurrence of one or more Extraordinary Fund Events the relevant Issuer may substitute the relevant Fund Shares with fund shares of a fund with similar characteristics or if no such fund is selected with a replacement index or redeem the Fund Linked Securities depending on whether such Extraordinary Fund Event is a Substitution Event or a Termination Event.

If the amount of principal and/or interest payable are determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the price of the Fund Shares of the Fund or Funds on principal or interest payable will be magnified.

The market price of such Fund Linked Securities may be volatile and may depend on the time remaining to the redemption date and the volatility of the price of Fund Shares in the fund or funds. The price of Fund Shares in a Fund may be affected by the economic, financial and

political events in one or more jurisdictions. In addition, the price of units or shares in a Fund may be affected by the performance of the fund service providers, and in particular the investment manager or investment adviser.

Prospective investors should review carefully the prospectus, information memorandum and/or offering circular (if any) issued by any relevant Fund before purchasing any Securities. None of the Issuer, the Guarantor (if applicable), any affiliate of the Issuer or Guarantor (if applicable) or the Determination Agent make any representation as to the creditworthiness of any relevant Fund or any such Fund's administrator, custodian, investment manager or adviser or any other Fund Service Provider.

2.2 Risks associated with Funds as Underlying Assets

Where the Fund Linked Securities reference one or more Funds, the purchasers of such Fund Linked Securities are exposed to the performance of such Fund(s). The purchasers will bear the risk that such performance cannot be predicted and purchasers should be aware that the limited availability of last sale information and quotations for such Fund(s) may make it difficult for many purchasers to obtain timely, accurate data for the price or yield of such Fund(s).

The valuation of a Fund is generally controlled by the relevant fund manager or the investment adviser (as the case may be) and the administrator of the Fund. Valuations are performed in accordance with the terms and conditions governing the Fund. Such valuations may be based upon the unaudited financial records of the Fund and any accounts pertaining thereto. Such valuations may be preliminary calculations of the net asset values of the Fund and accounts. The Fund may hold a significant number of investments which are illiquid or otherwise not actively traded and in respect of which reliable prices may be difficult to obtain. In consequence, the relevant fund manager or the investment adviser may vary certain quotations for such investments held by the Fund in order to reflect its judgment as to the fair value thereof. Therefore, valuations may be subject to subsequent adjustments upward or downward. Uncertainties as to the valuation of the Fund assets and/or accounts may have an adverse effect on the net asset value of the Fund where such judgments regarding valuations prove to be incorrect.

A Fund, and any underlying fund components in which it may invest, may utilise (inter alia) strategies such as short selling, leverage, securities lending and borrowing, investment in sub-investment grade or non-readily realisable investments, uncovered options transactions, options and futures transactions and foreign exchange transactions and the use of concentrated portfolios, each of which could, in certain circumstances, magnify adverse market developments and losses. Funds, and any underlying fund components in which it may invest, may make investments in markets that are volatile and/or illiquid and it may be difficult or costly for positions therein to be opened or liquidated. No assurance can be given relating to the present or future performance of any fund and any underlying fund component in which it may invest. The performance of each Fund and any underlying fund component in which it may invest is dependent on the performance of the fund manager in selecting underlying fund components and the management of the relevant underlying fund component. No assurance can be given that such managers will succeed in meeting the investment objectives of the Fund, that any analytical model used thereby will prove to be correct or that

any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which a Fund has or may invest will prove accurate.

Funds may be subject not only to market price fluctuations, but also to numerous other factors that may trigger the substitution of any relevant fund by other constituents (which may, or may not be, another fund). Such substitution would change the profile and composition of the Fund Linked Securities. If so specified in the applicable Final Terms, in the event of certain occurrences in respect of a Fund, including but not limited to a change in the investment manager, investment objective, strategy, policy or risk profile of a Fund or merger event, an insolvency, or a substitution event in respect of one or more of the Funds specified in the applicable Final Terms (the “Original Funds”), the Determination Agent may replace such Original Fund with an alternative investment fund (a “Replacement Fund”), but if it is unable to select a Replacement Fund and/or a date for such substitution on the terms described herein the Determination Agent may replace an Original Fund or a Replacement Fund, as applicable, with an index or a basket of indices, therefore changing the profile and composition of the Fund Linked Securities.

Investors should review the related offering documents of the Fund, including the description of risk factors contained therein, prior to making an investment decision regarding any Fund Linked Securities but neither the Issuer nor any of its affiliates takes any responsibility for the offering documents of the Fund. Such offering documents will include more complete descriptions of the risks associated with investments that the relevant Fund intends to make. Any investment decision must be based solely on information in the offering documents, this Base Prospectus, and such investigations as the investor deems necessary and consultation with the investor’s own legal, regulatory, tax, accounting and investment advisors in order to make an independent determination of the suitability and consequences of an investment in the Fund Linked Securities. Any information provided by the Issuer upon request shall not form the primary basis of any investment decision. Listed below is a summary description of certain risks to which an investor may be subject:

- 2.2.1 *Exposure to Hedge Fund Assets.* Investor returns will depend on the performance of the Fund(s), which may be mutual funds or hedge funds, to which the Fund Linked Securities are linked. There can be no assurance that the Fund will generate returns or revenues sufficient to ensure timely payment of all or any amounts due on such investments, if at all. Prospective investors should, together with their professional advisers, carefully consider, in general, the risks related to investments in hedge fund assets.
- 2.2.2 *Trading Limitations and Frequency.* Suspensions or limits for securities listed on a public exchange could render certain strategies followed by a Fund difficult to complete or continue. The frequency of a Fund’s trading may result in portfolio turn over and brokerage commissions that are greater than other investment entities of similar size.
- 2.2.3 *Fund Leverage.* Each Fund investment manager may employ leverage separate and in addition to any leverage employed by an issuer of any product or security referred to herein. The leverage used by any Fund may include the use of borrowed funds, repurchase agreements, swaps and options, as well as other derivative transactions. While such strategies and techniques may increase the opportunity to achieve higher returns on the amounts invested, they may also increase the risk of loss.

- 2.2.4 *Reliance on Trading Models.* Some of the strategies and techniques used by the investment managers of Funds employ a high degree of reliance on statistical trading models developed from historical analysis of the performance or correlations of certain companies, securities, industries, countries, or markets. There can be no assurance that historical performance that is used to determine such statistical trading models will be a good indication of future performance. If future performance or such correlations vary significantly from the assumptions in such statistical models, then the investment manager may not achieve its intended results or investment performance.
- 2.2.5 *Diversification.* Diversification through investments in a variety of Funds is intended to reduce the exposure to adverse events associated with specific companies, securities, markets, countries or strategies. However, the number of investments held by each Fund may be limited. Furthermore, each of the Funds may hold similar investments or follow similar investment strategies.
- 2.2.6 *Illiquidity of Fund Investments.* The net asset value of a Fund(s) will fluctuate with, among other changes, changes in market rates of interest, general economic conditions, economic conditions in particular industries, the condition of financial markets and the performance of fund assets. Investments in hedge fund assets will provide limited liquidity. Interests in Fund(s) are generally not freely transferable and in many cases are not registered under the Securities Act of 1933, and, therefore, may not be sold or transferred unless they are subsequently registered under the Securities Act of 1933 or an exemption from registration is available. Additionally, Funds may be subject to certain transfer restrictions, including, without limitation, the requirement to obtain the investment manager's consent (which may be given or withheld in its discretion). Furthermore, the organisational documents of a Fund typically provide that interests therein may be voluntarily redeemed only on specific dates of certain calendar months, quarters or years and only if an investor has given the requisite number of days' prior notice to the investment manager. Many Funds also reserve the right to suspend redemption rights or make in kind distributions in the event of market disruptions. A Fund is likely to retain a portion of the redemption proceeds pending the completion of the annual audit of the financial statements of such Fund, resulting in considerable delay before the full redemption proceeds are received. Such illiquidity may adversely affect the price and timing of any liquidation of a Fund investment entered into by the Issuer for the purposes of hedging that is necessary to meet the requirements of any investment guidelines or tests that the Issuer may have requested. Also, limited liquidity increases the risk that the Issuer may be unable to meet its current obligations during periods of adverse general economic conditions, and insufficient liquidity during the final liquidation of assets of the Fund may cause purchasers of Fund Linked Securities to receive any final distribution after a scheduled maturity or redemption date.
- 2.2.7 *Fund Assets and Investment Managers.* Except to the extent expressly agreed to in any Fund offering documents, if at all, neither the Issuer nor any of its affiliates will have any obligation to monitor the performance of a hedge fund or portfolio of hedge funds or the actions of any investment managers. If the Issuer acts as a hedge counterparty or leverage provider to any Fund, it will have no obligation to consider the interests of any

investor in that Fund nor any purchaser of Fund Linked Securities in connection with the actions that the Issuer may take in such capacities.

- 2.2.8 *No Performance Assurance.* None of the Issuer, nor any of its affiliates, makes any representation, assurance, or guarantee whatsoever as to any expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) to prospective investors, and no investor may rely on any such party for a determination of expected or projected success, profitability, return, performance result, effect, consequences, or benefit to such prospective investor.
- 2.2.9 *Past Performance Results may not be Indicative of Future Results.* The past performance of any Fund, portfolio or investment vehicle may not be indicative of any future results, investment performance or trends.
- 2.2.10 *Dependence on the Expertise of Key Personnel.* The performance of any Fund will depend greatly on the experience of the investment professionals associated with such Fund's investment manager, none of whom may be under any contractual obligation to continue to be associated with such Fund or investment manager for any length of time. The loss of one or more of such individuals could have a material adverse effect on the performance of such Fund.
- 2.2.11 *International Investing Involves Particular Risks.* Investing outside the United States may involve greater risk than in the United States, including, without limitation, the risks associated with less publicly available information, varying levels of governmental regulation and supervision, different clearance and settlement procedures, difficulty enforcing legal rights, and uncertainty as to the status, interpretation, and application of the laws. In certain countries there is a possibility of expropriation, nationalisation or confiscating taxation, limitation on the convertibility of currency or the removal of securities, or property or other assets of a Fund or portfolio of Funds which could have an adverse effect on the performance of a Fund or portfolio of Funds.
- 2.2.12 *Lack of Regulation.* Hedge funds are not subject to the same regulatory requirements as are mutual funds, may not be required to provide certain pricing or valuation information, may involve complex tax structures and delays in the distribution of important tax information, often charge higher fees than mutual funds that may offset the hedge funds' trading profits, may have a limited operating history and may be highly volatile.
- 2.2.13 *Extraordinary Fund Event.* The occurrence of Extraordinary Fund Events may give rise to an early redemption of the Fund Linked Securities or reduction of the Target Allocation to zero. Such Extraordinary Fund Event may result in investors receiving less than their original investment amount.
- 2.2.14 *Correlation between Fund Linked Securities and Fund Shares.* No assurance is or can be given that the value of the Fund Linked Securities will correlate with movements in the value of the Fund Shares. Prior to the Redemption Date, it may not be possible to sell the Fund Linked Securities at a price which correlates with the value of Fund Shares.

2.2.15 *Hedging Provider.* The Issuer and its affiliates may but are not obliged to hedge any Fund Linked Securities. The decision to hedge is in the sole discretion of the Issuer and its affiliates and the Issuer may commence, or once commenced, suspend or cease to hedge at any time as it may solely determine. If any Hedging Provider holds any shares, interests or units of the Fund, the Issuer may exercise its rights with respect to such shares, interests or units (including, without limitation, any voting rights) without considering and, in certain circumstances, contrary to the interests of investors of any Securities linked to such Fund. The holder of a Fund Linked Security does not have any rights or claims with respect to the Fund Shares. The Issuer, any Hedging Provider or their affiliates may have banking or other commercial relationships with the Fund or a Fund Service Provider and may engage in proprietary trading in the Fund Shares or any securities or other assets underlying such Fund Shares or options, futures, derivatives or other instruments relating to the Fund Shares or the underlying assets and securities (as applicable). Such trading and relationships may adversely affect the price of the Fund Shares and consequently, the amounts payable or deliverable under the Fund Linked Securities. Such trading may be effected at any time, including or near any Valuation Date.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED SECURITIES

The terms and conditions applicable to Fund Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Fund Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Fund Linked Conditions set out below, the Fund Linked Conditions shall prevail. In the event of any inconsistency between the (i) Base Conditions and/or the Fund Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Fund Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Fund Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.

1 Extraordinary Fund Events

“**Extraordinary Fund Event**” means, in the determination of the Determination Agent, the occurrence at any time on or after the Issue Date of any of the following events (as amended or replaced or deleted in the applicable Final Terms) or any applicable Additional Extraordinary Fund Event:

- 1.1 a Fund or a Fund Manager, or any other investment advisor or sub-manager relating to the Fund (i) is dissolved or has a resolution passed for its dissolution, winding-up or official liquidation, (ii) makes a general assignment or arrangement with or for the benefit of its creditors, (iii) institutes or has instituted against it, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, or its voluntary liquidation; (iv) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (v) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession; or (vi) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in sub-sections (i) through (v) above;
- 1.2 the commencement of any investigative, judicial, administrative or other civil or criminal proceedings or any review by any regulatory authorities to whose rules they are subject against a Fund, the investment advisor, Fund Manager or sub-manager or any key personnel of such entities, or other Fund Service Provider if such proceedings could (in the opinion of the Determination Agent) have an adverse impact on the Hedge Provider’s rights or obligations in relation to its hedging activities in respect of the Fund Linked Securities/for reasons of any alleged wrongdoing, breach of any rule or regulation or any other similar reason;
- 1.3 a Fund Service Provider, howsoever described in the Fund Documents as at the Issue Date, ceases to act in such capacity in relation to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Determination Agent;
- 1.4 any of the following:

- 1.4.1 any of the investment objectives, investment restrictions or investment process (howsoever described) of the Fund are modified from that set out in the Fund Documents as of the Issue Date except where such change is of a formal, minor or technical nature; or
- 1.4.2 a material modification of the type of assets in which the Fund invests (including but not limited to a material deviation from the investment objectives, investment restrictions or investment process (howsoever described) set out in the Fund Documents as of the Issue Date); or
- 1.4.3 any breach or violation of any strategy, investment objective or investment policy stated in the relevant Fund Documents;
- 1.5 a material modification of a Fund (including but not limited to a modification of the Fund Documents or operation, organisation or management of the Fund), or a material modification to the organisation, management or ownership of the Fund Manager, or a material modification of the method of calculating the NAV per Fund Share, or any change in the periodicity of the calculation or the publication of the NAV per Fund Share or the occurrence of any event which in the determination of the Determination Agent has or may have an adverse impact on the Fund or investors in the Fund (including, without limitation, the suspension of the NAV per Fund Share), in each case other than a modification or event which does not affect the Fund Shares or the Fund or any portfolio of assets to which the Fund Share relate (either alone or in common with other Fund Shares issued by the Fund);
- 1.6 any of the Fund Manager, or other investment advisor or sub-manager related to the Fund, the Fund Administrator or the Fund Custodian fails to provide the Determination Agent, within a reasonable time, with (i) any information that the Determination Agent has reasonably requested regarding the investment portfolio of the Fund, or (ii) the Net Asset Value calculation from the Fund Administrator within five Business Days of its scheduled date of publication (as specified in the Fund Documents or any service provider agreement);
- 1.7 (i) the occurrence of any event affecting a Fund Share that, in the determination of the Determination Agent, would make it impossible or impracticable for the Determination Agent to determine the value of the relevant Fund Share, and such event continues for at least 14 calendar days; (ii) any failure of the Fund, or its authorised representative to deliver, or cause to be delivered, (1) any information that the Fund has agreed to deliver, or cause to be delivered, to the Determination Agent or Hedge Provider, or (2) information that has previously been delivered to the Hedge Provider or the Determination Agent, as applicable, in accordance with the Fund's or its authorised representative's normal practice, and that the Hedge Provider deems necessary for it or the Determination Agent, as applicable, to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies, or any similar policies relating to the Fund Shares;
- 1.8 any of the Fund, the administrator of the Fund or any entity fulfilling such role, howsoever described in the Fund Documents, or any other party acting on behalf of the Fund fails for any reason to calculate and publish the NAV per Fund Share within the Number of NAV Publication Days following any date scheduled for the determination of the valuation of the Fund Shares unless the cause of such failure to publish is of technical nature and outside the control of the entity responsible for such publication;

- 1.9 (i) any relevant activities of or in relation to the Fund or the investment adviser, managers or sub-managers thereof are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, (ii) a relevant authorisation, registration or approval or licence is revoked, suspended, cancelled or is under review by a competent authority in respect of the Fund or the Fund Manager, or other investment advisor or sub-manager thereof, (iii) the Fund is required by a competent authority (other than any holder of the Fund Shares) to redeem any Fund Shares and/or (iv) the Issuer and/or the Hedge Provider is required by a competent authority, the Fund or any other relevant entity to dispose of or compulsorily redeem any Fund Shares held in connection with any hedging arrangements relating to the Fund Linked Securities;
- 1.10 (i) the non-execution or partial-execution by the Fund for any reason of a subscription or redemption order in respect of any Fund Shares submitted by the Hedge Provider (including, for the avoidance of any doubt, any non-execution by the Fund pending completion of its fiscal audit), if such non-execution or partial execution could in the sole determination of the Hedge Provider have an adverse impact on the Hedge Provider's rights or obligations in relation to its hedging activities in relation to the Fund Linked Securities, (ii) the Fund otherwise suspends or refuses transfers of any of its Fund Shares as described in the Fund Documents, (iii) if applicable, the Fund ceases to be an undertaking for collective investments under the relevant jurisdiction's legislation, (iv) the Fund otherwise suspends or refuses redemptions of any of its Fund Shares (including, without limitation, if the Fund applies any gating, deferral, suspension or other similar provisions permitting the Fund to delay or refuse redemption or transfer of Fund Shares) as described in the Fund Documents, (v) the Fund imposes in whole or in part any restriction (including, without limitation, any redemption in specie), charge or fee in respect of a redemption or subscription of its Fund Shares by the Issuer or the Hedge Provider or exercises its right to claw back the proceeds already paid on redeemed Fund Shares, as described in the Fund Documents, if in any case it could in the sole determination of the Hedge Provider have an adverse impact on the Hedge Provider's rights or obligations in relation to its hedging activities in relation to the Fund Linked Securities, (vi) a mandatory redemption, in whole or in part, of the Fund Shares is imposed by the Fund on any one or more holders of Fund Shares at any time for any reason or (vii) the Issuer, the Hedge Provider, or any affiliate thereof, is required by the Fund or Fund Service Provider to redeem any Fund Shares for any reason;
- 1.11 the aggregate Net Asset Value of the Fund falls below the level of the NAV Barrier;
- 1.12 any of the events set out in 1.1, 1.2 or 1.9(iii) of these Fund Linked Conditions occurs with respect to the Fund Administrator or the Fund Custodian and a replacement administrator or custodian reasonably satisfactory to the Determination Agent is not appointed within 90 calendar days following the occurrence of the relevant event;
- 1.13 the currency denomination of the Fund Shares is amended from that set out in the Fund Documents so that the net asset value per Fund Share is no longer calculated in the same currency as at the Trade Date;
- 1.14 one or more of the key individuals involved with, or having supervision over, the Fund ceases to act in such capacity, and the investment advisor or the management company or sub-

manager, as the case may be, fails to appoint a replacement having similar qualifications to those of the key individual or individuals ceasing to act;

- 1.15 one or more changes occurs in respect of the exposure of the Hedge Provider, including but not limited to the creation of a leveraged class of fund shares, which have or may have a material adverse effect on the Hedge Provider's hedging activities in respect of the Fund Linked Securities;
- 1.16 there is a change in or in the official interpretation or administration of any laws or regulations relating to taxation that has or is likely to have a material adverse effect on any hedging arrangements entered into by any Hedge Provider in respect of the Fund Linked Securities, (a "**Tax Event**") and, subject as provided below, the Issuer or the Hedge Provider has, for a period of one calendar month following the day the relevant Tax Event became known to it, used reasonable efforts to mitigate the material adverse effect of the Tax Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Issuer or the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period set out above for such mitigation shall be deemed satisfied on any date it is or becomes apparent at any time that there is no means of mitigating the Tax Event;
- 1.17 in connection with any hedging activities in relation to the Fund Linked Securities, as a result of any adoption of, or any change in, any law, order, regulation, decree or notice, howsoever described, after the Issue Date, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other relevant event (each a "Relevant Event") (i) it would become unlawful or impractical for the Issuer or the Hedge Provider to hold (including, without limitation, circumstances requiring the Hedge Provider or the Issuer to adversely modify any reserve, special deposit, or similar requirement or that would adversely affect the amount of regulatory capital that would have to be maintained in respect of any holding of Fund Shares or that would subject a holder of the Fund Shares or the Issuer to any loss), purchase or sell any Fund Shares or for the Issuer or the Hedge Provider to maintain such hedging arrangements, (ii) the cost to the Issuer or the Hedge Provider of such hedging activities would be materially increased for any reason or (iii) the Issuer and/or the Hedge Provider would be subject to a material loss and, subject as provided below, the Issuer or the Hedge Provider has, for a period of one calendar week following the day the Relevant Event became known to it, used reasonable efforts to mitigate the effect of the Relevant Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Issuer or the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period of one calendar week set out above shall be deemed satisfied on any date it is or becomes at any time apparent that there is no means of mitigating the Relevant Event;
- 1.18 any proposal to wind up the Fund or announcement by the Fund that it intends to cease operations or the Fund ceases to exist or there exists any litigation against the Fund or the, Fund Manager or any other relevant Fund Service Provider which in the determination of the Determination Agent could materially affect the value of the Fund Shares.

2 Consequences of an Extraordinary Fund Event

- 2.1 Following the occurrence of any Extraordinary Fund Event applicable to the Fund Linked Securities, including any Additional Extraordinary Fund Event specified in the applicable Final Terms, the Determination Agent may, unless otherwise specified in the applicable Final Terms, in its sole discretion, determine that such Extraordinary Fund Event has had, or can be expected to have, a material effect on the Fund Linked Securities or on the Hedge Provider or Issuer. The applicable Final Terms shall specify the action that the Determination Agent may take following such determination. Depending on the type of Fund Linked Securities, such action shall include, but is not limited to, setting the Target Allocation to Fund Units to zero (if applicable), redeeming the Fund Linked Securities in whole but not in part or substituting the Fund Shares for substitute Fund Shares. Any Early Cash Settlement Amount payable by the Issuer in respect of any such early redemption shall be determined by the Determination Agent in its sole discretion, and taking into account any fees, premiums and charges as may be specified in the applicable Final Terms.
- 2.2 Upon determining the occurrence of an Extraordinary Fund Event, the Issuer shall give notice as soon as practicable to the Securityholders in accordance with Base Condition 16, giving details of the Extraordinary Fund Event and the action to be taken in respect thereof.

3 Potential Adjustment of Index

If specified to be applicable in the applicable Final Terms, the Issuer may adjust the value of the Index and/ or the number of Fund Units comprising the Index in respect of any Calculation Date if any of the following events, which may be supplemented, amended or deleted in respect of any Series of Fund Linked Securities as set out in the applicable Final Terms, (each a “**Potential Adjustment of Index Event**”) occur:

- 3.1 an equalisation method is applied to the Fund Shares in accordance with the provisions of the Fund Documents with respect to performance or incentive fees at any time from and including the Strike Date to and including the Valuation Date;
- 3.2 any redemption or subscription order made by any holder of Fund Shares cannot be satisfied in full;
- 3.3 for any notional subscription order to, or notional redemption order from, the Fund deemed filled by the Determination Agent on any Calculation Date, the Net Asset Value used in the calculation of the value of the Index in respect of such Calculation Date differs from the actual price realised by a holder of Fund Shares subscribing or redeeming Fund Shares;
- 3.4 the Fund charges a subscription or redemption fee, howsoever characterised after the Issue Date of the Fund Linked Securities;
- 3.5 there has been a subdivision, consolidation or reclassification of the Fund Shares, or dividend payment or issue or any similar payment or issue is made to holders of such Fund Shares;
- 3.6 there is a call on or repurchase of Fund Shares by the issuer of such Fund Shares;
- 3.7 the Fund fulfils or attempts to fulfil (in whole or in part) its obligations in respect of any redemption order by effecting an in-specie redemption of Fund Shares;

- 3.8 payment from the Fund in relation to any redemption order made by any holder of Fund Shares in respect of a Dealing Date is not made in full within the number of Business Days as specified in the applicable Final Terms of the relevant Calculation Date; or
- 3.9 there is any event that may have a diluting or concentrative effect on the value of any Fund Shares.

For the avoidance of doubt, the determination of Conditions 3.1 to 3.9 of these Fund Linked Conditions shall be at the sole discretion of the Determination Agent. If an event or factual circumstance is capable of constituting either an Extraordinary Fund Event or a Potential Adjustment of Index Event, the Determination Agent acting in its sole discretion, will determine whether such event or circumstance shall constitute an Extraordinary Fund Event or a Potential Adjustment of Index Event, where applicable.

4 Fees, Premiums and Charges

The applicable Final Terms shall set out the details of any fees, premiums and charges which may be deducted from the value of the Index or any amount payable or deliverable under the Fund Linked Securities, as specified in the applicable Final Terms, at any point during the term of the Fund Linked Securities, and in particular any early close out fee resulting from any early redemption of the Fund Linked Securities.

5 Physical Settlement

Where it is specified in the applicable Final Terms that Physical Settlement shall apply to the Fund Linked Securities, the provisions relating to Physical Settlement of the Fund Linked Securities shall be as set out in the applicable Final Terms.

PART C – DEFINITIONS APPLICABLE TO FUND LINKED SECURITIES

1 Definitions Relating To Fund Linked Securities

“**Additional Extraordinary Fund Event**” has the meaning given to it in the applicable Final Terms.

“**Adjusted Redemption Date**” means the day that falls three Business Days following the date on which an actual owner of Fund Shares would have received payment in full from the Fund in respect of any redemption of holdings of Fund Shares in the Fund targeted to be effected on the Final Redemption Dealing Date provided that where the actual owner of the Fund Shares would not have received payment in full in respect of such redemption of Fund Shares in the Fund by the 180th day after the Expected Redemption Date, then the day that falls three Business Days following such day shall be deemed to be the Adjusted Redemption Date and the Determination Agent will determine the Settlement Amount in respect of such day in its sole discretion.

“**Calculation Date**” means (i) in respect of the first Calculation Date, the Strike Date, and (ii) thereafter, in respect of any Dealing Date after the Strike Date (and if the applicable Final Terms states that the Fund Linked Securities are leveraged, but excluding the Final Redemption Dealing Date), means the earlier of (a) the Business Day on which the Fund Administrator has calculated and published the Net Asset Value corresponding to such Dealing Date; and (b) the Business Day on which an estimate of the Net Asset Value corresponding to such Dealing Date is determined by the Determination Agent in accordance with the definition of Net Asset Value definition below.

If the applicable Final Terms state that the Fund Linked Securities are leveraged, the Calculation Date in respect of the Final Redemption Dealing Date shall be the Business Day on which an actual owner of Fund Shares would have received payment in full from the Fund in respect of any redemption of holdings of Fund Shares in the Fund targeted to be effected on the Final Redemption Dealing Date.

“**Dealing Date**” means any date on which Fund Shares can be purchased or redeemed (as appropriate) in accordance with the provisions of the Fund Documents.

“**Early Cash Redemption Date**” means either (i) the date on which the Fund Linked Securities are redeemed early pursuant to Condition 5.2 of the Base Conditions; or (ii) the date on which the Issuer redeems the Fund Linked Securities in accordance with Condition 3 of the Fund Linked Conditions following the occurrence of an Extraordinary Fund Event.

“**Expected Redemption Date**” shall be as specified in the applicable Final Terms.

“**FX Hedging Cost**” shall be as specified in the applicable Final Terms.

“**Final Redemption Dealing Date**” shall be as specified in the applicable Final Terms.

“**Fund**” means the Fund(s) or sub-Fund(s) as set out in the applicable Final Terms.

“**Fund Administrator**” means the administrator of the Fund, as specified in the applicable Final Terms.

“**Fund Custodian**” means the custodian of a Fund as specified in the Final Terms.

“**Fund Documents**” means, with respect to any Fund, the constitutive and governing documents, subscription agreements and other agreements of the Fund specifying the terms and conditions relating to such Fund Shares as specified in the applicable Final Terms, as amended from time to time.

“**Fund Linked Security**” means a Security where the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option or any other amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of one or more fund shares, interests, other units or indices (one or more components of which may reference fund share(s), interest(s) or units).

“**Fund Manager**” means the investment manager of the Fund, as specified in the applicable Final Terms.

“**Fund Reporting Date**” means, in respect of Fund Shares and a Calculation Date, the date on which the NAV per Fund Share is reported or published in respect of such Calculation Date.

“**Fund Service Provider**” means in respect of a Fund, any person who is appointed to provide services, directly or indirectly, to such Fund, whether or not specified in the Fund Documents, including the Investment Manager, Fund Administrator, Custodian, operator, management company, depository, sub-custodian, prime broker, trustee, registrar and transfer agent, domiciliary agent and any other person specified as such in the applicable Final Terms.

“**Fund Share**” means an interest issued to or held by an investor in a fund, pooled investment vehicle or any other interest specified as such in the applicable Final Terms, including, but not limited to, units and shares.

“**Fund Unit**” means a notional unit of the Fund with a value of 1.000000 in the currency as set out in the applicable Final Terms on the Strike Date.

“**Fund Unit Value**” means, (i) in respect of the Strike Date (“F0”), 1.000000 in the currency as set out in the applicable Final Terms; and (ii) in respect of any subsequent Calculation Date (“Ft”) the amount, rounded to six decimal places, given by:

$$F_t = F_{t-1} \times \frac{NAV_t}{NAV_{t-1}} \times \frac{1 + R_{t-1,t}^{[CCY]} \times \frac{ACT_{t-1,t}}{360}}{1 + R_{t-1,t}^{[FNDCCY]} \times \frac{ACT_{t-1,t}}{360}} \times \left(1 - FXH \times \frac{ACT_{t-1,t}}{360} \right)$$

where:

NAV_t is the Net Asset Value in respect of such Calculation Date;

NAV_{t-1} is the Net Asset Value in respect of the immediately preceding Calculation Date;

F_{t-1} is the Fund Unit Value in respect of the immediately preceding Calculation Date;

R_{t-1,t}^[CCY] is the rate for one month deposits denominated in the currency as set out in the applicable Final Terms displayed on the relevant Reuters page as set out in the applicable Final Terms at 11:00 GMT on the immediately preceding Calculation Date. If such rate was not displayed on such Calculation Date, the Determination Agent will use an alternative interest rate chosen by it in its sole discretion;

- $R_{t-1,t}^{[FNDCCY]}$ is the rate for one month deposits denominated in the currency of the Fund as set out in the applicable Final Terms displayed on the relevant Reuters page at 11:00 GMT on the immediately preceding Calculation Date. If such rate was not displayed on such Calculation Date, the Determination Agent will use an alternative interest rate chosen by it in its sole discretion;
- $ACT_{t-1,t}$ the exact number of calendar days from but excluding the immediately preceding Calculation Date to and including such Calculation Date determined by the Determination Agent; and
- FXH equals the value set out under PREMIUMS, CHARGES AND FEES as set out in the applicable Final Terms that represents the FX Hedging Cost.

For the avoidance of doubt, the Fund Unit Value shall be zero at such times and for so long as either (i) the Fund does not permit the redemption of Fund Shares or (ii) the calculation of the Net Asset Value has not been calculated and published in accordance with the Fund Documents.

“**Hedge Provider**” means the party (being, inter alia, the Issuer, the Guarantor (if applicable), the Determination Agent, an affiliate or any third party) from time to time who hedges the Issuer’s obligations in respect of the Fund Linked Securities or where no such party actually hedges such obligations, a hypothetical investor, who shall be deemed to enter into transactions as if hedging such obligations. The Hedge Provider will hold or be deemed to hold such number of Fund Shares, or enter or be deemed to enter into any agreement to purchase or deliver, or pay an amount linked to the performance of, such number of Fund Shares as it (or in the case of a hypothetical investor, the Determination Agent) considers would be held by a prudent issuer as a hedge for its exposure under the relevant Fund Linked Securities.

“**Index**” means the notional Index as set out in the applicable Final Terms.

“**Market Disruption Event**” means, notwithstanding the Base Conditions, in respect of Fund Linked Securities, if the Fund Administrator fails to calculate and publish the Net Asset Value in respect of any Dealing Date, prior to the corresponding NAV Deadline Date. Such Market Disruption Event shall be ongoing until the Fund Administrator calculates and publishes a Net Asset Value with respect to such Dealing Date or any subsequent Dealing Date.

“**Minimum Protection**” has the meaning given to it, if applicable, in the applicable Final Terms.

“**NAV Barrier**” has the meaning given to it in the applicable Final Terms.

“**NAV Deadline Date**” has the meaning given to it in the applicable Final Terms

“**NAV Reporting Date**” means, in respect of the Fund Shares and a Calculation Date, the date on which the NAV per Fund Share is reported or published in respect of such Calculation Date.

“**Net Asset Value**” or “**NAV**” means, in respect of any Dealing Date, the net asset value per Fund Share as of such Dealing Date as calculated and published by the Fund Administrator on the NAV Reporting Date, provided that if the net asset value per Fund Share in respect of any Dealing Date is not calculated and published by the Fund Administrator on or before the NAV Deadline Date, then the Determination Agent may estimate the net asset value per Fund Share, such estimate, if any, shall be deemed to be the Net Asset Value in respect of such Dealing Date.

“Number of NAV Publication Days” means the number of calendar days specified in the applicable Final Terms, being the maximum number of days after the due date for publication or reporting of the NAV per Fund Share after which the Fund Administrator or any other Fund Service Provider fulfilling such role, howsoever described in the Fund Documents, or any other party acting on behalf of the Fund, may remedy any failure to publish or report the NAV per Fund Share before the Determination Agent may determine that an Extraordinary Fund Event has occurred.

“Redemption Amount” means, unless otherwise set out in the applicable Final Terms, the Specified Denomination or Calculation Amount per Security (determined as at the Redemption Date) x IndexT x Minimum Protection (if applicable), where IndexT is the value of the Index on the Valuation Date.

“Redemption Date” means the later of the Expected Redemption Date and the Adjusted Redemption Date.

“Relevant Settlement Day” means a Dealing Date or such other date specified as such in the applicable Final Terms.

“Strike Date” has the meaning given to it in the applicable Final Terms.

“Target Allocation” has the meaning given to it in the applicable Final Terms.

“Valuation Date” means the Calculation Date in respect of the Final Redemption Dealing Date.

FX LINKED ANNEX

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PART A – DESCRIPTION AND RISK FACTORS

1 Brief description of FX Linked Securities

FX Linked Securities are Securities where (i) in relation to Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option; or (ii) in relation to Exercisable Certificates and Warrants, the exercise of the such Securities or the amount payable or deliverable on exercise; or (iii) any additional amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of one or more currency rates or the value or level derived from a formula or index relating to one or more currency rates or a combination thereof.

2 Risk Factors relating to FX Linked Securities

FX Linked Securities have a different risk profile to ordinary unsecured debt securities. This section describes additional factors prospective investors should have regard to when considering an investment in FX Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

Fluctuations in exchange rates of the relevant currency (or basket of currencies) will affect the value of FX Linked Securities. Furthermore, investors who intend to convert gains or losses from the redemption, exercise or sale of FX Linked Securities into their home currency may be affected by fluctuations in exchange rates between their home currency and the relevant currency (or basket of currencies). Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value of a currency (or basket of currencies), regardless of other market forces. Purchasers of some FX Linked Securities risk losing their entire investment if exchange rates of the relevant currency (or basket of currencies) move sufficiently in an unanticipated direction.

Where the FX Linked Securities are denominated in an emerging market currency or linked to one or more emerging market currencies, such emerging market currencies can be significantly more volatile than currencies of more developed markets. Emerging market currencies are highly exposed to the risk of a currency crisis happening in the future and this could trigger the need for the Determination Agent to make adjustments to the terms and conditions of the Securities.

Governments have imposed from time to time, and may in the future impose, exchange controls that could also affect the availability of a relevant currency. Even if there are no actual exchange controls, it is possible that a relevant currency would not be available when payments on the relevant FX Linked Security are due.

If additional certificates, warrants, securities or options relating to particular currencies or particular currency indices are subsequently issued, the supply of certificates, warrants, securities and options relating to such non-US currencies or currency indices, as applicable, in the market will increase, would cause the price at which the relevant Securities and such other certificates, warrants, securities or options trade in the secondary market to decline significantly.

Prospective investors are referred to the definition of “FX Disruption Events” in FX Linked Condition 5.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR FX LINKED SECURITIES

The terms and conditions applicable to FX Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “FX Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the FX Linked Conditions set out below, the FX Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the FX Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This FX Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be FX Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.

1 Calculation of FX Linked Amounts

Any FX Linked Amounts payable in respect of a FX Linked Security will be calculated by reference to (as further described in the applicable Final Terms):

- (a) one or more FX Rates (which may include, without limitation, a basket of FX Rates and/or one or more Currency Pairs); and/or
- (b) a formula or index based upon or involving one or more FX Rates; and/or
- (c) a product or transaction which is in whole or in part based on or linked to any of the above.

2 Consequences of the occurrence of FX Disruption Events

If:

- (a) one or more Mandatory FX Disruption Events occurs at any time and is continuing; and/or
- (b) one or more Elective FX Disruption Events are specified as applying in the applicable Final Terms to a FX Linked Security and any such Elective FX Disruption Event occurs at any time and is continuing,

the Issuer may in its sole and absolute discretion take any one or more of the following actions:

- (i) deduct from the relevant Settlement Amount and/or any other FX Linked Amount(s) an amount calculated by the Determination Agent as representing a cost, expense, charge and/or deduction arising in connection with such FX Disruption Event(s); and/or
- (ii) adjust any Valuation Date, Averaging Date, Interest Payment Date, Exercise Date, Expiration Date, Redemption Date, Optional Cash Redemption Date, Early Cash Redemption Date, Early Cancellation Date, Specified Early Cash Redemption Date, Exercise Cash Settlement Date, Rate Calculation Date and/or payment of the relevant Settlement Amount and/or any other FX Linked Amount(s); and/or
- (iii) (in the case of a Price Source Disruption) specify and adopt:
 - (l) an appropriate alternate fallback or alternative price or rate source or method of determination selected by the Determination Agent at its sole discretion (which may (or

may not) be by reference to dealer poll or such other publication page or service as may replace the relevant page or service for the purpose of displaying a currency exchange rate comparable or equivalent to the relevant FX Rate); or

- (II) a replacement Settlement Currency or Reference Currency; and/or
- (iv) treat the relevant FX Disruption Event(s) as if an Additional Disruption Event had occurred in respect of the FX Linked Security for the purposes of exercising any applicable rights under the Base Conditions (including, without limitation, exercising the cancellation or adjustment rights in Conditions 5.4 or 6.2 of the Base Conditions).

3 FX Rate Sources

Where any of the following FX Rate source references are specified in the applicable Final Terms, they shall have the meaning prescribed below:

3.1 Currencies

- (i) **Argentine Peso.** “Argentine Peso” and “ARS” each means the lawful currency of the Argentine Republic.
- (ii) **Australian Dollar.** “Australian Dollar”, “A\$” and “AUD” each means the lawful currency of the Commonwealth of Australia.
- (iii) **Brazilian Real.** “Brazilian Real”, “Brazilian Reais” and “BRL” each means the lawful currency of the Federative Republic of Brazil.
- (iv) **Bulgarian Lev.** “Bulgarian Lev” and “BGL” each means the lawful currency of the Republic of Bulgaria.
- (v) **Canadian Dollar.** “Canadian Dollar”, “C\$” and “CAD” each means the lawful currency of Canada.
- (vi) **Chilean Peso.** “Chilean Peso” and “CLP” each means the lawful currency of the Republic of Chile.
- (vii) **Chinese Renminbi.** “Chinese Renminbi”, “CNY” and “RMB” each means the lawful currency of the People’s Republic of China.
- (viii) **Colombian Peso.** “Colombian Peso” and “COP” each means the lawful currency of the Republic of Colombia.
- (ix) **Croatian Kuna.** “Croatian Kuna” and “HRK” each means the lawful currency of the Republic of Croatia.
- (x) **Czech Koruna.** “Czech Koruna” and “CZK” each means the lawful currency of the Czech Republic.
- (xi) **Danish Krone.** “Danish Krone”, “Dkr” and “DKK” each means the lawful currency of the Kingdom of Denmark.
- (xii) **Ecuadorian Sucre.** “Ecuadorian Sucre” and “ECS” each means the lawful currency of the Republic of Ecuador.

- (xiii) **Egyptian Pound.** “Egyptian Pound” and “EGP” each means the lawful currency of the Arab Republic of Egypt.
- (xiv) **Estonian Kroon.** “Estonian Kroon” and “EEK” each means the lawful currency of the Republic of Estonia.
- (xv) **Euro.** “Euro”, “euro” and “EUR” each means the lawful currency of the participating member states of the European Union adopted in accordance with the Treaty establishing the European Communities, as amended by the Treaty on European Union.
- (xvi) **Hong Kong Dollar.** “Hong Kong Dollar”, “HK\$” and “HKD” each means the lawful currency of Hong Kong.
- (xvii) **Hungarian Forint.** “Hungarian Forint” and “HUF” each means the lawful currency of the Republic of Hungary.
- (xviii) **Indian Rupee.** “Indian Rupee” and “INR” each means the lawful currency of the Republic of India.
- (xix) **Indonesian Rupiah.** “Indonesian Rupiah” and “IDR” each means the lawful currency of the Republic of Indonesia.
- (xx) **Israeli Shekel.** “Israeli Shekel” and “ILS” each means the lawful currency of the State of Israel.
- (xxi) **Kazakhstan Tenge.** “Kazakhstan Tenge”, “Tenge” and “KZT” each means the lawful currency of the Republic of Kazakhstan.
- (xxii) **Kenyan Shilling.** “Kenyan Shilling” and “KES” each means the lawful currency of the Republic of Kenya.
- (xxiii) **Korean Won.** “Korean Won” and “KRW” each means the lawful currency of the Republic of Korea.
- (xxiv) **Kuwaiti Dinar.** “Kuwaiti Dinar” and “KWD” each means the lawful currency of the State of Kuwait.
- (xxv) **Latvian Lats.** “Latvian Lats” and “LVL” each means the lawful currency of the Republic of Latvia.
- (xxvi) **Lebanese Pound.** “Lebanese Pound” and “LBP” each means the lawful currency of the Republic of Lebanon.
- (xxvii) **Lithuanian Litas.** “Lithuanian Litas” and “LTL” each means the lawful currency of the Republic of Lithuania.
- (xxviii) **Malaysian Ringgit.** “Malaysian Ringgit” and “M5YR” each means the lawful currency of the Federation of Malaysia.
- (xxix) **Mexican Peso.** “Mexican Peso”, “MXN” and “MXP” each means the lawful currency of the United Mexican States.
- (xxx) **Moroccan Dirham.** “Moroccan Dirham” and “MAD” each means the lawful currency of the Kingdom of Morocco.

- (xxxix) **New Zealand Dollar.** “New Zealand Dollar”, “NZ\$” and “NZD” each means the lawful currency of New Zealand.
- (xxxii) **Krone.** “Norwegian Krone”, “Nkr” and “NOK” each means the lawful currency of the Kingdom of Norway.
- (xxxiii) **Pakistani Rupee.** “Pakistani Rupee” and “PKR” each means the lawful currency of the Islamic Republic of Pakistan.
- (xxxiv) **Peruvian Sol.** “Peruvian Nuevo Sol”, “Peruvian Sol” and “PEN” each means the lawful currency of the Republic of Peru.
- (xxxv) **Philippine Peso.** “Philippine Peso” and “PHP” each means the lawful currency of the Republic of the Philippines.
- (xxxvi) **Polish Zloty.** “Polish Zloty”, “PLN” and “PLZ” each means the lawful currency of the Republic of Poland.
- (xxxvii) **Romanian Leu.** “Romanian Leu”, “ROL” and “RON” each means the lawful currency of Romania.
- (xxxviii) **Russian Ruble.** “Russian Ruble”, “Russian Rouble”, “RUR” and “RUB” each means the lawful currency of the Russian Federation.
- (xxxix) **Saudi Arabian Riyal.** “Saudi Arabian Riyal”, “Saudi Arabian Rial” and “SAR” each means the lawful currency of the Kingdom of Saudi Arabia.
- (xl) **Singapore Dollar.** “Singapore Dollar”, “S\$” and “SGD” each means the lawful currency of the Republic of Singapore.
- (xli) **South African Rand.** “South African Rand”, “Rand”, “R” and “ZAR” each means the lawful currency of the Republic of South Africa.
- (xlii) **Sri Lankan Rupee.** “Sri Lankan Rupee” and “LKR” each means the lawful currency of the Democratic Socialist Republic of Sri Lanka.
- (xliii) **Sterling.** “Sterling”, “£”, “GBP” and “STG” each means the lawful currency of the United Kingdom.
- (xliv) **Swedish Krona.** “Swedish Krona”, “Skr” and “SEK” each means the lawful currency of the Kingdom of Sweden.
- (xlv) **Swiss Franc.** “Swiss Franc”, “Sfr”, “CHF” and “SWF” each means the lawful currency of Switzerland.
- (xlvi) **Taiwanese Dollar.** “Taiwanese Dollar”, “New Taiwanese Dollar” and “TWD” each means the lawful currency of the Republic of China.
- (xlvii) **Thai Baht.** “Thai Baht” and “THB” each means the lawful currency of the Kingdom of Thailand.
- (xlviii) **Turkish Lira.** “Turkish Lira”, “TRY” and “TRL” each means the lawful currency of the Republic of Turkey.
- (xlix) **Ukrainian Hryvnia.** “Ukrainian Hryvnia” and “UAH” each means the lawful currency of the Republic of Ukraine.

- (i) **U.S. Dollar.** “U.S. Dollar”, “Dollar”, “U.S.\$”, “\$” and “USD” each means the lawful currency of the United States of America.
- (ii) **Venezuelan Bolivar.** “Venezuelan Bolivar”, “Venezuelan Bolivar Fuerte” and “VEF” each means the lawful currency of the Bolivarian Republic of Venezuela.
- (iii) **Vietnamese Dong.** “Vietnamese Dong” and “VND” each means the lawful currency of the Socialist Republic of Vietnam.
- (iiii) **Yen.** “Yen”, “¥” and “JPY” each means the lawful currency of Japan.

Unless otherwise specified in the applicable Final Terms, each currency with respect to a particular country defined in this FX Linked Condition 3.1 will be deemed to include any lawful successor currency (the “**Successor Currency**”) of that country. If, after the Trade Date and on or before any relevant Valuation Date, Averaging Date, Interest Payment Date, Exercise Date, Expiration Date, Redemption Date, Optional Cash Redemption Date, Early Cash Redemption Date, Specified Early Cash Redemption Date, Early Cancellation Date or Exercise Cash Settlement Date, as the case may be, of a FX Linked Security, a country has lawfully eliminated, converted, redenominated or exchanged its currency in effect on such Trade Date or any Successor Currency, as the case may be (the “Original Currency”), for a Successor Currency, then for purposes of calculating any amounts of such currency in respect of an FX Linked Security, and for purposes of effecting settlement thereof, any Original Currency amounts will be converted to the Successor Currency by multiplying the amount of Original Currency by a ratio of Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by such country for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place as determined by the Determination Agent. If there is more than one such date, the date closest to the relevant Valuation Date, Averaging Date, Interest Payment Date, Exercise Date, Expiration Date, Redemption Date, Optional Cash Redemption Date, Early Cash Redemption Date, Specified Early Cash Redemption Date, Early Cancellation Date or Exercise Cash Settlement Date, as the case may be, will be selected. Notwithstanding the foregoing provisions, and subject to any alternative determination by the Determination Agent, with respect to any currency that is substituted or replaced by the euro, the consequences of such substitution or replacement will be determined in accordance with applicable law.

3.2 Principal Financial Centre

Unless otherwise specified in the applicable Final Terms, the principal financial centre (the “**Principal Financial Centre**”) with respect to each currency defined in this FX Linked Condition 3.2 is the financial centre or centres indicated below with respect to such currency:

Currency	Financial Centre(s)
Argentine Peso	Buenos Aires
Australian Dollar	Sydney and Melbourne
Brazilian Real Brasilia	Rio de Janeiro or São Paulo
Bulgarian Lev	Sofia
Canadian Dollar	Toronto

Currency	Financial Centre(s)
Chilean Peso	Santiago
Chinese Renminbi	Beijing
Colombian Peso	Bogota
Croatian Kuna	Zagreb
Czech Koruna	Prague
Danish Krone	Copenhagen
Ecuadorian Sucre	Guayaquil
Egyptian Pound	Cairo
Estonian Kroon	Tallinn
Hong Kong Dollar	Hong Kong
Hungarian Forint	Budapest
Indian Rupee	Mumbai
Indonesian Rupiah	Jakarta
Israeli Shekel	Tel Aviv
Kazakhstan Tenge	Almaty
Kenyan Shilling	Nairobi
Korean Won	Seoul
Kuwaiti Dinar	Kuwait City
Latvian Lats	Riga
Lebanese Pound	Beirut
Lithuanian Litas	Vilnius
Malaysian Ringgit	Kuala Lumpur
Mexican Peso	Mexico City
Moroccan Dirham	Rabat
New Zealand Dollar	Wellington and Auckland
Norwegian Krone	Oslo
Pakistani Rupee	Karachi
Peruvian Sol	Lima
Philippine Peso	Manila
Polish Zloty	Warsaw
Romanian Leu	Bucharest
Russian Ruble	Moscow
Saudi Arabian Riyal	Riyadh
Singapore Dollar	Singapore
South African Rand	Johannesburg

Currency	Financial Centre(s)
Sri Lankan Rupee	Colombo
Sterling	London
Swedish Krona	Stockholm
Swiss Franc	Zurich
Taiwanese Dollar	Taipei
Thai Baht	Bangkok
Turkish Lira	Ankara
Ukrainian Hryvnia	Kiev
U.S. Dollar	New York
Venezuelan Bolivar	Caracas
Vietnamese Dong	Hanoi
Yen	Tokyo

3.3 Corrections to Published and Displayed Rates

For purposes of determining a Spot Rate for any Rate Calculation Date:

- (a) In any case where the Spot Rate is based on information obtained from the Reuter Monitor Money Rates Service, the Spot Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source.
- (b) Notwithstanding paragraph (a) above, in any case where the Spot Rate for a Rate Calculation Date is based on information published or announced by any Governmental Authority in the relevant country, the Spot Rate will be subject to the corrections, if any, to that information subsequently published or announced by that source within five days of the Rate Calculation Date.
- (c) In the event that the Determination Agent identifies any correction referred to in paragraph (a) or (b) above no later than five days after the expiration of the period referred to in such subsection, if applicable an appropriate amount will be payable by the Issuer or the Securityholder (as appropriate) as a result of such correction (whether such correction is made or such notice is given before or after the relevant Redemption Date, Early Cash Redemption Date, Optional Cash Redemption Date, Specified Early Cash Redemption Date, Early Cancellation Date, Exercise Date or Exercise Cash Settlement Date, as applicable, of the Security), together with interest on that amount at a rate per annum equal to the cost (as determined by the Determination Agent) to the Issuer or the Securityholder (as applicable) of funding that amount for the period from, and including, the day on which, based on such correction, a payment in the incorrect amount was first made to, but excluding, the day of payment of the refund or payment resulting from such correction.

4 Averaging

If “Averaging Dates” are specified in the applicable Final Terms, then for the purposes of determining the FX Rate in relation to a Valuation Date, the FX Rate will be the arithmetic mean of the FX Rates on each specified Averaging Date (or, if different, the day on which rates for each Averaging Date would, in the ordinary course, be published or announced by the relevant price source).

PART C – DEFINITIONS AND INTERPRETATIONS APPLICABLE TO FX LINKED SECURITIES

1 Certain general definitions relating to FX Linked Securities

“**Averaging Date**” means in respect of a Valuation Date, each date specified as such or otherwise determined as provided in the applicable Final Terms, subject to adjustment in accordance with the Preceding Business Day Convention unless another Business Day Convention is specified to be applicable to that Averaging Date.

“**Benchmark Obligation**” means the benchmark obligation specified in the applicable Final Terms.

“**Currency Pair**” means in respect of any FX Linked Security, the Settlement Currency and the Reference Currency.

“**CURRENCY-WHOLESALE MARKET**” or “**CURA5**” each means that the Spot Rate for a Rate Calculation Date will be determined by the Determination Agent on the basis of that day’s Specified Rate, expressed as the amount of Reference Currency per one unit of Settlement Currency, in a legal and customary wholesale market in which there is no, or minimal, Governmental Authority controls or interference, except as a participant in such market.

“**Elective FX Disruption Event**” means the occurrence (in the determination of the Determination Agent) of any of the following events:

- (a) **Benchmark Obligation Default:** With respect to any Benchmark Obligation, the occurrence of an event of default or other similar condition or event (however described) including, but not limited to:
 - (i) the failure of timely payment in full of any principal, interest or other amounts due (without giving effect to any applicable grace periods) in respect of such Benchmark Obligation;
 - (ii) a declared moratorium, standstill, waiver, deferral, repudiation or rescheduling of any principal, interest or other amounts due in respect of such Benchmark Obligation; or
 - (iii) the amendment or modification of the terms and conditions of payment of any principal, interest or other amounts due in respect of such Benchmark Obligation without the consent of all holders of such Benchmark Obligation.

The determination of the existence or occurrence of any default, event of default or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of the relevant entity to issue or enter into such Benchmark Obligation;

- (b) **Price Materiality:** The Primary Rate differs from the Secondary Rate by at least the Price Materiality Percentage; and/or
- (c) **Other:** Any additional FX Disruption Event(s) specified as such in the applicable Final Terms.

“**FX Disruption Event**” means an Elective FX Disruption Event or a Mandatory FX Disruption Event or such other event specified as such in the applicable Final Terms.

“**FX Linked Amount(s)**” means any amount(s) payable in respect of a FX Linked Security.

“**FX Linked Security**” means any Security specified as such in the applicable Final Terms.

“**FX Rate**” means each rate specified as such in the applicable Final Terms which, unless otherwise specified in such Final Terms, shall be the exchange rate of one currency for another currency expressed as a number of units of Reference Currency per one unit of Settlement Currency (the specified Reference Currency and Settlement Currency being the two currencies within a relevant Currency Pair).

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

“**Mandatory FX Disruption Event(s)**” means the occurrence (in the sole determination of the Determination Agent) of any of the following events:

- (a) **Currency Replacement:** A relevant currency ceases to exist and is replaced by a new currency;
- (b) **Dual Exchange Rate:** A relevant FX Rate splits into dual or multiple currency exchange rates;
- (c) **Governmental Authority Event:** A Governmental Authority of a relevant jurisdiction has given public notice of its intention to impose any controls which are likely to materially affect the Issuer’s ability to hedge its obligations with respect to the FX Linked Security or to unwind any such hedge;
- (d) **Illiquidity:** It is or becomes or is likely to become impossible or impracticable for the Issuer to obtain any currency or obtain or use an FX Rate in an appropriate amount;
- (e) **Inconvertibility:** The occurrence of any event that makes it or is likely to make it impossible and/or impracticable for the Issuer to convert one relevant currency into another through customary legal channels (including, without limitation, any event that has the direct or indirect effect of hindering, limiting or restricting convertibility by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions on repatriation of one currency into another currency);
- (f) **Non-Transferability:** The occurrence of any event in or affecting any relevant jurisdiction that makes it or is likely to make it impossible and/or impracticable for the Issuer to deliver the Settlement Currency or any other relevant currency into a relevant account; and/or
- (g) **Price Source Disruption:** It becomes impossible or impracticable to obtain an FX Rate on or in respect of a Valuation Date or Averaging Date (or, if different, the day on which rates for that Valuation Date or Averaging Date would, in the ordinary course, be published or announced by the relevant price source).

“**Price Materiality Percentage**” means the percentage specified as such in the applicable Final Terms.

“**Primary Rate**” means the FX Rate specified as such in the applicable Final Terms.

“**Rate**” has the same meaning as “FX Rate” for the purposes of these FX Linked Conditions any FX Linked Security.

“Rate Calculation Date” means any Valuation Date, any Averaging Date or any other date specified as such in the applicable Final Terms.

“Reference Currency” means the currency other than the Settlement Currency in a Currency Pair, unless otherwise specified in the applicable Final Terms.

“Reuters Screen” means when used in connection with any designated page, the display page so designated on the Reuter Monitor Money Rates Service (or any successor service thereof), or such other page as may replace that page on that service.

“Secondary Rate” means the FX Rate specified as such in the applicable Final Terms.

“Specified Rate” means any of the following rates, as specified in the applicable Final Terms: (i) the Reference Currency bid exchange rate, (ii) the Reference Currency offer exchange rate, (iii) the average of the Reference Currency bid and offer exchange rates, (iv) the Settlement Currency bid exchange rate, (v) the Settlement Currency offer exchange rate, (vi) the average of the Settlement Currency bid and offer exchange rates, (vii) the official fixing rate or (viii) any other exchange rate specified in the applicable Final Terms. If no such rate is specified, the Specified Rate will be deemed to be the average of the Reference Currency bid and offer rates.

“Specified Time” means the time specified as such in the applicable Final Terms.

“Spot Rate” means an FX Rate determined in accordance with these FX Linked Conditions unless otherwise specified in the applicable Final Terms.

“Telerate” means the display page so designated on the Dow Jones Telerate Service (or any successor service thereof), or such other page as may replace that page on that service.

2 FX Rates

2.1 Asia/Southeast Asia

2.1.1 Chinese Renminbi

- (i) “CNY SAEC” or “CNY01” each means that the Spot Rate for a Rate Calculation Date will be the Chinese Renminbi/U.S. Dollar official fixing rate, expressed as the amount of Chinese Renminbi per one U.S. Dollar, for settlement in two Business Days reported by the People’s Bank of China, Beijing, People’s Republic of China, which appears on the Reuters Screen “SAEC” Page opposite the symbol “USD/CNY=” at approximately 5:00 p.m., Beijing time, on that Rate Calculation Date.
- (ii) “SFEMC CNY INDICATIVE SURVEY RATE” or “CNY02” each means that the Spot Rate for a Rate Calculation Date will be the Chinese Renminbi/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Chinese Renminbi per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website (www.sfemc.org) at approximately 3:30 p.m. (Singapore time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC CNY Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from

time to time, for a centralised industry -wide survey of financial institutions that are active participants in the Chinese Renminbi/U.S. Dollar markets for the purpose of determining the SFEMC CNY Indicative Survey Rate).

2.1.2 Indian Rupee

- (i) “INR RBIB” or “INR01” each means that the Spot Rate for a Rate Calculation Date will be the Indian Rupee/U.S. Dollar reference rate, expressed as the amount of Indian Rupee per one U.S. Dollar, for settlement in two Business Days reported by the Reserve Bank of India which appears on the Reuters Screen RBIB Page at approximately 12:30 p.m., Mumbai time, or as soon thereafter as practicable, on that Rate Calculation Date.
- (ii) “SFEMC INR INDICATIVE SURVEY RATE” or “INR02” each means that the Spot Rate for a Rate Calculation Date will be the Indian Rupee/U.S. Dollar Annex A Compendium 10 Specified Rate for U.S. Dollars, expressed as the amount of Indian Rupee per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website (www.sfemc.org) at approximately 3:30 p.m. (Singapore time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC INR Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry -wide survey of financial institutions that are active participants in the Indian Rupee/U.S. Dollar markets for the purpose of determining the SFEMC INR Indicative Survey Rate).

2.1.3 Korean Won

- (i) “KRW KFTC18” or “KRW02” each means that the Spot Rate for a Rate Calculation Date will be the Korean Won/U.S. Dollar market average rate, expressed as the amount of Korean Won per one U.S. Dollar, for settlement in two Business Days reported by the Korea Financial Telecommunications and Clearing Corporation which appears on the Reuters Screen KFTC18 Page to the right of the caption “USD Today” that is available at approximately 3:30 p.m., Seoul time, on the Rate Calculation Date or as soon thereafter as practicable.
- (ii) “KRW TELERATE 45644” or “KRW03” each means that the Spot Rate for a Rate Calculation Date will be the Korean Won/U.S. Dollar market average rate, expressed as the amount of Korean Won per one U.S. Dollar, for settlement in two Business Days reported by the Korea Financial Telecommunications and Clearing Corporation which appears on Telerate Page 45644 to the right of the caption “USD Today” that is available at approximately 3:30 p.m., Seoul time, on the Rate Calculation Date or as soon thereafter as practicable.
- (iii) “SFEMC KRW INDICATIVE SURVEY RATE” or “KRW04” each means that the Spot Rate for a Rate Calculation Date will be the Korean Won/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Korean Won per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be

calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC KRW Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry -wide survey of financial institutions that are active participants in the Korean Won/U.S. Dollar markets for the purpose of determining the SFEMC KRW Indicative Survey Rate).

2.1.4 Philippine Peso

- (i) “PHP PHPESO” or “PHP01” each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing system which appears on the Reuters Screen PHPESO Page to the right of the caption “AM WT AVE” at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.
- (ii) “PHP TELERATE 2920” or “PHP02” each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing System which appears on the Telerate Page 2920 to the right of the caption “AM WT AVE” at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.
- (iii) “PHP TELERATE 15439” or “PHP03” each means that the Spot Rate for a Rate Calculation date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in on Business Day reported by the Philippine Dealing System which appears on the Telerate Page 15439 to the right of the caption “AM WT AVE” at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.
- (iv) “PHP PHPES01” or “PHP04” each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing System which appears on the Reuters Screen PHPES01 Page to the right of the caption “AM WT AVE” at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.
- (v) “SFEMC PHP INDICATIVE SURVEY RATE” or “PHP05” each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day, as published on SFEMC’s website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC PHP Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to

time, for a centralised industry -wide survey of financial institutions that are active participants in the Philippine Peso/U.S. Dollar markets for the purpose of determining the SFEMC PHP Indicative Survey Rate).

- (vi) “PHP PDSPESO” or “PHP06” each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing System PDEX which appears on the Reuters Screen PDSPESO Page to the right of the caption “AM WT AVE” at approximately 11:30 a.m., Manila time, or as soon thereafter as practicable, on that Rate Calculation Date.

2.1.5 Taiwanese Dollar

- (i) “TWD TELERATE 6161” or “TWD01” each mean that the Spot Rate for a Rate Calculation Date will be the Taiwanese Dollar/U.S. Dollar spot rate, expressed as the amount of Taiwanese Dollars per one U.S. Dollar, for settlement in two Business Days, reported by the Taipei Forex Inc. which appears on the Telerate Page 6161 under the heading “Spot” as of 11:00 a.m., Taipei time, on that Rate Calculation Date, or if no rate appears as of 11:00 a.m., Annex A Compendium 12 Taipei time, the rate that first appears in any of the next succeeding 15 minute intervals after such time, up to and including 12:00 noon, Taipei time, on that Rate Calculation Date.
- (ii) “TWD TAIFX1” or “TWD03” each mean that the Spot Rate for a Rate Calculation Date will be the Taiwanese Dollar/U.S. Dollar spot rate, expressed as the amount of Taiwanese Dollars per one U.S. Dollar, for settlement in two Business Days, reported by the Taipei Forex Inc. which appears on the Reuters Screen TAIFX1 Page under the heading “Spot” as of 11:00 a.m. Taipei time, on that Rate Calculation Date, or if no rate appears as of 11:00 a.m., Taipei time, the rate that first appears in any of the next succeeding 15 minute intervals after such time, up to and including 12:00 noon, Taipei time on that Rate Calculation Date.
- (iii) “SFEMC TWD INDICATIVE SURVEY RATE” or “TWD04” each means that the Spot Rate for a Rate Calculation Date will be the Taiwanese Dollar/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Taiwanese Dollars per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC TWD Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry -wide survey of financial institutions that are active participants in the Taiwanese Dollar/U.S. Dollar markets for the purpose of determining the SFEMC TWD Indicative Survey Rate).

2.1.6 Malaysian Ringgit

- (i) “MYR ABS” or “MYR01” each means that the Spot Rate for a Rate Calculation Date will be the Malaysian Ringgit/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Malaysian Ringgit per one U.S. Dollar, for settlement in two Business Days, reported by the Association of Banks in Singapore, which appears on the Telerate Page 50157 to the right of the caption “Spot” under the column “MYR” at approximately 11:30 a.m., Singapore time, on that Rate Calculation Date.
- (ii) “SFEMC MYR INDICATIVE SURVEY RATE” or “MYR02” each means that the Spot Rate for a Rate Calculation Date will be the Malaysian Ringgit/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Malaysian Ringgit per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC MYR Indicative Survey Methodology (which means a methodology, dated as of 15 July 2005, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Malaysian Ringgit/U.S. Dollar markets for the purpose of determining the SFEMC MYR Indicative Survey Rate).

2.1.7 Indonesian Rupiah

- (i) “IDR ABS” or “IDR01” each means that the Spot Rate for a Rate Calculation Date will be the Indonesian Rupiah/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Indonesian Rupiah per one U.S. Dollar, for settlement in two Business Days, reported by the Association of Banks in Singapore which appears on the Telerate Page 50157 to the right of the caption “Spot” under the column “IDR” at approximately 11:30 a.m., Singapore time, on that Rate Calculation Date.
- (ii) “SFEMC IDR INDICATIVE SURVEY RATE” or “IDR02” each means that the Spot Rate for a Rate Calculation Date will be the Indonesian Rupiah/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Indonesian Rupiah per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC IDR Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry -wide survey of financial institutions that are active participants in the Indonesian Rupiah/U.S. Dollar markets for the purpose of determining the SFEMC IDR Indicative Survey Rate).

2.1.8 Pakistani Rupee

- (i) “PKR SBPK” or “PKR01” each means that the Spot Rate for a Rate Calculation Date will be the Pakistani Rupee/U.S. Dollar reference rate expressed as the

amount of Pakistani Rupees per one U.S. Dollar, for settlement in two Business Days reported by the State Bank of Pakistan (www.sbp.org.pk) at approximately 2:30 pm, Karachi time, on that Rate Calculation Date.

- (ii) “SFEMC PKR INDICATIVE SURVEY RATE” or “PKR02” each means that the Spot Rate for a Rate Calculation Date will be the Pakistani Rupee/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Pakistani Rupees per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website (www.sfemc.org) at approximately 3:30 p.m. Singapore time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC PKR Indicative Survey Methodology (which means a methodology, dated as of 14 July 2008, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Pakistani Rupee/U.S. Dollar markets for the purpose of determining the SFEMC PKR Indicative Survey Rate).

2.1.9 Vietnamese Dong

- (i) “VND ABS” or “VND01” each means that the Spot Rate for a Rate Calculation Date will be the Vietnamese Dong/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Vietnamese Dong per one U.S. Dollar, for settlement in two Business Days reported by the Association of Banks in Singapore, which appears on the Reuters Screen ABSIRFIX01 Page to the right of the caption “Spot” under the column “VND” at approximately 11:30 a.m., Singapore time, on that Rate Calculation Date.
- (ii) “VND FX” or “VND02” each means that the Spot Rate for a Rate Calculation Date will be the Vietnamese Dong/U.S. Dollar spot rate expressed as the amount of Vietnamese Dong per one U.S. Dollar, for settlement in two Business Days which appears on Reuters Screen VNDFIX=VN Page under the caption “Spot” and to the right of the caption “Average” at approximately 11:00 am, Hanoi time, on that Rate Calculation Date.
- (iii) “SFEMC VND INDICATIVE SURVEY RATE” or “VND03” each means that the Spot Rate for a Rate Calculation Date will be the Vietnamese Dong/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Vietnamese Dong per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website (www.sfemc.org) at approximately 3:30 p.m., Singapore time, or as soon as thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC VND Indicative Survey Methodology (which means a methodology, dated as of 14 July 2008, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Vietnamese Dong/U.S. Dollar markets for the purpose of determining the SFEMC VND Indicative Survey Rate).

2.2 Central and Eastern Europe

2.2.1 Hungarian Forint

- (i) “HUF USD Official Rate” or “HUF01” each means that the Spot Rate for a Rate Calculation Date will be the Hungarian Forint/U.S. Dollar official rate for U.S. Dollars, expressed as the amount of Hungarian Forints per one U.S. Dollar, for settlement in two Business Days calculated by the National Bank of Hungary which appears on the Reuters Screen HUFE page at approximately 12:00 noon, Budapest time, on that Rate Calculation Date.
- (ii) “HUF EUR Official Rate” or “HUF02” each means that the Spot Rate for a Rate Calculation Date will be the Hungarian Forint/euro official rate for euros, expressed as the amount of Hungarian Forints per one euro, for settlement in two Business Days calculated by the National Bank of Hungary which appears on the Reuters Screen HUFE page at approximately 12:00 noon, Budapest time, on that Rate Calculation Date.

2.2.2 Polish Zloty

- (i) “PLZ NBPQ” or “PLZ01” each means that the Spot Rate for a Rate Calculation Date will be the Polish Zloty/U.S. Dollar fixing rate, expressed as the amount of Polish Zloty per one U.S. Dollar, for settlement in two Business Days reported by the National Bank of Poland which appears on the Reuters Screen NBPQ Page at approximately 11:00 a.m., Warsaw time, on that Rate Calculation Date.
- (ii) “PLZ NBPR” or “PLZ02” each means that the Spot Rate for a Rate Calculation Date will be the Polish Zloty/U.S. Dollar mid rate, expressed as the amount of Polish Zloty per one U.S. Dollar, for settlement in two Business Days reported by the National Bank of Poland which appears on the Reuters Screen NBPR Page below the caption “Central Parity” at approximately 11:00 a.m., Warsaw time, on that Rate Calculation Date.

2.2.3 Russian Ruble

- (i) “RUB MICEXFRX” or “RUB01” each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement on the same day reported by the Moscow Interbank Currency Exchange which appears on the Reuters Screen MICEXFRX Page as of 10:30 a.m., Moscow time, on that Rate Calculation Date.
- (ii) “RUB MMVB” and “RUB02” each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement on the same day reported by the Moscow Interbank Currency Exchange which appears on the Reuters Screen MMVB Page as of 10:30 a.m., Moscow time, on that Rate Calculation Date.
- (iii) “RUB CME-EMTA” and “RUB03” each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate, expressed

as the amount of Russian Rubles per one U.S. Dollar, for settlement in one Business Day, calculated by the Chicago Mercantile Exchange (“CME”) and as published on CME’s website, which appears on the Reuters Screen EMTA Page, at approximately 1:30 p.m., Moscow time, on that Rate Calculation Date. The Spot Rate shall be calculated by the CME pursuant to the Chicago Mercantile Exchange/EMTA, Inc. Daily Russian Ruble Per U.S. Dollar Reference Rate Methodology (which means a methodology, effective as of 16 June 2005, as amended from time to time, for a centralised industry-wide survey of financial institutions in Russia that are active participants in the Russian Ruble/U.S. Dollar spot market for the purpose of determining the RUB CMEEMTA Rate).

- (iv) “EMTA RUB INDICATIVE SURVEY RATE” and “RUB04” each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement in one Business Day, as published on EMTA’s web site (www.emta.org) at approximately 2:45 p.m., Moscow time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA RUB Indicative Survey Methodology (which means a methodology dated as of 16 June 2005, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Russian Ruble/U.S. Dollar spot market for the purpose of determining the EMTA RUB Indicative Survey Rate).

2.2.4 Slovak Koruna

- (i) “SKK NBSB” or “SKK01” each means that the Spot Rate for a Rate Calculation Date will be the Slovak Koruna/U.S. Dollar official FX rate, expressed as the amount of Slovak Koruna per one U.S. Dollar, for settlement in two Business Days reported by the National Bank of Slovakia which appears on the Reuters Screen NBSFX Page at approximately 11:40 a.m., Bratislava time, on that Rate Calculation Date.

2.2.5 Kazakhstan Tenge

- (i) “KZT KASE” or “KZT01” each means that the Spot Rate for a Rate Calculation Date will be the Kazakhstan Tenge/U.S. Dollar weighted average rate, expressed as the amount of Kazakhstan Tenge per one U.S. Dollar, for settlement on the same Business Day reported by the Kazakhstan Stock Exchange (www.kase.kz) at approximately 11:00 am, Almaty time, on that Rate Calculation Date.
- (ii) “EMTA KZT INDICATIVE SURVEY RATE” or “KZT02” each means that the Spot Rate for a Rate Calculation Date will be the Kazakhstan Tenge/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Kazakhstan Tenge per one U.S. Dollar, for settlement on the same Business Day, as published on EMTA’s website (www.emta.org) at approximately 1:00 p.m., Almaty time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA KZT Indicative Survey Methodology (which

means a methodology, dated as of 16 March 2009, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Kazakhstan Tenge/U.S. Dollar markets for the purpose of determining the EMTA KZT Indicative Survey Rate).

2.2.6 Ukrainian Hryvnia

- (i) “UAH GFI” or “UAH01” each means that the Spot Rate for a Rate Calculation Date will be the Ukrainian Hryvnia/U.S. Dollar spot rate, expressed as the amount of Ukrainian Hryvnia per one U.S. Dollar, for settlement on the same Business Day reported by GFI Brokers on Thomson Reuters Page GFIU by 9:30 am, London time, on that Rate Calculation Date.
- (ii) “EMTA UAH INDICATIVE SURVEY RATE” or “UAH03” each means that the Spot Rate for a Rate Calculation Date will be the Ukrainian Hryvnia/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Ukrainian Hryvnia per one U.S. Dollar, for settlement on the same Business Day, as published on EMTA’s website (www.emta.org) at approximately 2:00 p.m., Kiev time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA UAH Indicative Survey Methodology (which means a methodology, dated as of 16 March 2009, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Ukrainian Hryvnia/U.S. Dollar markets for the purpose of determining the EMTA UAH Indicative Survey Rate).
- (iii) “EMTA UAH INDICATIVE SURVEY RATE” or “UAH03” each means that the Spot Rate for a Rate Calculation Date will be the Ukrainian Hryvnia/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Ukrainian Hryvnia per one U.S. Dollar, for settlement on the same Business Day, as published on EMTA’s website (www.emta.org) at approximately 2:00 p.m., Kiev time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA UAH Indicative Survey Methodology (which means a methodology, dated as of 16 March 2009, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Ukrainian Hryvnia/U.S. Dollar markets for the purpose of determining the EMTA UAH Indicative Survey Rate).

2.3 Latin America

2.3.1 Argentine Peso

- (i) “ARS BNAR” or “ARS01” each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day which appears on the Reuters Screen BNAR Page at the close of business in Buenos Aires on that Rate Calculation Date.

- (ii) “EMTA ARS INDUSTRY SURVEY RATE” or “ARS03” each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site (www.emta.org) at approximately 1:00 p.m. (Buenos Aires time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA ARS Industry Survey Methodology (which means a methodology, dated as of 2 January 2003, as amended from time to time, for a centralised industry-wide survey of financial institutions in Buenos Aires that are active participants in the Argentine Peso/U.S. Dollar spot markets for the purpose of determining the EMTA ARS Industry Survey Rate).
- (iii) “EMTA ARS INDICATIVE SURVEY RATE” or “ARS04” each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site (www.emta.org) at approximately 1:00 p.m. (Buenos Aires time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA ARS Indicative Survey Methodology (which means a methodology, dated as of 2 January 2003, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Argentine Peso/U.S. Dollar markets for the purpose of determining the EMTA ARS Indicative Survey Rate).

2.3.2 Brazilian Real

- (i) “BRL BRBY” or “BRL01” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar interbank rate, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen BRBY Page to the right of the caption “Interbank”, below the heading “Last” at the Specified Time on that Rate Calculation Date.
- (ii) “BRL OFFICIAL RATE” or “BRL02” each means the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar official rate, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil in the “Diário Oficial da União” on the first Business Day following that Rate Calculation Date.
- (iii) “BRL PCOT” or “BRL03” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PCOT-390, Option 3, at the Specified Time on that Rate Calculation Date.
- (iv) “BRL PTAX” or “BRL09” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed

as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PTAX-800 (“Consulta de Cambio” or Exchange Rate Inquiry), Option 5 (“Cotacões para Contabilidade” or “Rates for Accounting Purposes”) by approximately 6:00 p.m., São Paulo time, on that Rate Calculation Date.

- (v) “BRL PTAX BRFR” or “BRL10” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PTAX-800 (“Consulta de Cambio” or Exchange Rate Inquiry), Option 5 (“Cotacoes para Contabilidade” or Rates for Accounting Purposes), which appears on Reuters Screen BRFR Page under the caption “Dolar PTAX” at approximately 8:30 a.m., São Paulo time, on the first Business Day following that Rate Calculation Date.
- (vi) “BRL INDUSTRY SURVEY RATE” or “BRL11” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days calculated by the Chicago Mercantile Exchange pursuant to the BRL Methodology which appears on the Reuters Screen EMTA Page at approximately 12:30 p.m. São Paulo time, or as soon thereafter as practicable, on the first Business Day following the Rate Calculation Date. “BRL Methodology” as used herein means the methodology dated 8 November 1999, establishing a centralised industrywide survey of financial institutions in Brazil that are active participants in the Brazilian Real/U.S. Dollar spot markets for the purpose of determining the BRL Industry Survey Rate. (The BRL Methodology is available on the websites of The Foreign Exchange Committee and Emerging Markets Traders Association (EMTA).)
- (vii) “EMTA BRL INDUSTRY SURVEY RATE” or “BRL12” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days, as published on EMTA’s web site (www.emta.org) at approximately 3:45 p.m. (São Paulo time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Industry Survey Methodology (which means a methodology, dated as of 1 March 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions in Brazil that are active participants in the Brazilian Real/U.S. Dollar spot markets for the purpose of determining the EMTA BRL Industry Survey Rate).
- (viii) “EMTA BRL INDICATIVE SURVEY RATE” or “BRL13” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days, as published on EMTA’s web site (www.emta.org) at approximately 12:00 p.m. (São Paulo time), or as soon

thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Indicative Survey Methodology (which means a methodology, dated as of 1 March 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Brazilian Real/U.S. Dollar markets for the purpose of determining the EMTA BRL Indicative Survey Rate).

2.3.3 Chilean Peso

- (i) "CLP BCCHILG" or "CLP01" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar observado rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile which appears on the Reuters Screen BCCHILG Page under the caption "OBSERVADO" at approximately 10:00 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.
- (ii) "CLP INFORMAL" or "CLP02" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar informal rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day of the informal exchange market which appears on the Reuters Screen CLPP= Page at the Specified Time on that Rate Calculation Date.
- (iii) "CLP INTERBANK" or "CLP03" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar interbank rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile for the formal exchange market which appears on the Reuters Screen CLP= Page at the Specified Time on that Rate Calculation Date.
- (iv) "CLP OBSERVADO" or "CLP04" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar observado rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile which appears on the Reuters Screen CLPOB= Page below the caption "Value" at approximately 10:00 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.
- (v) "CLP OFFICIAL RATE" or "CLP08" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar official rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, calculated in accordance with Title I, Chapter 1, Number 6 of the Compendium of International Exchange Norms of the Banco Central de Chile and published by the Banco Central de Chile at the Specified Time, if any, on the first Business Day following that Rate Calculation Date.
- (vi) "CLP TELERATE 38942" or "CLP09" each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar observado rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile which appears on the Telerate Page

38942 below the caption “Dolar Observado” at approximately 10:00 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.

- (vii) “CLP DÓLAR OBS” or “CLP10” each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar “observado” rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Banco Central de Chile (www.bcentral.cl) as the “Dólar Observado” (Dollar Observado) rate by not later than 10:30 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.
- (viii) “EMTA CLP INDICATIVE SURVEY RATE” or “CLP11” each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site (www.emta.org) at approximately 11:00 a.m., Santiago time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA CLP Indicative Survey Methodology (which means a methodology, dated as of 1 August 2006, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Chilean Peso/U.S. Dollar markets for the purpose of determining the EMTA CLP Indicative Survey Rate).

2.3.4 Colombian Peso

- (i) “COP CO/COL03” or “COP01” each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar fixing rate, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day reported by the Colombian Banking Superintendency which appears on the Reuters Screen CO/COL03 Page to the right of the caption “TCRM” (“Tasa de Cierre Representativa del Mercado” or closing market price) below the heading “Hoy” at approximately 9:30 a.m., Bogota time, on the first Business Day following that Rate Calculation Date.
- (ii) “COP TRM” or “COP02” each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar fixing rate, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day reported by the Colombian Financial Superintendency (www.banrep.gov.co) as the “Tasa Representativa del Mercado (TRM)” (also referred to as the “Tasa de Cambio Representativa del Mercado” (TCRM)) by not later than 10:30 a.m., Bogotá time, on the first Business Day following that Rate Calculation Date.
- (iii) “EMTA COP INDICATIVE SURVEY RATE” or “COP03” each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site (www.emta.org) at approximately 11:30 a.m., Bogotá time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA COP Indicative Survey Methodology (which means a methodology,

dated as of 1 August 2006, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Colombian Peso/U.S. Dollar markets for the purpose of determining the EMTA COP Indicative Survey Rate).

2.3.5 Ecuadorian Sucre

- (i) “ECS DNRP” or “ECS01” each means that the Spot Rate for a Rate Calculation Date will be the Ecuadorian Sucre/U.S. Dollar Specified Rate, expressed as the amount of Ecuadorian Sucres per one U.S. Dollar, for settlement in one Business Day which appears on Reuters Screen DNRP Page below the caption “Official” at 12:00 noon, Guayaquil time, on that Rate Calculation Date.
- (ii) “ECS ECBCE02” or “ECS02” each means that the Spot Rate for a Rate Calculation Date will be the Ecuadorian Sucre/U.S. Dollar Specified Rate, expressed as the amount of Ecuadorian Sucres per one U.S. Dollar, for settlement in one Business Day which appears on Reuters Screen ECBCE02 Page at the Specified Time on that Rate Calculation Date.

2.3.6 Mexican Peso

- (i) “MXP BNMX” or “MXP01” each means that the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days reported by Banco de Mexico which appears on the Reuters Screen BNMX Page opposite the caption “Fix” at the close of business in Mexico City on that Rate Calculation Date.
- (ii) “MXP FIXING RATE” or “MXP02” each means that the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days which is published by Banco de Mexico in the Official Gazette of the Federation pursuant to the “Disposiciones aplicables a la determinacion del tipo de Câmbio para solventar obligaciones denominadas en moneda extranjera pagaderas en la Republica Mexicana” (Rules applicable to determine the exchange rate to pay obligations denominated in foreign currency payable in Mexico) on the first Business Day following that Rate Calculation Date.
- (iii) “MXP MEX01” or “MXP03” each means that the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days reported by Banco de Mexico which appears on Reuters Screen MEX01 Page under the heading “MXNFIX=RR”, at the close of business in Mexico City on that Rate Calculation Date.
- (iv) “MXP PUBLISHED” or “MXP04” each means the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days published by the Bolsa Mexicana de Valores, S.A. de C.V. (as established in Section 2 of the “Resolution concerning the exchange rate applicable for

calculating the Mexican Peso equivalent of principal and interest of Mexican Treasury Notes denominated in foreign currency and payable in Mexican Pesos” published in the *Diario Oficial de la Federacion* on 11 November 1991) in the *Movimiento Diario del Mercado de Valores de la Bolsa Mexicana de Valores, S.A. de C.V.* under the heading “*Movimiento Diario del Mercado de Valores*” on that Rate Calculation Date.

2.3.7 Peruvian Sol

- (i) “PEN PDSB” or “PEN01” each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar Specified Rate, expressed as the amount of Peruvian Sols per one U.S. Dollar, for settlement on that same day which appears on the Reuters Screen PDSB Page in the row entitled “INTRB” and below the caption “ULT/REUTERS” at approximately 12:00 noon, Lima time, on that Rate Calculation Date.
- (ii) “PEN PDSC” or “PEN02” each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar interbank rate expressed as the amount of Peruvian Sols per one U.S. Dollar, for settlement on that same day which appears on the Reuters Screen PDSC Page below the caption “INTERBANCARIO” as of 11:00 a.m., Lima time, on that Rate Calculation Date.
- (iii) “PEN WT AVE” or “PEN03” each means that the Spot Rate for a Rate Calculation Date will be the midpoint of the Peruvian Sol/U.S. Dollar closing weighted average bid and offer (“compra y venta”) exchange rates expressed as the amount of Peruvian New Soles per one U.S. Dollar for settlement on the same day, reported by the Superintendencia de Banca, Seguros y AFP (www.sbs.gob.pe) of the Republic of Peru at approximately 5:00 p.m., Lima time, on that Rate Calculation Date.
- (iv) “EMTA PEN INDICATIVE SURVEY RATE” or “PEN04” each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Peruvian Soles per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site (www.emta.org) at approximately 11:00 a.m., Lima time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA PEN Indicative Survey Methodology (which means a methodology, dated as of 1 August 2006, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Peruvian Sol/U.S. Dollar markets for the purpose of determining the EMTA PEN Indicative Survey Rate).
- (v) “PEN INTERBANK AVE” or “PEN05” each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar average exchange rate in the interbank market expressed as the amount of Peruvian New Soles per one U.S. Dollar for settlement on the same day reported by the Banco Central de Reserva del Peru (www.bcrp.gob.pe) as the “Tipo de Cambio Interbancario Promedio” at approximately 2:00 p.m., Lima time, on that Rate Calculation Date.

2.3.8 Venezuelan Bolivar

- (i) “VEF FIX” or “VEF01” each means that the Spot Rate for a Rate Calculation Date will be the midpoint of the Venezuelan Bolivar/U.S. Dollar Tipo de Câmbio De Referencia buying and selling rates, expressed as the amount of Venezuelan Bolivar per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central de Venezuela (www.bcv.org.ve) at approximately 5:00 p.m., Caracas time, on that Rate Calculation Date.

2.4 Middle East/Africa

2.4.1 Israeli Shekel

- (i) “ILS BOIJ” or “ILS01” each means that the Spot Rate for a Rate Calculation Date will be the Israeli Shekel/U.S. Dollar fixing rate, expressed as the amount of Israeli Shekels per one U.S. Dollar, for settlement in two Business Days reported by the Bank of Israel which appears on the Reuters Screen BOIJ Page opposite the symbol “USD” and below the caption “REP RATES” at approximately 3:15 p.m., Tel Aviv time, on that Rate Calculation Date.
- (ii) “ILS FXIL” or “ILS02” each means that the Spot Rate for a Rate Calculation Date will be the Israeli Shekel/U.S. Dollar Specified Rate, expressed as the amount of Israeli Shekels per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen FXIL Page at the Specified Time, on that Rate Calculation Date.

2.4.2 Lebanese Pound

- (i) “LBP BDLX” or “LBP01” each means that the Spot Rate for a Rate Calculation Date will be the Lebanese Pound/U.S. Dollar Specified Rate, expressed as the amount of Lebanese Pounds per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen BDLX Page as of 12:00 noon, Beirut time, on that Rate Calculation Date.

2.4.3 Moroccan Dirham

- (i) “MAD OFFICIAL RATE” or “MAD01” each means that the Spot Rate for a Rate Calculation Date will be the Moroccan Dirham/U.S. Dollar Specified Rate, expressed as the amount of Moroccan Dirham per one U.S. Dollar, for settlement in two Business Days reported by the Central Bank of Morocco as of 1:00 p.m., Rabat time, on that Rate Calculation Date.

INFLATION LINKED ANNEX

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PART A – DESCRIPTION AND RISK FACTORS

1 Brief description of Inflation Linked Securities.

Inflation Linked Securities are Securities where (i) in relation to Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option; or (ii) in relation to Exercisable Certificates and Warrants, the exercise of the Securities or the amount payable or deliverable on exercise; or (iii) any additional amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of an inflation index over a fixed period of time or on fixed dates.

2 Risk Factors relating to Inflation Linked Securities

Inflation Linked Securities have a different risk profile to ordinary unsecured debt securities as the return on an Inflation Linked Security is linked to the performance of an inflation index.

This section describes additional factors to which prospective investors should have regard when considering an investment in Inflation Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

2.1 The Securities are linked to the performance of an inflation index

If the applicable Final Terms specify that the Interest Amount and/or any Settlement Amount is linked to an inflation index, the Securities carry particular risks (each, a “**Relevant Factor**”) associated with inflation linked investments. Each investor and prospective investor should be aware that the Interest Amount and/or relevant Settlement Amount, as applicable, will be affected by the performance of the Index.

Investors and prospective investors should be aware that as a result:

- (i) the market price of the Securities may be very volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to the Securities in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable will likely be magnified;
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

2.2 Failure to Publish or Announce Relevant Level of Index

In the event that the Relevant Level has not been published or announced on or prior to the Cut-off Date, the Substitute Index Level determined by the Determination Agent as a result thereof may differ from the Index Level (if any) published or announced after the Cut-off Date. Such event may have an effect on the valuation of the Securities and on the Interest Amount and/or Settlement Amount payable as a result thereof. The Substitute Index Level so determined by the Determination Agent may be significantly different from the level of the Index most recently published or announced.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR INFLATION LINKED SECURITIES

*The terms and conditions applicable to Inflation Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “**Inflation Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Inflation Linked Conditions set out below, the Inflation Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Inflation Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. The Inflation Linked Conditions is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified as to be Inflation Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

1 Index Delay and Disruption Event Provisions

1.1 Delay of Publication

If the Determination Agent determines that any Index Level for a Reference Month which is relevant to the calculation of a payment under the Securities and/or the determination of any exercise right or redemption or cancellation of the Securities (a “**Relevant Level**”) has not been published or announced by the Cut-off Date, the Determination Agent shall determine an index level in place of such Relevant Level (a “**Substitute Index Level**”) by using the following methodology:

1.1.1 if “Related Bond” is specified as applicable in the applicable Final Terms, the Determination Agent shall take the same action to determine the Substitute Index Level for the Affected Payment Date as that taken pursuant to the terms and conditions of the Related Bond;

1.1.2 if (I) “Related Bond” is specified as not applicable in the applicable Final Terms, or (II) the Determination Agent is not able to determine a Substitute Index Level for the Affected Payment Date pursuant to paragraph (i) above for any reason, then the Determination Agent shall determine the Substitute Index Level by reference to the following formula:

Substitute Index Level = Base Level x (Latest Level / Reference Level); or

1.1.3 otherwise in accordance with any formula or method specified in the applicable Final Terms,

where:

“**Base Level**” means the Index Level (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

“**Latest Level**” means the latest Index Level (excluding any “flash” estimates) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined.

“Reference Level” means the Index Level (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month referred to in “Latest Level” above.

If a Relevant Level is published or announced at any time on or after the Cut-off Date, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Inflation Linked Condition 1 will be the definitive level for that Reference Month.

1.2 Cessation of Publication

If the Determination Agent determines that the Index Level has not been published or announced by the Index Sponsor for two consecutive months or the Index Sponsor announces that it will no longer continue to publish or announce the Index and/or the Index Sponsor cancels the Index then the Determination Agent shall determine an Index in lieu of any previously applicable Index (a **“Successor Index”**) for the purposes of the Securities by using the following methodology:

- 1.2.1 if “Related Bond” is specified as applicable in the applicable Final Terms, the Determination Agent shall determine a Successor Index by reference to the corresponding successor index determined under the terms and conditions of the Related Bond; or
- 1.2.2 if (x) “Related Bond” is specified as not applicable in the applicable Final Terms, or (y) a Related Bond Redemption Event has occurred and “Fallback Bond” is specified as not applicable in the applicable Final Terms, the Index Sponsor announces that it will no longer publish or announce the Index but that it will be superseded by a replacement Index specified by the Index Sponsor, and the Determination Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be deemed the Successor Index for the purposes of the Securities from the date that such replacement Index comes into effect; or
- 1.2.3 if no Successor Index has been determined under Inflation Linked Condition 1.2.1 or 1.2.2 above, the Determination Agent shall ask five leading independent dealers to state what the replacement index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the Successor Index. If three responses are received, and two or more leading independent dealers state the same index, this index will be deemed the Successor Index. If fewer than three responses are received by the Cut-off Date, the Determination Agent will determine an alternative index for such Affected Payment Date, and such index will be deemed a Successor Index.
- 1.2.4 if the Determination Agent determines that there is no appropriate alternative index, there will be deemed to be no Successor Index and an Index Cancellation will be deemed to have occurred.

The Determination Agent shall determine the date on which the Successor Index shall be deemed to replace the Index for the purposes of the Securities. Notice of the determination of a Successor Index, the effective date of the Successor Index or the occurrence of an Index Cancellation shall be given to Securityholders by the Issuer in accordance with Condition 16 of the Base Conditions.

1.3 Adjustments

1.3.1 Successor Index

If a Successor Index is determined in accordance with Inflation Linked Condition 1.2, the Determination Agent may make any adjustment or adjustments (without limitation) to any amount payable under the Securities and/or any other relevant term of the Securities as the Determination Agent deems necessary. The Issuer shall give notice to the Securityholders of any such adjustment in accordance with Base Condition 16.

1.3.2 Substitute Index Level

If the Determination Agent determines a Substitute Index Level in accordance with Inflation Linked Condition 1.1, the Issuer may make any adjustment or adjustments (without limitation) to (x) the Substitute Index Level determined in accordance with Inflation Linked Condition 1.1 and/or (y) any amount payable under the Securities and/or any other relevant term of the Securities as the Determination Agent deems necessary. The Issuer shall give notice to the Securityholders of any such adjustment in accordance with Condition 16 of the Base Conditions.

1.3.3 Index Level Adjustment Correction

- (a) The first publication or announcement of the Relevant Level (disregarding estimates) by the Index Sponsor for any Reference Month shall be final and conclusive and, subject to Inflation Linked Condition 1.3.5(b) below, later revisions to the level for such Reference Month will not be used in any calculations, save that in respect of the EUR-All Items-Revised Consumer Price Index, the ESP National-Revised Consumer Price Index (CPI) and the ESP-Harmonised-Revised Consumer Price Index HCPI, revisions to the Relevant Level which are published or announced up to and including the day that is two Business Days prior to any relevant Payment Date will be valid and the revised Relevant Level for the relevant Reference Month will be deemed to be the final and conclusive Relevant Level for such Reference Month. The Issuer shall give notice to the Securityholders of any valid revision in accordance with Condition 16 of the Base Conditions.
- (b) If, within 30 days of publication or at any time prior to a Payment Date in respect of which a Relevant Level will be used in any calculation or determination in respect of such Payment Date, the Determination Agent determines that the Index Sponsor has corrected the Relevant Level to correct a manifest error, the Determination Agent may make any adjustment to any amount payable under the Securities and/or any other relevant term of the Securities as the Determination Agent deems appropriate as a result of that correction. The Issuer shall give

notice to the Securityholders of any such adjustment and/or amount in accordance with Condition 16 of the Base Conditions.

- (c) If a Relevant Level is published or announced at any time after the Cut-off Date in respect of an Payment Date in respect of which a Substitute Index Level was determined, the Determination Agent may either (A) determine that such Relevant Level shall not be used in any calculation or determination under the Securities and that the Substitute Index Level shall be deemed to be the definitive Relevant Level for the relevant Reference Month, or (B) request the Issuer to make any adjustment to any amount payable under the Securities and/or any other relevant term of the Securities as it deems appropriate as a result of the announcement or publication of the Relevant Level and/or determine the amount (if any) that is payable as a result of such publication or announcement. The Issuer shall give notice to the Securityholders of any determination in respect of (A) or (B), together with any adjustment and/or amount in respect thereof, in accordance with Condition 16 of the Base Conditions.

1.3.4 Rebasing

If the Determination Agent determines that the Index has been or will be rebased at any time, the Index as so rebased (the “**Rebased Index**”) will be used for purposes of determining the Index Level from the date of such rebasing (the “**Rebased Index Level**”) unless “Use of Re-based Index” is specified as not applicable in the applicable Final Terms in which case no adjustments shall be made to the Index and/or the terms of the Securities solely as a result of such rebasing. If the rebased index is to be used, notwithstanding the foregoing, the Determination Agent may make (A) if “Related Bond” is specified as applicable in the applicable Final Terms, any adjustments as are made pursuant to the terms and conditions of the Related Bond, if any, to the Rebased Index Levels so that the Rebased Index Levels reflect the same rate of inflation as the Index before the rebasing and/or (B) if “Related Bond” is specified as not applicable in the applicable Final Terms or a Related Bond Redemption Event has occurred, the Determination Agent may make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased and in each case the Issuer may make any adjustments to any amount payable under the Securities and/or any other term of the Securities as the Determination Agent may deem necessary. Unless “Acceleration upon Re-basing of Index” is specified as not applicable in the applicable Final Terms, if the Determination Agent determines that neither (A) nor (B) above would produce a commercially reasonable result, the Determination Agent may redeem or cancel each Security, as applicable, on a date notified by the Issuer to Securityholders in accordance with Condition 16 of the Base Conditions at its Early Cash Settlement Amount or such other amount specified in, or determined in the manner specified in, the applicable Final Terms. Notice of any adjustment, redemption of the Securities or determination pursuant to this paragraph shall be given to Securityholders in accordance with Condition 16 of the Base Conditions.

1.3.5 Index Modification

- (a) If on or prior to the Cut-off Date in respect of any Payment Date, the Determination Agent determines that an Index Modification has occurred the Determination Agent may (A) if “Related Bond” is specified as applicable in the applicable Final Terms, make any adjustments to the Index, any Relevant Level and/or any other relevant term of the Securities (including, without limitation, any amount payable under the Securities), consistent with any adjustments made to the Related Bond as the Determination Agent deems necessary, or (B) if “Related Bond” is specified as not applicable in the Final Terms or a Related Bond Redemption Event has occurred make only those adjustments to the relevant Index, any Relevant Level and/or any other term of the Securities (including, without limitation, any amount payable under the Securities), as the Determination Agent deems necessary for the modified Index to continue as the Index and to account for the economic effect of the Index Modification.
- (b) If the Determination Agent determines that an Index Modification has occurred at any time after the Cut-off Date in respect of any Payment Date, the Determination Agent may determine either to ignore such Index Modification for the purposes of any calculation or determination made by the Determination Agent with respect to such Payment Date, in which case the relevant Index Modification will be deemed to have occurred with respect to the immediately succeeding Payment Date such that the provisions of sub-paragraph (a) above will apply, or, notwithstanding that the Index Modification has occurred following the Cut-off Date, to make any adjustments as the Determination Agent deems fit in accordance with sub-paragraph (a) above.

1.3.6 Index Cancellation

If the Determination Agent determines that an Index Cancellation has occurred, the Issuer may redeem or cancel each Security, as applicable, on the date notified by the Issuer to Securityholders in accordance with Condition 16 of the Base Conditions at the Early Cash Settlement Amount. Notice of any redemption of the Security shall be given to Securityholders in accordance with Condition 16 of the Base Conditions.

1.3.7 Rounding

For purposes of any calculations by the Determination Agent in connection with the Index, all percentages resulting from such calculations will be rounded, if necessary, either:

- (a) if “Related Bond” is specified as applicable in the applicable Final Terms, in accordance with the rounding conventions of the documentation governing the Related Bond; or
- (b) if “Related Bond” is specified as not applicable in the applicable Final Terms, (x) in respect of percentages determined through the use of interpolation by reference to two Index Levels, in accordance with the method set forth in subsection (y) below, but to the same degree of accuracy as the two rates used to make the calculation (except that such percentages will not be rounded to a lower degree of accuracy than the nearest one thousandth of a percentage point

(0.001%), (y) in all other cases, to the nearest one hundred-thousandth of a percentage point (e.g., 9.876541% (or.09876541) being rounded down to 9.87654% (or.0987654) and 9.876545% (or.09876545) being rounded up to 9.87655% (or.0987655)) and

if subsection (b) of this Rounding provision is applicable, all currency amounts used in or resulting from any calculations by the Determination Agent in connection with the Index will be rounded in the manner indicated for each of the currencies set forth below, and to the nearest two decimal places in the relevant currency (with.005 being rounded upwards (e.g.,.674 being rounded down to.67 and.675 being rounded up to.68)) if the currency is other than those currencies set forth below:

- (i) Chilean Peso: round to the nearest whole Chilean Peso (with one half Chilean Peso being rounded up);
- (ii) Hungarian Forint: round to the nearest whole Hungarian Forint (with one half Hungarian Forint being rounded up);
- (iii) Japanese Yen: round down to the next lower whole Japanese Yen; and
- (iv) Korean Won: round down to the next lower whole Korean Won.

2 Additional Disruption Events

Hedging Disruption and Increased Cost of Hedging shall not constitute Additional Disruption Events for the purposes of any Inflation Linked Security, unless otherwise specified in the applicable Final Terms.

PART C – DEFINITIONS AND INTERPRETATIONS APPLICABLE TO INFLATION LINKED SECURITIES

1 Definitions

“**Affected Payment Date**” means each date on which a payment is due to be made under the Securities in respect of which the Index Level has not been published or announced.

“**Cut-off Date**” means, in respect of a Payment Date, five Business Days prior to such Payment Date, unless otherwise stated in the applicable Final Terms.

“**Fallback Bond**” means a bond selected by the Determination Agent and issued by the government of the country to whose level of inflation the Index relates and which pays a coupon or redemption amount which is calculated by reference to the Index, with a maturity date which falls on (a) the same day as the Redemption Date or Expiration Date, as applicable, (b) the next date after the Redemption Date if there is no such bond maturing on the Redemption Date, or (c) the next shortest maturity before the Redemption Date or Expiration Date, as applicable if no bond defined in (a) or (b) is selected by the Determination Agent. If the Index relates to the level of inflation across the European Monetary Union, the Determination Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Determination Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Determination Agent from those bonds. If the Fallback Bond redeems the Determination Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

“**Index**” means the index specified in the applicable Final Terms or any Successor Index as nominated by the Determination Agent pursuant to the terms hereof.

“**Index Cancellation**” means a level for the Index has not been published or announced for two consecutive months and/or the Index Sponsor cancels the Index and/or the Index Sponsor announces that it will no longer continue to publish or announce the Index and no Successor Index exists.

“**Index Level**” means the first publication or announcement of a level of the Index for a Reference Month.

“**Index Sponsor**” means the entity that publishes or announces (directly or through an agent) the Index Level, which as of the Issue Date is the index sponsor specified in the applicable Final Terms.

“**Inflation Linked Securities**” means a Security, in respect of which (i) in relation to Notes and Certificates (other than Exercisable Certificates), payments of interest and/or repayment of principal and/or the exercise of any Put Option or Call Option; or (ii) in relation to Exercisable Certificates and Warrants, the exercise of such Security or the amount payable or deliverable on exercise; and/or (iii) any additional amounts payable or deliverable in respect of such Security, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the Index Level or performance of the Index as specified in the applicable Final Terms.

“Payment Date” means a day on which a payment is due in respect of the Securities, the amount of which is to be determined by reference to the Index Level or any Substitute Index Level.

“Reference Month” means, unless otherwise specified in the Final Terms, the calendar month for which the Index Level was reported, regardless of when this information is published or announced. If the period for which the Index Level was reported is a period other than a month, the Reference Month is the period for which the Index Level was reported.

“Related Bond” means the bond specified as such in the applicable Final Terms:

- (i) If “Fallback Bond” is specified under the Related Bond heading in the applicable Final Terms, then for any Related Bond determination, the Determination Agent shall use the Fallback Bond;
- (ii) If no bond is specified in the applicable Final Terms as the Related Bond and “Fallback Bond: N/A” is specified in the applicable Final Terms, there will be no Related Bond; or
- (iii) If a bond is specified as the Related Bond in the applicable Final Terms, and that bond redeems or matures prior to the Redemption Date or Expiration Date, as applicable, unless “Fallback Bond: N/A” is specified in the applicable Final Terms, the Determination Agent shall use the Fallback Bond for any Related Bond determination.

“Related Bond Redemption Event” means, if specified as applicable in the applicable Final Terms, at any time prior to the Redemption Date, (i) the Related Bond is redeemed, repurchased or cancelled; (ii) the Related Bond becomes repayable prior to its stated date of maturity for whatever reason; or (iii) the issuer of the Related Bond announces that the Related Bond will be redeemed, repurchased or cancelled prior to its stated date of maturity.

2 Index Descriptions

Where the following Index Descriptions have been specified in the applicable Final Terms as the applicable Index, the following terms and expressions shall have the following meanings:

2.1 Australia

- 2.1.1 “AUD — Non-revised Consumer Price Index (CPI)” means the “Non-revised Index of Consumer Prices for Weighted Average of Eight Capital Cities: All - Groups Index before Seasonal Adjustment”, or relevant Successor Index, measuring the rate of inflation in Australia, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.2 Austria

- 2.2.1 “AUS — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index (2005)”, or relevant Successor Index, measuring the rate of inflation in Austria, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.2.2 “AUS — Non-revised Harmonised Indices of Consumer Prices (HICP)” means the “Non-revised Harmonised Index of Consumer Prices (2005)”, or relevant Successor Index, measuring the rate of inflation in Austria, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.3 Belgium

2.3.1 “BLG — Non-revised Harmonised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Belgium, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.3.2 “BLG — Non-revised Consumer Price Index — General Index (CPI)” means the “Non-revised Consumer Price Index — General Index”, or relevant Successor Index, measuring the rate of inflation in Belgium, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.3.3 “BLG — Non-revised Consumer Price Index — Health Index (CPI)” means the “Non-revised Consumer Price Index — Health Index”, or relevant Successor Index, measuring the rate of inflation in Belgium, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.4 Brazil

2.4.1 “BRL — Non-revised Consumer Price Index (IPCA)” means the “Non-revised Extensive National Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Brazil, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.4.2 “BRL — Non-revised Price Index (IGP-M)” means the “IGP-M General Price Index”, or relevant Successor Index, measuring the rate of inflation in Brazil, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.5 Canada

2.5.1 “CAD — Non-revised Consumer Price Index (CPI)” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in

Canada, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.6 Chile

2.6.1 “CLP — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Chile, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.7 China

2.7.1 “CNY — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in China, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.8 Czech Republic

2.8.1 “CZK — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price index”, or relevant Successor Index, measuring the rate of inflation in the Czech Republic, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.9 Denmark

2.9.1 “DKK — Non-revised Consumer Price Index (CPI)” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Denmark, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.9.2 “DKK — Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Denmark, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.10 European Union

- 2.10.1 “EUR — Excluding Tobacco-Non-revised Consumer Price Index” means the “Non-revised Index of Consumer Prices excluding Tobacco”, or relevant Successor Index, measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.
- 2.10.2 “EUR — All Items-Non-revised Consumer Price Index” means the “Non-revised Harmonised Index of Consumer Prices All Items”, or relevant Successor Index, measuring the rate of inflation in the European Monetary Union expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.
- 2.10.3 “EUR — All Items-Revised Consumer Price Index” means the “Revised Harmonised Index of Consumer Prices All Items”, or relevant Successor Index, measuring the rate of inflation in the European Monetary Union expressed as an index and published by the Index Sponsor. The Index Level shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.11 Finland

- 2.11.1 “FIN — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Finland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.
- 2.11.2 “FIN — Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Finland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.12 France

- 2.12.1 “FRC — Excluding Tobacco-Non-Revised Consumer Price Index” means the “Non-revised Index of Consumer Prices excluding Tobacco”, or relevant Successor Index, measuring the rate of inflation in France excluding tobacco expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.
- 2.12.2 “FRC — Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in France, expressed as an index and published by the relevant

Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.13 Germany

2.13.1 “DEM — Non-revised Consumer Price Index (CPI)” means the “Non-revised All Items Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Germany, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.13.2 “DEM — Non-revised Consumer Price Index for North Rhine-Westphalia” means the “Non-revised Index of Consumer Prices for North Rhine-Westphalia”, or relevant Successor Index, measuring the rate of inflation in North Rhine-Westphalia, Germany, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.13.3 “DEM — Non-revised Harmonised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Germany, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.14 Greece

2.14.1 “GRD — Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Greece expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.14.2 “GRD — Non-revised Consumer Price Index (CPI)” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Greece expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.15 Hong Kong

2.15.1 “HKD — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Hong Kong, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be

final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.16 Hungary

2.16.1 “HUF — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Hungary, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.17 Iceland

2.17.1 “ISK — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Iceland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.17.2 “ISK — Harmonised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Iceland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.18 Indonesia

2.18.1 “IDR — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Indonesia, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.19 Ireland

2.19.1 “IRL — Non-revised Consumer Price Index (CPI)” means the “Consumer Price Index-All Items”, or relevant Successor Index, measuring the rate of inflation in Ireland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.19.2 “IRL — Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices — All Items”, or relevant Successor Index, measuring the rate of inflation in Ireland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such

index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.20 Israel

2.20.1 “ILS — Non-revised Consumer Price Index (CPI)” means the “Consumer Price Index-General”, or relevant Successor Index, measuring the rate of inflation in Israel, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.21 Italy

2.21.1 “ITL — Whole Community –Excluding Tobacco Consumer Price Index” means the “Indice nazionale dei prezzi al consumo per l’intera collettività (NIC) senza tabacchi” or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.21.2 “ITL — Whole Community –Including Tobacco Consumer Price Index” means the “Indice nazionale dei prezzi al consumo per l’intera collettività (NIC) con tabacchi”, or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.21.3 “ITL — Inflation for Blue Collar Workers and Employees–Excluding Tobacco Consumer Price Index” means the “Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI) senza tabacchi”, or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.21.4 “ITL — Inflation for Blue Collar Workers and Employees–Including Tobacco Consumer Price Index” means the “Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI) con tabacchi”, or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.21.5 “ITL — Non-revised Harmonised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Italy, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.22 Japan

2.22.1 “JPY — Non-revised Consumer Price Index Nationwide General Excluding Fresh Food (CPI)” means the “Non-revised Consumer Price Index Nationwide General Excluding Fresh Food”, or relevant Successor Index, measuring the rate of inflation excluding fresh food in Japan, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.23 Luxembourg

2.23.1 “LUX — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Luxembourg, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.23.2 “LUX — Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Luxembourg, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.24 Malaysia

2.24.1 “MYR — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Malaysia, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.25 Mexico

2.25.1 “MXN — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Mexico, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.25.2 “MXN — Unidad de Inversion Index (UDI)” means the “Unidad de Inversion Index”, or relevant Successor Index, reporting the daily peso value of an Unidad de Inversion (an “UDI”), expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.26 Netherlands

2.26.1 “NLG — Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in the Netherlands, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.26.2 “NLG — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in the Netherlands, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.27 New Zealand

2.27.1 “NZD — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in New Zealand, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.28 Norway

2.28.1 “NOK — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index — All Items”, or relevant Successor Index, measuring the rate of inflation in Norway, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.29 Peru

2.29.1 “PER — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Peru, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.30 Poland

2.30.1 “PLN — Non-Revised Consumer Price Index (CPI)” means the “Non-revised Price Indices of Consumer Goods and Services”, or relevant Successor Index, measuring the rate of inflation in Poland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.31 Portugal

- 2.31.1 “POR — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Portugal, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.
- 2.31.2 “POR — Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Portugal, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.32 Russia

- 2.32.1 “RUB — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Russia, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.33 Singapore

- 2.33.1 “SGD — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Singapore, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.34 South Africa

- 2.34.1 “ZAR — Non-revised Consumer Price Index Excluding Mortgages (CPIX)” means the “Non-revised Index of Consumer Prices excluding Mortgage”, or relevant Successor Index, measuring the rate of inflation excluding mortgages in South Africa, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.
- 2.34.2 “ZAR — Non-revised Consumer Price Index (CPI)” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in South Africa, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.35 South Korea

2.35.1 “KRW — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in South Korea, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.36 Spain

2.36.1 “ESP — National-Revised Consumer Price Index (CPI)” means the “Year on Year Revised Index of Consumer Prices”, or the relevant Successor Index, measuring the rate of inflation in Spain, expressed as an annual percentage and published by the Index Sponsor. The Index Level shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.36.2 “ESP — National-Non-revised Consumer Price Index (CPI)” means the “Non-revised Index of Consumer Prices including Tobacco”, or relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.36.3 “ESP — Harmonised-Revised Consumer Price Index (HICP)” means the “Harmonised Index of Consumer Prices including Tobacco”, or the relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the Index Sponsor. The Index Level shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.36.4 “ESP — Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices including Tobacco”, or relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.37 Sweden

2.37.1 “SEK — Non-revised Consumer Price Index (CPI)” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Sweden, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.38 Switzerland

2.38.1 “SWF — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Switzerland, expressed as an index and published by the relevant Index Sponsor. The

first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.39 Taiwan

2.39.1 “TWD — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Taiwan, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations

2.40 Turkey

2.40.1 “TRY — Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Turkey, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.41 United Kingdom

2.41.1 “GBP — Non-revised Retail Price Index (UKRPI)” means the “Non-revised Retail Price Index All Items in the United Kingdom”, or relevant Successor Index, measuring the all items rate of inflation in the United Kingdom expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.41.2 “GBP — Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in the United Kingdom, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.41.3 “GBP — Non-revised Retail Price Index Excluding Mortgage Interest Payments (UKRPIX)” means the “Non-revised Retail Price Index Excluding Mortgage Interest Payments in the United Kingdom”, or relevant Successor Index, measuring the all items rate of inflation in the United Kingdom expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.42 United States

2.42.1 “USA — Non-revised Consumer Price Index — Urban (CPI-U)” means the “Non-revised index of Consumer Prices for All Urban Consumers (CPI-U) before seasonal adjustment”, or relevant Successor Index, measuring the rate of inflation in the United

States expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for such Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

FINNISH SECURITIES ANNEX

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PART A – DESCRIPTION

1 Brief description of Finnish Securities

Finnish Securities shall be issued as APK Registered Securities. APK Registered Securities are Securities that are Notes or Certificates (other than Exercisable Certificates) in uncertificated and dematerialised book-entry form issued in accordance with the provisions of the Finnish Act on the Book-Entry System (Fin. laki arvo-osuusjärjestelmästä (826/1991)) and with the Finnish Act on Book-Entry Accounts (Fin. laki arvo-osuustileistä (827/1991)). No Global Securities or Registered Securities representing APK Registered Securities will be issued and Condition of such Securities shall be construed accordingly. APK Registered Securities will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Finland Ltd (“APK”). Any references in the Conditions to Coupons or Global Securities, as the case may be, shall not apply to APK Registered Securities. APK Registered Securities of one Specified Denomination or Calculation Amount may not be exchanged for APK Registered Securities of another Specified Denomination or Calculation Amount, as applicable.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR FINNISH SECURITIES

*The terms and conditions applicable to Finnish Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “**Finnish Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Finnish Conditions set out below, the Finnish Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Finnish Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Finnish Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be APK Registered Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

APK Registered Securities will only be issued by the Bank. BCCL will not issue APK Registered Securities, and references in the Conditions of the APK Registered Securities to the “Issuer” shall refer only to the Bank.

1 Amendment to Condition 1.1 of the Base Conditions

Condition 1.1 of the Base Conditions (*Form, Title and Transfer – Form of Securities*) shall be amended by the addition of the following paragraph at the end of such Condition:

“Notwithstanding the above the Issuer may issue securities in uncertificated and dematerialised book-entry form (“**APK Registered Securities**”). No Global Securities or Definitive Securities representing APK Registered Securities will be issued and the Conditions of such Securities shall be construed accordingly. APK Registered Securities will be transferable only in accordance with the provisions of the Finnish Act on the Book-Entry System (Fin. laki arvo-osuusjärjestelmästä (826/1991)) and the Finnish Act on Book-Entry Accounts (Fin. laki arvo-osuustileistä (827/1991)), other applicable Finnish legislation and the rules and regulations applicable to, and/or issued by, APK. References in the Conditions to Coupons and to Global Securities shall not apply to APK Registered Securities.”.

2 Amendment to Condition 1.2 of the Base Conditions

Condition 1.2 of the Base Conditions (*Denomination and Number*) shall be amended by the addition of the following paragraph at the end of such Condition:

“APK Registered Securities of one Specified Denomination or Calculation Amount, as applicable, may not be exchanged for APK Registered Securities of another Specified Denomination or Calculation Amount.”.

3 Amendment to Condition 1.3 of the Base Conditions

The first line of the second paragraph of Condition 1.3(a) of the Base Conditions (*Title – General*) shall be amended by deleting the word “except” and replacing it with the following words:

“except for APK Registered Securities or”.

The following paragraph shall be added at the end of Base Condition 1.3 (a) (*Title – General*):

“The holder of an APK Registered Security will be the person in whose name an APK Registered Security is registered in a book entry account in the book entry system of APK (including a nominee account holder, as the case may be) in accordance with Finnish laws, rules, regulations and operating procedures applicable to, and/or issued by, APK (the “**APK Rules**”) and the term “**Securityholder**” shall be construed accordingly. Where a nominee is so evidenced it shall be treated as the holder of the relevant APK Registered Securities.”.

4 Amendment to Condition 1.4 of the Base Conditions

The following Condition 1.4(i) shall be added after Condition 1.4(h) of the Base Conditions (*Transfers – Minimum Settlement Amount*):

“(i) *Transfers of APK Registered Securities*

Title to the APK Registered Securities shall pass by transfer from a Securityholder’s book-entry account to another person’s, whether legal or individual, book-entry account within the APK (except where the APK Registered Securities are nominee-registered and are transferred from one account to another account with the same nominee). Notwithstanding any secrecy obligation, the Issuer shall be entitled to obtain information (including but not limited to information on Securityholders) from the register (the “**APK Register**”) maintained by the APK as registrar (the “**APK Registrar**”) on behalf of the Issuer in accordance with the APK Rules, and the APK shall be entitled to provide such information to the Issuer notwithstanding any secrecy obligation. The Issuer shall be entitled to pass such information to the APK Issue and Paying Agent or to authorise such Agent to acquire such information from the APK directly. Except as ordered by a court of competent jurisdiction or as required by law, the Securityholder of any APK Registered Securities shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the Securityholder.”.

5 Amendment to Condition 5.2 of the Base Conditions

The following paragraph shall be added at the end of Condition 5.2 of the Base Conditions (*Redemption of Securities that are Notes or Certificates – Early Redemption at the Option of Securityholders*):

“Notwithstanding anything to the contrary in the Conditions, if Securities are APK Registered Securities, the exercise of this option will not be effective against the Issuer before the date on which the relevant Securities have been transferred to the account designated by the APK Issue and Paying Agent, which for the purposes of the relevant APK Registered Securities is an account operator specifically authorised by APK and appointed by the Issuer in relation to a specific issue or issues to process and register issues in the system of the relevant central securities depository and clearing institution, and blocked for further transfer as of the earlier of the Optional Cash Redemption Date or Optional Physical Redemption Date by the APK Issue and Paying Agent.

In the case of the relevant APK Registered Securities, the right to require redemption of such Securities in accordance with this Condition 5.2 must be, notwithstanding the above, exercised in accordance with the APK Rules and if there is any inconsistency between the terms set out herein and the APK Rules, then the APK Rules shall prevail.”.

6 Amendment to Condition 9 of the Base Conditions

The following new Condition 9.8 shall be added after Condition 9.7 of the Base Conditions (*Payments – Payment subject to Laws*):

“9.8 APK Registered Securities

Payments of principal and interest in respect of the APK Registered Securities will be made to the holders of the APK Registered Securities recorded in the relevant Securityholder’s book-entry account in accordance with the APK Rules (appearing on the APK Register at the close of business on the third Helsinki Banking Day before the relevant due date) on the first Helsinki Banking Day (or in accordance with the rules and procedures applied by APK from time to time), prior to the due date for such payment. If the date for payment of any amount in respect of APK Registered Securities is not a Helsinki Banking Day, the holder thereof shall not be entitled to payment until the next following Helsinki Banking Day and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **“Helsinki Banking Day”** means, 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 Helsinki and on which APK and the relevant system in which the APK Registered Securities are registered are open for business in accordance with the APK Rules.

At any time before the Issue Date, the Issuer may decide to (i) cancel the issue or postpone the Issue Date and other dates if any event or circumstance occurs which, in the Issuer’s opinion, may have a significant impact on the issue and the indicated Conditions; and (ii) cancel the issue if the subscribed amount is less than the applicable minimum amount, if any, specified in the applicable Final Terms or if the Issuer determines it likely that the subscribed amount will be less than such amount.

In the event of late payment not due to an event or circumstance mentioned in the previous or in the following paragraph, penalty interest will be payable on the overdue amount from the due date for payment thereof up to and including the date on which payment is made at an interest rate corresponding to, in the case of Helsinki Banking Day, EURIBOR increased by one percentage point. Interest will not be capitalised.

Where the Issuer, any Agent or the APK Issue and Paying Agent, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the provisions of the Finnish Act on the Book-Entry System (Fin. laki arvo-osuusjärjestelmästä (826/1991)) and the Finnish Act on Book-Entry Accounts (Fin. laki arvo-osuustileistä (827/1991)).

In respect of each Series of APK Registered Securities, the Issuer shall at all times maintain a registrar which shall be the duly authorised Finnish central securities depository under the Finnish Act on the Book-Entry System (Fin. laki arvo-osuusjärjestelmästä (826/1991)) and an APK Issue and Paying Agent duly authorised as an account operator (Fin. tilinhoitajayhteisö) under the Finnish Act on Book-Entry System (Fin. laki arvo-osuusjärjestelmästä (826/1991)).

An APK Issue and Paying Agent will be appointed by the Issuer and identified in the applicable Final Terms.”.

7 Amendment to Condition 11 of the Base Conditions

The following new Condition 11.4 shall be added after Condition 11.3 of the Base Conditions (*Responsibility of the Issuer, the Guarantor and the Agents*)

“11.4 APK Issue and Paying Agent

In relation to APK Registered Securities APK will act as the central securities depository and clearing institution and the Issuer will appoint an APK Issue and Paying Agent for Finnish purposes as specified in the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of the relevant central securities depository and clearing institution or the APK Issue and Paying Agent, provided that the Issuer will appoint another central securities depository and clearing institution or APK Issue and Paying Agent, each of them to be duly authorised under the Finnish Act on the Book-Entry System (Fin. laki arvo-osuusjärjestelmästä (826/1991)). APK and the APK Issue and Paying Agent act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with the Securityholders.”.

8 Amendment to Condition 13 of the Base Conditions

The following paragraph shall be added at the end of Condition 13 of the Base Conditions (*Prescription*):

“In the case of APK Registered Securities, claims against the Issuer for the payment of principal and interest payable in respect of the Securities shall be prescribed unless made within three years after the Relevant Date therefore and thereafter any principal or interest payable in respect of such Securities shall be forfeited and revert to the Issuer.”.

9 Amendment to Condition 14 of the Base Conditions

Condition 14 of the Base Conditions (*Replacement of Securities*) shall not apply in the case of APK Registered Securities

10 Amendment to Condition 16 of the Base Conditions

The following sub-paragraph (e) shall be added after Condition 16.1(d) of the Base Conditions (*Notices – To Securityholders*):

“or (e) in the case of APK Registered Securities, sent by mail to a Securityholder on the address registered for such Securityholder in the APK Register maintained by the APK Registrar in accordance with the APK Rules.”.

11 Amendment to Condition 17 of the Base Conditions

The following sentence shall be added at the end of Condition 17.2 of the Base Conditions (*Substitution – The Guarantor*):

“For APK Registered Securities such substitution may only take place if the APK gives its consent to the substitution of the Issuer for the New Issuer.”.

12 Amendment to Condition 18 of the Base Conditions

The following words shall be added at the end of the first sentence of Condition 18 of the Base Conditions (*Governing Law*):

“(except APK Registered Securities, which shall be governed by, and construed in accordance with the provisions of the Finnish Act on the Book-Entry System (Fin. laki arvoosuusjärjestelmästä (826/1991)) and the Finnish Act on Book-Entry Accounts (Fin. laki arvoosuustileistä (827/1991)), other Finnish legislation and the rules and regulations applicable to, and/or issued by the Finnish Financial Supervisory Authority and APK applicable from time to time).”.

PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO FINNISH SECURITIES

1 Definitions

The following definitions set out in Condition 24 of the Base Conditions (*Definitions*) shall be amended and restated as follows in relation to APK Registered Securities:

“**Relevant Clearing System**” means, as appropriate, Euroclear, Clearstream, DTC (except in respect of Securities that are Warrants or Exercisable Certificates), APK and/or such other clearing system specified in any applicable Relevant Annex or in the applicable Final Terms, as the case may be, through which interests in Securities are to be held and/or through an account at which the Securities are to be cleared.”

“**Rules**” means the Clearstream Rules, the Euroclear Rules, the APK 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 Securities.”

The following definitions shall be added to Condition 24 of the Base Conditions (*Definitions*):

“**APK**” means Euroclear Finland Ltd., Visiting Address, Urho Kekkosen katu 5C, PO Box 1110, 00101 Helsinki, Finland.”

“**APK Issue and Paying Agent**” means the issue and paying agent appointed in respect of any Series of APK Registered Securities as specified in the applicable Final Terms.

2 Interpretation

All references to “Agents” in the Base Prospectus and the Conditions for APK Registered Securities shall be deemed to include the APK Issue and Paying Agent as applicable.

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PART C – DEFINITIONS APPLICABLE TO NORWEGIAN SECURITIES

1. Definitions

PART A – DESCRIPTION

1 Brief description of Norwegian Securities

Norwegian Securities shall be issued as VPS Registered Securities. VPS Registered Securities are Securities that are Notes or Certificates (other than Exercisable Certificates) in uncertificated and dematerialised book-entry form, issued and registered in accordance with the provisions of the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter). No Global Securities or Definitive Securities will be issued in respect of VPS Registered Securities and the Conditions of such Securities shall be construed accordingly. VPS Registered Securities will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, Verdipapirsentralen ASA (“VPS”). Any references in the Conditions of the Securities to Coupons or Global Securities shall not apply to VPS Registered Securities. VPS Registered Securities of one Specified Denomination or Calculation Amount may not be exchanged for VPS Registered Securities of another Specified Denomination or Calculation Amount, as applicable.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR NORWEGIAN SECURITIES

The terms and conditions applicable to Norwegian Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “VPS Registered Securities Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the VPS Registered Securities Conditions set out below, the VPS Registered Securities Conditions shall prevail. In the event of any inconsistency between the Base Conditions and/or the VPS Registered Securities Conditions the VPS Registered Securities Conditions shall prevail. This Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and the Securities if specified as such in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.

VPS Registered Securities will only be issued by the Bank. BCCL will not issue VPS Registered Securities, and references in the Conditions of the VPS Registered Securities to the “Issuer” shall refer only to the Bank.

1 Amendment to Condition 1.1 of the Base Conditions

Condition 1.1 of the Base Conditions (*Form, Title and Transfer – Form of Securities*) shall be amended by the addition of the following paragraph at the end of such Condition:

“Notwithstanding the above the Issuer may issue securities in uncertificated and dematerialised book-entry form (“VPS Registered Securities”). No Global Securities or Definitive Securities will be issued in respect of VPS Registered Securities and the Conditions of such Securities shall be construed accordingly. VPS Registered Securities will be transferable only in accordance with the provisions of the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter), other applicable Norwegian legislation and the rules and regulations applicable to, and/or issued by, VPS. References in the Conditions to Coupons or Global Securities shall not apply to VPS Registered Securities.”.

2 Amendment to Condition 1.2 of the Base Conditions

Condition 1.2 of the Base Conditions (*Denomination and Number*) shall be amended by the addition of the following paragraph at the end of such Base Condition:

“VPS Registered Securities of one Specified Denomination may not be exchanged for VPS Registered Securities of another Specified Denomination.”.

3 Amendment to Condition 1.3 of the Base Conditions

The first line of the second paragraph of Condition 1.3(a) of the Base Conditions (*Title – General*) shall be amended by deleting the word “except” and replacing it with the following words:

“except for VPS Registered Securities or”.

The following paragraph shall be added at the end of Condition 1.3(a) of the Base Conditions (*Title – General*):

“The holder of a VPS Registered Security will be the person appearing in the register that the Issuer will procure to be kept by VPS, and operated by an Account Manager appointed by the Issuer, in accordance with the legislation, rules and regulations applicable to the VPS Registered Securities, and the term “**Securityholder**” shall be construed accordingly. Where a nominee is so evidenced it shall be treated as the holder of the relevant VPS Registered Securities.”

4 Amendment to Condition 1.4 of the Base Conditions

The following Condition 1.4(i) of the Base Conditions shall be added after Condition 1.4(h) of the Base Conditions (*Transfers – Minimum Settlement Amount*):

“1.4(i) Transfers of VPS Registered Securities”

“Title to VPS Registered Securities will pass by registration in the register that the Issuer will procure to be kept by VPS, and operated by the Account Manager, on behalf of the Issuer. Where a nominee is so evidenced it shall be treated as the holder of the relevant VPS Registered Securities.”.

5 Amendment to Condition 5.2 of the Base Conditions

The following paragraph shall be added at the end of Condition 5.2 of the Base Conditions (*Redemption of Securities that are Notes or Certificates – Early Redemption at the Option of Securityholders*):

“Notwithstanding anything to the contrary in the Conditions, if Securities are VPS Registered Securities, the exercise of this option will not be effective against the Issuer before the date on which the relevant Securities have been transferred to the Securityholder’s VPS account, as designated by the Account Manager, which for the purposes of the relevant VPS Registered Securities is an account operator specifically authorised by VPS, and appointed by the Issuer in relation to a specific issue or issues to process and register issues in the system of the relevant central securities depository and clearing institution, and blocked for further transfer as of the Optional Redemption Date by the Account Manager.

In the case of the relevant VPS Registered Securities, the right to require redemption of such Securities in accordance with this Condition 5.2 must be, notwithstanding the above, exercised in accordance with Norwegian law, hereunder the rules and procedures of VPS and if there is any inconsistency between the above and the rules and procedures of VPS, then Norwegian law, hereunder the rules and procedures of VPS, shall prevail.”.

6 Amendment to Condition 7 of the Base Conditions

The following sentence shall be added at the end of the paragraph of Condition 7.2 of the Base Conditions (*Settlement – Physical Settlement by delivery of the Entitlement*):

“In respect of VPS Registered Securities, the Entitlements may not necessarily be registered in the VPS.”.

7 Amendment to Condition 9 of the Base Conditions

The following new Condition 9.8 of the Base Conditions shall be added after Condition 9.7 of the Base Conditions (*Payments – Payment subject to Laws*):

“9.8 VPS Registered Securities

Payments of interest in respect of VPS Registered Securities will be made to the persons registered as Securityholders in the register maintained by the VPS on the fourteenth calendar day (or in accordance with the rules and procedures applied by VPS from time to time), prior to the due date for such payment, or the last Banking Day prior to such date if the fourteenth calendar day is not a Banking Day. Payments of principal in respect of VPS Registered Securities will be made to the persons registered as Securityholders in the register maintained by the VPS on the fifth Oslo Banking Day (or in accordance with the rules and procedures applied by VPS from time to time), prior to the due date for such payment. If the date for payment of any amount in respect of VPS Registered Securities is not a Oslo Banking Day, the holder thereof shall not be entitled to payment until the next following Oslo Banking Day and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “Oslo Banking Day” means, 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 Oslo.

At any time before the Issue Date, the Issuer may decide to (i) cancel the issue or postpone the Issue Date and other dates if any circumstance occurs, which in the Issuer’s opinion, may have a significant impact on the issue and the indicated terms and conditions; and (ii) cancel the issue if the subscribed amount is less than the applicable minimum amount, if any, specified in the Final Terms or if the Issuer determines it likely that the subscribed amount will be less than such amount.

In the event of late payment not due to an obstacle mentioned in the previous or in the following paragraph, penalty interest will be payable on the overdue amount from the due date up to and including the date on which payment is made at an interest rate corresponding to, in the case of VPS Registered Securities, NIBOR increased by one percentage point. No capitalization of interest will be made.

Where the Issuer or any Agent or the Account Manager, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar circumstance, is prevented from effecting payment or to undertake other measures such measures may be postponed until the time the impediment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the provisions of the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter).

“NIBOR” means the interest rate quoted at 11 a.m. London time on the first Banking Day after the Redemption Date in each commenced seven-day-period on Reuter’s page “NIBQ” (or through any other system or on any other page as shall replace the system or page stated) for one-week-funds or, if no such quotation is given, the interest rate which is stated by three first ranking Norwegian banks selected by Barclays Bank PLC to be its funding cost at that time for

one-week-funds in Norwegian Kroner in the Oslo interbank market; if the interest for a certain period cannot be determined as stated, then the interest rate for such period shall correspond to the average of the latest interest rate determined under the alternatives above before such event occurred and the first interest rate determined after the event has ceased.

An Account Manager will be appointed by the Issuer and identified in the applicable Final Terms”.

8 Amendment to Condition 11 of the Base Conditions

The following new Condition 11.4 of the Base Conditions shall be added after Condition 11.3 of the Base Conditions (*Responsibility of the Issuer, the Guarantor and the Agents*)

“11.4 Account Manager

In relation to VPS Registered Securities the Issuer will, in accordance with the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter) appoint (i) VPS as the central securities depository, and (ii) an Account Manager. The Account Manager appointed by the Issuer will be specified in the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of the Account Manager provided that the Issuer will appoint another Account Manager that is duly authorised under the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter) and the relevant VPS regulations. VPS and the Account Manager act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with the Securityholders.”.

9 Amendment to Condition 13 of the Base Conditions

The following paragraph shall be added at the end of Condition 13 of the Base Conditions (*Prescription*):

“In the case of VPS Registered Securities, claims against the Issuer for the payment of principal and interest payable in respect of the Securities shall be prescribed unless made within ten years (in case of principal) and three years (in case of interest) after the Relevant Date therefore and thereafter any principal or interest payable in respect of such Securities shall be forfeited and revert to the Issuer.”.

10 Amendment to Condition 14 of the Base Conditions

Condition 14 of the Base Conditions (*Replacement of Securities*) shall not apply in the case of VPS Registered Securities.

11 Amendment to Condition 16 of the Base Conditions

The following sub-paragraph (e) shall be added after Condition 16.1(d) of the Base Conditions (*Notices – To Securityholders*):

“or (e) in the case of VPS Registered Securities, sent by mail to a Securityholder on the address registered for such Securityholder in the system of VPS or in accordance with the legislation, rules and regulations applicable to, and/or issued by, VPS. Any such notice shall be deemed to have been given, if sent by mail to the Securityholders, on the fourth day following the day the notice was sent by mail.”.

12 Amendment to Condition 17 of the Base Conditions

The following sentence shall be added at the end of Condition 17.2 of the Base Conditions (*Substitution – The Guarantor*):

“For VPS Registered Securities such substitution may only take place if neither the VPS nor the Account Manager objects to the substitution of the Issuer for the New Issuer.”.

13 Amendment to Condition 18 of the Base Conditions

The following words shall be added at the end of the first sentence of Condition 18 of the Base Conditions (*Governing Law*):

“(except VPS Registered Securities, for which the legal effects of registration in VPS shall be governed by, and construed in accordance with the provisions of the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter), other Norwegian legislation and the rules and regulations applicable to, and/or issued by VPS applicable from time to time)”.

PART C – DEFINITIONS APPLICABLE TO NORWEGIAN SECURITIES

- 1 The following definitions set out in Condition 24 of the Base Conditions (*Definitions*) shall be amended and restated as follows in relation to VPS Registered Securities:

“**Relevant Clearing System**” means, as appropriate, Euroclear, Clearstream, DTC (except in respect of Securities that are Warrants or Exercisable Certificates), VPS and/or such other clearing system specified in any applicable Relevant Annex or in the applicable Final Terms, as the case may be, through which interests in Securities are to be held and/or through an account at which the Securities are to be cleared.”

“**Rules**” means the Clearstream Rules, the Euroclear Rules, the VPS 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 Securities.”

The following definitions shall be added to Condition 24 of the Base Conditions (*Definitions*):

“**VPS**” means Verdipapirsentralen ASA, Biskop Gunnerus’ gate 14A, 0185 Oslo, Norway.”.

SPANISH SECURITIES ANNEX

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1. Definitions
2. Interpretation

PART A – DESCRIPTION

1 Brief description of Spanish Securities

Spanish Securities are Securities to be listed on any Spanish stock exchange, in particular, on AIAF, or on the Warrants, Certificates and Other structured products trading platform of the electronic trading platform SIBE (Sistema de Interconexión Bursátil Español), in accordance with the Spanish Securities Market Act of 24 July 1988 and in accordance with Iberclear regulations (Circular 6/1999, SCLV). Securities which are Spanish Securities shall be identified as such in the applicable Final Terms.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR SPANISH SECURITIES

The terms and conditions applicable to Spanish Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Spanish Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Spanish Conditions set out below, the Spanish Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Spanish Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Spanish Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Spanish Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.

1 Amendment to Condition 1.3 of the Base Conditions

Paragraph (b) of Condition 1.3 of the Base Conditions (*Form, Title and Transfer - Title – Cleared Securities*) shall be amended with respect to Spanish Securities to read as follows:

“Spanish Securities

For so long as any of the Securities are represented by a Global Security held on behalf of a depositary member of Iberclear, each person (other than Iberclear) who is for the time being shown in the book-entry system in charge of Iberclear and its member entities as the holder of a particular nominal amount or number, as the case may be, of such Securities (in which regard any certificate or other document issued by Iberclear as to the nominal amount or number, as the case may be, of such Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor (if applicable) and the Agents as the holder of such nominal amount or number, as the case may be, of such Securities for all purposes in accordance with Spanish laws, Rules and regulations and operating procedures applicable by Iberclear.”.

2 Amendment to Condition 1.4 of the Base Conditions

The following new Condition (i) shall be added after Condition 1.4(h) of the Base Conditions (*Form, Title and Transfer - Transfers – Minimum Settlement Amount*):

“(i) Transfers of Spanish Securities

Spanish Securities shall be transferable only in accordance with the Spanish Securities Market Act of 28 July 1988 (as amended), Spanish Royal Decree 116/1992 of 14 February and other applicable Spanish legislation and the Rules and regulations applicable to, and/or issued by, the CNMV and Iberclear.

Title to the Spanish Securities shall pass by transfer from a Securityholder’s book-entry account to another person’s, whether legal or individual, book-entry account within Iberclear.”.

3 Amendment to Condition 11 of the Base Conditions

The following new Condition 11.4 shall be added after Condition 11.3 of the Base Conditions (*Agents – Responsibility of the Issuer, the Guarantor and the Agents*):

“11.4 Spanish Securities intermediary and agency roles

In relation to Spanish Securities, the Issuer may, in accordance with the Spanish Securities Market Act of 24 July 1988 and in accordance with Iberclear regulations (Circular 6/1999, SCLV) appoint (i) Iberclear as the original depository system (*sistema depositario originario*), (ii) a Spanish Securities Paying Agent (*Agente de Pagos*), (iii) a Spanish Securities Intermediary Entity (*Entidad de Enlace*) and (iv) if applicable, a Spanish Securities Custodian Entity (*Entidad de Custodia*). The Spanish Securities Paying Agent, the Spanish Securities Intermediary Entity and the Spanish Securities Custodian Entity appointed by the Issuer will be specified in the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of the Spanish Securities Paying Agent, the Spanish Securities Intermediary Entity and the Spanish Securities Custodian Entity.”.

4 Amendment to Condition 18 of the Base Conditions

The following words shall be added in relation to Spanish Securities at the end of the first sentence of Condition 18 of the Base Conditions (*Governing Law*):

“(except for the transfer of Spanish Securities, which shall be governed by and construed in accordance with provisions of the Spanish Securities Market Act of 24 July 1988, Royal Decree 116/1992 of 14 February and other applicable Spanish legislation and the Rules and regulations applicable to, and/or issued by, Iberclear).”.

PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO SPANISH SECURITIES

1 Definitions

“**AIAF**” means AIAF Mercado de Renta Fija, S.A., Spanish Official Fixed Income Market, Plaza de la Lealtad, 1, 28014 Madrid, Spain.

“**CNMV**” means the Spanish Securities Market Commission.

“**Iberclear**” means Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear), Plaza de la Lealtad, 1, 28014 Madrid, Spain.

“**Relevant Stock Exchange**” means, as appropriate, AIAF, or the Warrants, Certificates and Other structured products trading platform of the electronic trading platform SIBE (Sistema de Interconexión Bursátil Español) as specified in the applicable Final Terms.

“**Spanish Securities Custodian Entity**” means the depository, if any, appointed in respect of any Series of Spanish Securities as specified in the applicable Final Terms.

“**Spanish Securities Intermediary Entity**” means the intermediary entity appointed in respect of any Series of Spanish Securities as specified in the applicable Final Terms.

“**Spanish Securities Paying Agent**” means the issue and paying agent appointed in respect of any Series of Spanish Securities as specified in the applicable Final Terms.

2 Interpretation

All references to “Agents” in the Base Prospectus and the Conditions for Spanish Securities shall be deemed to include the Spanish Securities Custodian Entity, the Spanish Securities Intermediary Entity and the Spanish Securities Paying Agent, as applicable.

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PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO SWEDISH REGISTERED SECURITIES

1. Definitions
2. Interpretation

PART A - DESCRIPTION

1 Brief description of Swedish Registered Securities

Swedish Registered Securities are Securities that are Notes or Certificates (other than Exercisable Certificates) in uncertificated and dematerialised book-entry form issued in accordance with the Swedish Financial Instruments Act (Sw. lag om kontoföring av finansiella instrument (1998:1479)). No Global Securities or Definitive Securities will be issued in respect of Swedish Registered Securities and the Conditions of the Securities shall be construed accordingly. Swedish Registered Securities will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Sweden AB ("**Euroclear Sweden**"). Any references in the Conditions to Coupons, or Global Securities, as the case may be, shall not apply to Swedish Registered Securities. Swedish Registered Securities of one Specified Denomination or Calculation Amount may not be exchanged for Swedish Registered Securities of another Specified Denomination, as applicable.

PART B – ADDITIONAL TERMS AND CONDITIONS FOR SWEDISH REGISTERED SECURITIES

*The terms and conditions applicable to Swedish Registered Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “**Swedish Registered Securities Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Swedish Registered Securities Conditions set out below, the Swedish Registered Securities Conditions shall prevail. In the event of any inconsistency between the Base Conditions and/or the Swedish Registered Securities Conditions the Swedish Registered Securities Conditions shall prevail. This Swedish Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Swedish Registered Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

Swedish Registered Securities will only be issued by the Bank. BCCL will not issue Swedish Registered Securities, and references in the Conditions of Swedish Registered Securities to the “Issuer” shall refer only to the Bank.

1 Amendment to Condition 1.1 of the Base Conditions

Condition 1.1 of the Base Conditions (*Form, Title and Transfer – Form of Securities*) shall be amended by the addition of the following paragraph at the end of such Condition:

“Notwithstanding the above the Issuer may issue securities in uncertificated and dematerialised book-entry form (“**Swedish Registered Securities**”). No Global Securities or Definitive Securities representing the Securities will be issued in respect of Swedish Registered Securities and these Base Conditions shall be construed accordingly. Swedish Registered Securities will be transferable only in accordance with the provisions of the Swedish Financial Instruments Accounts Act (1998:1479), other applicable Swedish legislation and the rules and regulations applicable to, and/or issued by, Euroclear Sweden. References in these Base Conditions to Coupons, Talons and to Global Securities shall not apply to Swedish Registered Securities.”

2 Amendment to Condition 1.2 of the Base Conditions

Condition 1.2 of the Base Conditions (*Denomination and Number*) shall be amended by the addition of the following paragraph at the end of such Condition:

“Swedish Registered Securities of one Specified Denomination may not be exchanged for Swedish Registered Securities of another Specified Denomination.”

3 Amendment to Condition 1.3 of the Base Conditions

The first line of the second paragraph of Condition 1.3(a) of the Base Conditions (*Title – General*) shall be amended by deleting the word “except” and replacing it with the following words:

“except for Swedish Registered Securities or”

The following paragraph shall be added at the end of Condition 1.3(a) of the Base Conditions (*Title – General*):

“The holder of a Swedish Registered Security will be the person appearing in the relevant register in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear (the “**Euroclear Sweden Rules**”) and the term “**Securityholder**” shall be construed accordingly. Where a nominee is so evidenced it shall be treated as the holder of the relevant Swedish Registered Securities.”

4 Amendment to Condition 1.4 of the Base Conditions

The following Condition 1.4(i) of the Base Conditions shall be added after Condition 1.4(h) of the Base Conditions (*Transfers – Minimum Settlement Amount*):

“1.4(i) Transfers of Swedish Registered Securities”

“Title to Swedish Registered Securities will pass by registration in the register that the Issuer will procure to be kept by Euroclear Sweden on behalf of the Issuer. Where a nominee is so evidenced it shall be treated as the holder of the relevant Swedish Registered Securities.”

5 Amendment to Condition 5.2 of the Base Conditions

The following paragraph shall be added at the end of Condition 5.2 of the Base Conditions (*Redemption of Securities that are Notes or Certificates – Early Redemption at the option of Securityholders*):

“Notwithstanding anything to the contrary in the Conditions, if Securities are Swedish Registered Securities, the exercise of this option will not be effective against the Issuer before the date on which the relevant Securities have been transferred to the account designated by the Swedish Issue and Paying Agent, which for the purposes of the relevant Swedish Registered Securities is an account operator specifically authorised by Euroclear Sweden and appointed by the Issuer in relation to a specific issue or issues to process and register issues in the system of the relevant central securities depository and clearing institution, and blocked for further transfer as of the Optional Redemption Date by the Swedish Issue and Paying Agent.

In the case of the relevant Swedish Registered Securities, the right to require redemption of such Securities in accordance with this Condition 5.2 must be, notwithstanding the above, exercised in accordance with the rules and procedures of Euroclear Sweden and if there is any inconsistency between the terms set out herein and the rules and procedures of Euroclear Sweden, then the rules and procedures of Euroclear Sweden shall prevail.”

6 Amendment to Condition 9 of the Base Conditions

The following new Condition 9.8 of the Base Conditions shall be added after Condition 9.7 of the Base Conditions (*Payments – Payments subject to Laws*):

“9.8 Swedish Registered Securities

Payments of principal and interest in respect of Swedish Registered Securities will be made to the persons registered as Securityholders in the register maintained by Euroclear Sweden on the fifth Stockholm Banking Day (or in accordance with the rules and procedures applied by Euroclear Sweden from time to time), prior to the due date for such payment. If the date for payment of any amount in respect of Swedish Registered Securities is not a Stockholm Banking Day, the holder thereof shall not be entitled to payment until the next following Stockholm Banking Day and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Stockholm Banking Day**” means, 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 Stockholm.

At any time before the Issue Date, the Issuer may decide to (i) cancel the issue or postpone the Issue Date and other dates if any event or circumstance occurs which, in the Issuer’s opinion, may have a significant impact on the issue and the indicated terms and conditions; and (ii) cancel the issue if the subscribed amount is less than the applicable minimum amount, if any, specified in the applicable Final Terms or if the Issuer determines it likely that the subscribed amount will be less than such amount.

In the event of late payment not due to an event or circumstance mentioned in the previous or in the following paragraph, penalty interest will be payable on the overdue amount from the due date for payment thereof up to and including the date on which payment is made at an interest rate corresponding to, in the case of Euroclear Sweden, STIBOR increased by one percentage point. Interest will not be capitalised.

Where the Issuer or any Agent or the Swedish Issue and Paying Agent, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the provisions of the Swedish Financial Instruments Accounts Act (SFS 1998:1479).

“**STIBOR**” means the average of the interest rates quoted at approximately 11 a.m. on the first Banking Day after the Redemption Date in each seven-day period or part thereof on Reuter’s page “SIDE” (or through any other system or on any other page as shall replace the system or page stated) for one-week-funds or, if no such quotation is given, the interest rate which is stated by three first ranking Swedish banks selected by the Bank to be their funding cost at that time for one-week-funds in Swedish Kronor in the Stockholm interbank market; if the interest rate for a certain period cannot be determined as stated as a result of any disruption, then the interest rate for such period shall correspond to the average of the latest interest rate determined under the alternatives above before such disruption occurred and the first interest rate determined after the disruption has ceased.

A Swedish Issue and Paying Agent will be appointed by the Issuer and identified in the applicable Final Terms.”.

7 Amendment to Condition 11 of the Base Conditions

The following new Condition 11.4 of the Base Conditions shall be added after Condition 11.3 of the Base Conditions (*Responsibility of the Issuer, the Guarantor and the Agents*):

“11.4 Swedish Issue and Paying Agent

In relation to Swedish Registered Securities the Issuer will, in accordance with the Swedish Financial Instruments Accounts Act (1998:1479) appoint (i) Euroclear Sweden as the central securities depository, and (ii) a Swedish Issue and Paying Agent. The Swedish Issue and Paying Agent appointed by the Issuer will be specified in the relevant Final Terms.

The Issuer is entitled to vary or terminate the appointment of the Swedish Issue and Paying Agent, provided that the Issuer will appoint another Swedish Issue and Paying Agent that is duly authorised under the Swedish Financial Instruments Accounts Act (1998:1479). Euroclear Sweden and the Swedish Issue and Paying Agent act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with the Securityholders.”.

8 Amendment to Condition 13 of the Base Conditions

The following paragraph shall be added at the end of Condition 13 of the Base Conditions (*Prescription*):

“In the case of Swedish Registered Securities, claims against the Issuer for the payment of principal and interest payable in respect of the Securities shall be prescribed unless made within ten years (in case of principal) and five years (in case of interest) after the Relevant Date therefore and thereafter any principal or interest payable in respect of such Securities shall be forfeited and revert to the Issuer.”

9 Amendment to Condition 14 of the Base Conditions

Condition 14 of the Base Conditions (*Replacement of Securities*) shall not apply in the case of Swedish Registered Securities.

10 Amendment to Condition 16 of the Base Conditions

The following sub-paragraph (e) shall be added after Condition 16.1(d) of the Base Conditions (*Notices – To Securityholders*):

“or (e) in the case of Swedish Registered Securities, sent by mail to a Securityholder on the address registered for such Securityholder in the system of Euroclear Sweden or in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Sweden. Any such notice shall be deemed to have been given, if sent by mail to the Securityholders, on the fourth day following the day the notice was sent by mail.”.

11 Amendment to Condition 17

The following sentence shall be added at the end of Condition 17.2 of the Base Conditions (*Substitution – The Guarantor*):

“For Swedish Registered Securities such substitution may only take place if the Euroclear Sweden gives its consent to the substitution of the Issuer for the New Issuer.”.

12 Amendment to Condition 18 of the Base Conditions

The following words shall be added at the end of the first sentence of Condition 18 of the Base Conditions (*Governing Law*):

“(except Swedish Registered Securities, which shall be governed by, and construed in accordance with the provisions of the Swedish Financial Instruments Accounts Act (1998:1479), other Swedish legislation and the rules and regulations applicable to, and/or issued by Euroclear Sweden applicable from time to time).”

13 Amendment to Condition 20 of the Base Conditions

The following paragraph shall be added at the end of Condition 20.1 of the Base Conditions (*Modification and Meetings – Modifications to the Conditions*):

“In respect of Swedish Registered Securities, the Issuer may without the consent of the Securityholders make (i) any modification of the Securities which is not materially prejudicial to the interests of the Securityholders; or (ii) any modifications of the Securities which is of formal, minor or technical nature or is made to correct a manifest error or proven error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated. Any such modification shall be binding on the relevant Securityholders and any such modification shall be notified to such Securityholders in accordance with Condition 16.”.

The following paragraph shall be added at the end of Condition 20.2 (a) of the Base Conditions (*Modification and Meeting – Meeting of Securityholders*)

“Permitted to vote on a meeting of Securityholders will be the Securityholders appearing as a such in the relevant register of Euroclear Sweden on the record date stated in the notice.

Any decision or Extraordinary Resolution passed by a Meeting of Securityholders must always comply with Swedish law and Euroclear Sweden Rules. Amendments made are subject to what is permitted or otherwise possible to amend in the system of Euroclear Sweden.”

Condition 20.2(b) of the Base Conditions (Meetings of Securityholders) shall not apply in the case of Swedish Registered Securities.

PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO SWEDISH REGISTERED SECURITIES

1 Definitions

The following definitions set out in Condition 24 of the Base Conditions (*Definitions*) shall be amended and restated as follows in relation to Swedish Registered Securities:

“**Relevant Clearing System**” means, as appropriate, Euroclear, Clearstream, DTC (except in respect of Securities that are Warrants or Exercisable Certificates), Euroclear Sweden and/or such other clearing system specified in any applicable Relevant Annex or in the applicable Final Terms, as the case may be, through which interests in Securities are to be held and/or through an account at which the Securities are to be cleared.”

“**Rules**” means the Clearstream Rules, the Euroclear Rules, the Euroclear Sweden 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 Securities.”

The following definitions shall be added to Condition 24 of the Base Conditions (*Definitions*):

“Euroclear Sweden” means Euroclear Sweden AB, Box 7822, SE-103 97 Stockholm, Sweden.

“**Swedish Issue and Paying Agent**” means the issue and paying agent appointed in respect of any Series of Swedish Registered Securities as specified in the applicable Final Terms.

2 Interpretation

All references to “Agents” in the Base Prospectus and the Conditions for Swedish Registered Securities shall be deemed to include the Swedish Issue and Paying Agent.

BOOK-ENTRY PROCEDURES FOR RULE 144A GLOBAL SECURITIES DEPOSITED WITH DTC

The Rule 144A Global Securities will be issued in the form of Global Registered Securities, without Coupons or Talons. Upon issuance, one or more Global Securities 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 depository on behalf of Euroclear and Clearstream.

Ownership of beneficial interests in a Global Security deposited with DTC will be limited to persons who have accounts with DTC (“**DTC Participants**”) or persons who hold interests through DTC Participants. The Issuers expect that under procedures established by DTC:

- upon deposit of a Global Security with DTC’s custodian, DTC will credit portions of the nominal amount, calculation amount or number of Securities, as applicable, represented by the Global Security to the accounts of the DTC Participants designated by the Manager; and
- ownership of beneficial interests in a Global Security 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 Security).

Beneficial interests in a Global Security may not be exchanged for Definitive Securities except in the limited circumstances described below.

Any Global Security and beneficial interests in the Global Security will be subject to restrictions on transfer as described under “Clearance, Settlement and Transfer Restrictions - Transfer Restrictions for Registered Securities.”

Book-Entry Procedures for Global Securities

All interests in Global Securities 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 Issuers nor the Manager is responsible for those operations or procedures.

DTC has advised the Issuers 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 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; 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 Security, that nominee will be considered the sole owner or holder of the Securities represented by that Registered Global Security for all purposes under the Master Agency Agreement. Except as provided below, owners of beneficial interests in a Registered Global Security:

- will not be entitled to have Securities represented by a Registered Global Security registered in their names;
- will not receive or be entitled to receive Definitive Securities; and
- will not be considered the owners or holders of the Securities under the Master Agency Agreement for any purpose, including with respect to the giving of any direction, instruction or approval to the Agent under the Master Agency Agreement.

As a result, each investor who owns a beneficial interest in a Registered Global Security must rely on the procedures of DTC to exercise any rights of a holder of Securities under the Master Agency Agreement (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 Securities represented by a Registered Global Security will be made by the New York Agent to DTC's nominee as the registered holder of the Registered Global Securities. Neither the Issuers nor the New York Agent will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Global Security, 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 Security 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 Securities will be issued and delivered to each person that DTC identifies as a beneficial owner of the related Securities only on the occurrence of one of the following events:

- DTC notifies the relevant Issuer at any time that it is unwilling or unable to continue as depository for the Registered Global Securities and a successor depository is not appointed within 90 days;

- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depository is not appointed within 90 days; or
- the relevant Issuer, at its option, notifies the New York Agent that it elects to cause the issuance of Registered Definitive Securities.

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 Security 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 Security 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 Securities

The Issuers may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Securities. In respect of Bearer Securities, a Temporary Global Security and/or a Permanent Global Security in bearer form without Coupons may be deposited with a common depository for Euroclear and/or Clearstream or an alternative clearing system as agreed between the Issuers and the Managers. Transfers of interests in such Temporary Global Securities or Permanent Global Securities 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 Securities

The Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of the Securities to be represented by a Regulation S Global Security. Each Regulation S Global Security deposited with a common depository 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 Security. Each such Rule 144A Global Security will have a CUSIP number. Each Rule 144A Global Security will be subject to restrictions on transfer contained in a legend appearing on the front of such Rule 144A Global Security, as set out under "Transfer Restrictions for Registered Securities". In certain circumstances, as described below in "Transfer Restrictions for Registered Securities", transfers of interests in a Rule 144A Global Security may be made as a result of which such legend may no longer be required.

In the case of a Tranche of Registered Securities to be cleared through the facilities of DTC, the Custodian, with whom the Rule 144A Global Securities are deposited, and DTC, will electronically record the aggregate nominal amount or number of Securities, as applicable, represented by the Rule 144A Global Securities held within the DTC system. Investors may hold their beneficial interests in a Rule 144A Global Security 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 Security 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 Security. 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, calculation amount or number of the Securities, as applicable, represented by the relevant Rule 144A Global Security 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 Security 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 Issuers, the Guarantor, 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 Security or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Securities will initially be in the form of Regulation S Global Securities and/or Rule 144A Global Securities. Definitive Securities will only be available, in the case of Securities in the form of Notes or Exercisable Certificates initially represented by a Regulation S Global Security, in amounts or numbers specified in the applicable Final Terms, and, in the case of Securities initially represented by a Rule 144A Global Security, in minimum amounts of US\$100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Manager(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 Security 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 Securities evidenced by a Rule 144A Global Security 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 Notes held by DTC or its nominee will be received from the Company 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 Master Agency Agreement sets out the manner in which such conversions are to be made.

Transfers of Registered Securities

Transfers of interests in Global Securities 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 Security 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 Security 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 Security may only be held through Euroclear or Clearstream. In the case of Registered Securities 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 Security

to a transferee who wishes to take delivery of such interest through a Rule 144A Global Security for the same Series of Securities provided that any such transfer made on or prior to the expiration of the Distribution Compliance Period relating to the Securities represented by such Regulation S Global Security 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 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 Securities represented by such Regulation S Global Security will only be made upon request through Euroclear or Clearstream by the holder of an interest in the Regulation S Global Security 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 Security. Transfers at any time by a holder of any interest in the Rule 144A Global Security to a transferee who takes delivery of such interest through a Regulation S Global Security 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 Security.

Subject to compliance with the transfer restrictions applicable to the Registered Securities described below and under “Transfer Restrictions for Registered Securities”, cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream accountholders, on the other, 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 Securities of such Series between accountholders in Euroclear and/or Clearstream and transfers of Securities of such Series 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, transfers of interests in the relevant Global Securities 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 Security 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 Securities, see “Transfer Restrictions for Registered Securities”.

DTC has advised the Issuers that it will take any action permitted to be taken by a holder of Registered Securities (including, without limitation, the presentation of Rule 144A Global Securities for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Rule 144A Global Securities are credited and only in respect of such portion of the aggregate nominal amount or aggregate number of Securities, as applicable, represented by the relevant Rule 144A Global Securities 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 Securities in exchange for Definitive Securities (which will, in the case of Restricted Securities, bear the legend applicable to transfers pursuant to Rule 144A).

DTC has advised the Issuers 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 Securities 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 Security is lodged with DTC or the Custodian, Restricted Securities represented by Definitive Securities will not be eligible for clearing or settlement through Euroclear, Clearstream or DTC.

Definitive Securities

Registration of title to Registered Securities in a name other than a depository or its nominee for Clearstream and Euroclear or for DTC will be permitted only in the circumstances set out in Condition 1 of the Base Conditions. In such circumstances, the Issuer will cause sufficient individual Securities to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Securityholder(s). A person having an interest in a Global Security must provide the Registrar with:

- (i) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Securities; and
- (ii) in the case of a Rule 144A Global Security 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 Securities 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 Securities 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 Securities 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 Securities 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 Securities 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 Securities 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 Securities

Restricted Securities

Each purchaser of Restricted Securities, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that:

- (1) It is (a) a QIB, (b) acquiring such Restricted Securities for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Securities has been advised, that the sale of such Restricted Securities to it is being made in reliance on Rule 144A.
- (2) (i) It understands that such Restricted Securities and the Guarantee (if any) have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) 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 (ii) it will, and each subsequent holder of the Restricted Securities is required to, notify any purchaser of the Restricted Securities from it of the resale restrictions on the restricted securities.
- (3) The Rule 144A Global Security representing such Restricted Securities will, unless the Issuer determines otherwise in accordance with applicable law, bear a legend in or substantially in the following from:

THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY AND THE GUARANTEE (IF ANY) 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 A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "QIB") THAT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, (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 REALES OF THE SECURITIES.

A Rule 144A Global Security held by a Custodian on behalf of DTC shall also bear the following legend:

"UNLESS THIS RULE 144A GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED 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 AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED 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 Issuers, the Registrar, Luxembourg Registrar, the Manager 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 Securities for the account of one or more QIBs, 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 Securities will be represented by a Rule 144A Global Security. Before any interest in a Rule 144A Global Security 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 Security or as the case may be, Global Security, 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 Securities 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 Securities or prospective purchaser designated by such holder of Securities 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 Securities may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.

Unrestricted Securities

Each purchaser of Unrestricted Securities and each subsequent purchaser of such Unrestricted Securities in re-sales prior to the expiration of the Distribution Compliance Period, by accepting delivery of the Base Prospectus and the Unrestricted Securities, will be deemed to have represented, agreed and acknowledged that:

- (1) It is, or at the time Unrestricted Securities are purchased will be, the beneficial owner of such Unrestricted Securities 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, the Guarantor, or a person acting on behalf of such an affiliate.
- (2) It understands that such Unrestricted Securities and the Guarantee (if any) 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 Securities 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 a QIB purchasing for its own account or the account of a QIB 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 Securities, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

“THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL SECURITY AND THE GUARANTEE (IF ANY) 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 Guarantor, the Registrars, the Luxembourg Registrar, the Agents, the Manager 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 Securities will be represented by an Regulation S Global Security or, as the case may be, a Global Security. Prior to the expiration of the Distribution Compliance Period, before any interest in a Regulation S Security 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 Master Agency Agreement) as to compliance with the applicable securities laws.

Global Bearer Securities that are Warrants or Exercisable Certificates

The following legend will appear on each Global Bearer Security that is a Warrant or an Exercisable Certificate:

“THE SECURITIES REPRESENTED BY THIS GLOBAL SECURITY (THE “SECURITIES”) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS AND TRADING IN THE SECURITIES HAS NOT BEEN APPROVED BY THE COMMODITIES FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT OF 1936, AS AMENDED. THE SECURITIES, OR INTERESTS THEREIN, MAY NOT AT ANY TIME BE OFFERED, SOLD, RESOLD, TRADED, PLEDGED, EXERCISED, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OF, ANY US PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT).

ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.”

TAXATION

General Taxation Information

The information provided below does not purport to be a complete summary of tax law and practice currently applicable to the Securities. Transactions involving Securities (including purchases, transfers, redemptions, cancellations and/or exercise), the accrual or receipt of any interest or premium payable on the Securities, the delivery of any Entitlement and the death of a holder of any Security may have tax consequences for potential purchasers which may depend, amongst other things, upon the tax residence and/or status of the potential purchaser. Potential purchasers of Securities are therefore advised to consult their own tax advisers as to the tax consequences of transactions involving Securities and the effect of any tax laws in any jurisdiction in which they may be tax resident or otherwise liable to tax. In particular, no representation is made as to the manner in which payments under the Securities would be characterised by any relevant taxing authority.

The following summaries do not consider the tax treatment of payments or deliveries in respect of Reference Assets. The taxation provisions applicable to such items may be different (and in some cases significantly different) from those described in the summary below.

Purchasers and/or sellers of Securities may be required to pay stamp taxes and other charges in addition to the issue price or purchase price (if different) of the Securities and in connection with the transfer or delivery of any Reference Asset(s).

Prospective investors are referred to in Conditions 7 and 9.5 of the Base Conditions.

United Kingdom Taxation

The comments are of a general nature based on current United Kingdom tax law and HM Revenue and Customs ("HMRC") published practice and are a summary of the understanding of the Bank 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 Securities and do not apply to certain classes of taxpayers (such as persons carrying on a trade of dealing in Securities, certain professional investors and persons connected with the Issuer or the Guarantor) to whom special rules may apply.

Prospective Securityholders 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.

1 United Kingdom Taxation relating to the Securities in the form of Notes

1.1 Withholding tax

(i) *Payments of interest by the Bank only*

The Bank, provided that it continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the "Act"), and provided that the interest on Securities in the form of Notes is paid in the ordinary course of its business within the meaning of

section 878 of the Act, will be entitled to make payments of interest without withholding or deduction for or on account of United Kingdom tax.

(ii) *Payments of interest in respect of Securities which are listed on a recognised stock exchange*

Payments of interest under Securities in the form of Notes may be made without withholding or deduction for or on account of United Kingdom tax provided that such Securities carry a right to interest, and are and remain listed on a “recognised stock exchange”, as defined in section 1005 of the Act. The London Stock Exchange is a recognised stock exchange. Securities in the form of Notes will satisfy this requirement if they are admitted to trading on the relevant recognised stock exchange, and are (in the case of the UK) included in the Official List or (in a country outside the UK where there is a recognised stock exchange) are officially listed in accordance with provisions corresponding to those generally applicable in EEA states.

Provided, therefore, that Securities in the form of Notes are and remain so listed, interest on such Securities will be payable without withholding or deduction for or on account of United Kingdom tax whether or not the Issuer carries on a banking business in the United Kingdom and whether or not the interest is paid in the ordinary course of its business.

(iii) *Payments of interest to certain Securityholders*

Interest on Securities in the form of Notes may also be paid without withholding or deduction for or on account of United Kingdom tax where at the time the payment is made, the Issuer reasonably believes that either:

- (a) the person beneficially entitled to the interest payable on such Securities is within the charge to United Kingdom corporation tax as regards the payment of such interest; or
- (b) the payment is made to one of the classes of exempt bodies or persons set out in section 936 of the Act,

provided that HMRC has not given a direction (in circumstances where it has reasonable grounds to believe that such payment of interest will not be an “excepted payment” at the time the payment is made) that the interest should be paid under deduction of tax.

(iv) *Securities with a maturity of less than 365 days*

Interest on Securities in the form of Notes having a maturity of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Securities part of a borrowing with a total term of a year or more may also be paid without deduction for or on account of United Kingdom income tax.

(v) *Other withholdings*

In other cases, an amount may have to be withheld from payments of interest on Securities in the form of Notes for or on account of United Kingdom income tax at the basic rate, subject to the availability of other exemptions or reliefs or to any direction to

the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

1.2 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 HM Revenue & Customs 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.

The provisions referred to above may also apply, in certain circumstances, to payments of amounts due on redemption of Notes that constitute “deeply discounted securities” (as defined in Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005). However, HMRC’s published practice indicates that no such information will be required in relation to such redemption amounts where they are paid before 5 April 2010.

1.3 EU Directive on the Taxation of Savings Income

Under EC Council Directive 2003/48/EC on the taxation of savings income, each EU Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual or certain other persons in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg will (unless they elect otherwise) instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU territories to the exchange of information relating to such payments.

A number of non-EU countries, including Switzerland, and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual or certain other persons in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual or certain other persons in one of those territories.

2 United Kingdom Taxation relating to the Securities in the form of Certificates

2.1 Withholding Tax

Payments under Securities in the form of Certificates issued by the Bank may be made without deduction of United Kingdom income tax where the payments are made in the ordinary course of the Bank’s business or where the Securities are listed in a recognised stock exchange (which includes the London Stock Exchange) and otherwise where the payments are not regarded as interest for tax purposes.

Payments under Securities in the form of Certificates issued by BCCL may be made without deduction of United Kingdom income tax where the Securities are listed on a recognised stock

exchange (which includes the London Stock Exchange) and otherwise where such payments are not regarded as interest for tax purposes.

In other cases, an amount may have to be withheld from payments which are regarded as interest for tax purposes under Securities in the form of Certificates for or on account of United Kingdom income tax at the basic rate, subject to the availability of other exemptions or reliefs or to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

2.2 Reporting requirements

Prospective holders of Securities in the form of Certificates are referred to the reporting requirements which are discussed at paragraph 1.2 above of the section entitled “United Kingdom Taxation relating to the Securities in the form of Notes”. The same reporting requirements may apply to Securities in the form of Certificates. Prospective holders of Securities in the form of Certificates are also directed to the disclosure at paragraph 1.3 above in respect of the EU Directive on the Taxation of Saving Income.

3 United Kingdom Taxation relating to the Securities in the form of Warrants

3.1 Withholding tax

No United Kingdom income tax should be required to be deducted or withheld from any payments made on the issue, exercise, cancellation, sale or other disposition of Securities in the form of Warrants, unless the applicable Final Terms provide that the Securities will carry a right to interest. Where Securities in the form of Warrants carry a right to interest, amounts may have to be withheld from payments of interest on such Securities for or on account of United Kingdom income tax at the basic rate, subject to the availability of exemptions or reliefs or to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

3.2 Reporting requirements

Prospective holders of Securities in the form of Warrants which carry a right to interest are referred to the reporting requirements which are discussed at paragraph 1.2 above of the section entitled “United Kingdom Taxation relating to the Securities in the form of Notes” and to the disclosure at paragraph 1.3 above in respect of the EU Directive on the Taxation of Saving Income, which may apply in respect of such Securities.

3.3 Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

(i) Issue

A Global Security that represents Warrants may be subject to United Kingdom stamp duty if it is executed in the United Kingdom or if it relates to any property situate, or to any matter or thing done or to be done, in the United Kingdom. However, in the context of retail covered warrants listed on the London Stock Exchange, HMRC has indicated that no charge to United Kingdom stamp duty will arise on the grant of such Securities. It is not clear whether or not HMRC would be prepared to take such a view in relation to a Global Security representing Warrants.

If a Global Security representing Warrants is subject to United Kingdom stamp duty, there may be no practical necessity to pay that stamp duty as United Kingdom stamp duty is not an assessable tax. However, a Global Security which is not duly stamped cannot be used for any purpose in the United Kingdom; for example it will be inadmissible in evidence in civil proceedings in a United Kingdom court.

If a Global Security representing Warrants is subject to United Kingdom stamp duty, and it becomes necessary to pay that stamp duty (for example because this is necessary in order to enforce the document in the United Kingdom), interest will be payable (in addition to the stamp duty) in respect of the period from 30 days after the date of execution of the Global Security representing Warrants to the date of payment of the stamp duty. Penalties may also be payable if a Global Security which was executed in the United Kingdom is not stamped within 30 days of execution or if a Global Security which was executed outside the United Kingdom is not stamped within 30 days of first being brought into the United Kingdom. If any United Kingdom stamp duty is required to be paid, it would be payable at the rate of 0.5 per cent. by reference to the amount of consideration given for the issue of Warrants represented by that Global Security.

No SDRT should be payable on the issue (into Euroclear or Clearstream) of a Warrant that is a cash settled Security.

No SDRT should be payable in relation to the issue (into Euroclear or Clearstream) of a Warrant that is a physically delivered Security which does not give the holder an interest in, rights arising out of, or the right to acquire stock, shares or loan capital.

SDRT at 1.5 per cent. of the consideration will be payable in relation to the issue (into Euroclear or Clearstream) of a Warrant that is a physically delivered Security which gives the holder the right on exercise to acquire stock, shares or loan capital unless such stock, shares or loan capital would qualify as “exempt securities”.

(ii) Transfer

No United Kingdom stamp duty should be required to be paid on the sale of a Warrant (whether a cash settled Security or a physically delivered Security), provided no instrument of transfer is used in order to complete the sale.

If an instrument of transfer were to be used to complete the sale of a Warrant (which should be unlikely where transfers take place electronically through a Relevant Clearing System), this would generally give rise to ad valorem stamp duty, at the current rate of 0.5 per cent of the amount or value of the consideration, unless the transfer is to a depositary for a clearing system (including a Relevant Clearing System) or to a person issuing depositary receipts (or an agent or nominee of such a person) where stamp duty will be payable at 1.5 per cent of the amount or value of the consideration. The purchaser of a Warrant normally pays any stamp duty.

No SDRT should generally be payable in relation to an agreement to transfer a Warrant within Euroclear or Clearstream, provided that, where such Security is a physically delivered Security that gives the holder the right on exercise to acquire Reference Assets which are not “exempt securities”, no election has been made under which the alternative system of charge (as provided for in section 97A of the Finance Act 1986) applies to the physically delivered Security. If such an election has been made, SDRT

could be payable at 0.5 per cent. of the consideration paid for the agreement to transfer the Security.

(iii) Exercise

Depending upon the nature of the asset, United Kingdom stamp duty or SDRT may be required to be paid in relation to the transfer of an asset following the exercise of a Warrant that is a physically delivered Security.

However, any such liability to SDRT should be cancelled (or, if already paid, should be repaid) if an instrument effecting the transfer is chargeable with stamp duty (or is otherwise required to be stamped) and has been duly stamped within six years of the agreement being made or, in the case of a conditional agreement, within six years of all conditions being satisfied.

United States Taxation

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF 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 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 U.S. federal income tax consequences of the acquisition, ownership and disposition of Securities by a U.S. Holder (as defined below). This summary does not address the material U.S. federal income tax consequences of every type of Security which may be issued under the Programme, and the applicable Final Terms or Relevant Annex may contain additional or modified disclosure concerning the material U.S. federal income tax consequences relevant to such type of Security as appropriate. This summary deals only with purchasers of Securities that are U.S. Holders and that will hold the Securities as capital assets. The discussion does not cover all aspects of U.S. 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 Securities 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 U.S. 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 Securities as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes or investors whose functional currency is not the U.S. dollar). Moreover, the summary deals only with Securities with a term of 30 years or less. The U.S. federal income tax consequences of

owning Securities with a longer term may be discussed in the applicable Final Terms or Relevant Annex.

The following summary does not discuss Securities that are not characterized as debt instruments, or that are characterized as contingent payment debt instruments for U.S. federal income tax purposes, nor does it discuss the tax consequences of the ownership, disposition, or exercise of Warrants or Exercisable Certificates. In the event the Issuer issues any such Securities, Warrants or Exercisable Certificates, the applicable Final Terms or Relevant Annex may describe their material U.S. federal income tax consequences.

As used herein, the term “U.S. Holder” means a beneficial owner of Securities that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organized under the laws of the United States or any State thereof, (iii) an estate the income of which is subject to U.S. 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 U.S. 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 U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in a partnership that holds Securities 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 U.S. federal income tax consequences to their partners of the acquisition, ownership and disposition of Securities by the partnership.

The summary is based on the tax laws of the United States including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

Bearer Securities are not being offered to U.S. Holders. A U.S. Holder who owns a Bearer Security may be subject to limitations under United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the United States Internal Revenue Code.

THE SUMMARY OF U.S. 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 SECURITIES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

1 U.S. Federal Income Tax Characterisation of the Securities

The characterization of a Series or Tranche of Securities may be uncertain and will depend on the terms of those Securities. 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 characterization of some of the types of Securities that are anticipated to be issued under the Programme or of instruments similar to such Securities.

Depending on the terms of a particular Series or Tranche of Securities, such Securities may not be characterised as debt for U.S. federal income tax purposes despite the form of the Security as debt instruments. For example, Securities of a Series or Tranche may be more properly characterised as prepaid forward contracts or some other type of financial instrument. Additional alternative characterisations may also be possible. Further possible characterisations, if applicable, may be discussed in the applicable Final Terms or other Offering Documents.

The following summary applies to Securities that are properly treated as debt for U.S. federal income tax purposes. However, no rulings will be sought from the IRS regarding the characterisation of any of the Securities issued hereunder for U.S. federal income tax purposes. Each holder should consult its own tax adviser about the proper characterisation of the Securities for U.S. federal income tax purposes and consequences to such holder of acquiring, owning or disposing of the Securities.

2 Payments of Interest

2.1 General

Interest on a Security, whether payable in U.S. dollars or a currency, composite currency or basket of currencies other than U.S. 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 U.S. Holder as ordinary income at the time it is received or accrued, depending on the holder’s method of accounting for tax purposes. Interest paid by the Issuer on the Securities and OID, if any, accrued with respect to the Securities (as described below under “*Original Issue Discount*”) generally will 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 Securities.

3 Original Issue Discount

3.1 General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Securities issued with original issue discount (“**OID**”).

A Security, other than a Security 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 Security’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 Security’s 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 Security’s stated redemption price at maturity over its issue price is equal to or greater than 0.25 per cent. of the Security’s stated redemption price at maturity multiplied by the weighted average maturity of the Security. A Security’s weighted average maturity is the sum of the following amounts determined for each payment on a Security (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 Security’s stated redemption price at maturity. Generally, the issue price of a Security will be the first price at which a substantial amount of Securities included in the issue of which the Security 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 Security is the total of all payments provided by the Security 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 Security 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 Security. Solely for the purposes of determining whether a Security has OID, the Issuer will be deemed to exercise any call option that has the effect of decreasing the yield on the Security, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Security.

U.S. 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 U.S. 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 U.S. 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 Security may be of any length selected by the U.S. Holder and may vary in length over the term of the Security as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Security 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 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 Security 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 Security that were not qualified stated interest payments.

3.2 Acquisition Premium

A U.S. Holder that purchases a Discount Security for an amount less than or equal to the sum of all amounts payable on the 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 U.S. Holder’s adjusted basis in the Security immediately after its purchase over the Security’s adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Security after the purchase date, other than payments of qualified stated interest, over the Security’s adjusted issue price.

3.3 Short-Term Securities

In general, an individual or other cash basis U.S. Holder of a Short-Term Security is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. 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 U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Securities on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. 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. U.S. 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 U.S. Holder may elect to determine OID on a Short-Term Security as if the Short-Term Security had been originally issued to the U.S. Holder at the U.S. 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 U.S. 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.

3.4 Fungible Issue

The Issuer may, without the consent of the Holders of outstanding Securities, issue additional Securities with identical terms. These additional Securities, even if they are treated for non-tax purposes as part of the same series as the original Securities, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such a case, the additional Securities may be considered to have been issued with OID even if the original Securities had no OID, or the additional Securities may have a greater amount of OID than the original Securities. These differences may affect the market value of the original Securities if the additional Securities are not otherwise distinguishable from the original Securities.

3.5 Market Discount

A Security, other than a Short-Term Security, generally will be treated as purchased at a market discount (a “**Market Discount Security**”) if the Security’s stated redemption price at

maturity or, in the case of a Discount Security, the Security's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Security by at least 0.25 per cent. of the Security's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Security's maturity (or, in the case of a Security that is an instalment obligation, the Security's weighted average maturity). If this excess is not sufficient to cause the Security to be a Market Discount Security, then the excess constitutes "de minimis market discount". For this purpose, the "revised issue price" of a Security generally equals its issue price, increased by the amount of any OID that has accrued on the Security and decreased by the amount of any payments previously made on the Security 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 Security 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 Security. Alternatively, a U.S. Holder of a Market Discount Security may elect to include market discount in income currently over the life of the Security. This election will apply to all debt instruments with market discount acquired by the electing U.S. 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 Internal Revenue Service (the "IRS"). A U.S. 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 Security includible in the U.S. 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 U.S. Holder.

Under current law, market discount will accrue on a straight-line basis unless the U.S. 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.

3.6 Variable Interest Rate Securities

Floating Rate Securities 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 (a) its issue price does not exceed the total noncontingent principal payments due under the Variable Interest Rate Security by more than a specified de minimis amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate, and (c) it does not provide for any principal payments that are contingent (other than as described in (a) above).

A "qualified floating rate" is any variable 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 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 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 a 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). A 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 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 3 months prior to the first day on which that value is in effect and no later than 1 year following that first day.

If 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 Security 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 of 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 of 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 of 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 U.S. Holder of the Variable Interest Rate Security will account for the OID and qualified stated interest as if the U.S. 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, such as a 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. The proper U.S. federal income tax treatment of Variable Interest Rate Securities that are treated as contingent payment debt obligations will be more fully described in the applicable Final Terms or Relevant Annex.

4 Securities Purchased at a Premium

A U.S. Holder that purchases a Security 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 U.S. Holder’s income each year with respect to interest on the Security will be reduced by the amount of amortisable bond premium allocable (based on the Security’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 U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. See also “*Original Issue Discount — Election to Treat All Interest as Original Issue Discount*”.

5 Election to Treat All Interest as Original Issue Discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Security 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 Security 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 Security is made with respect to a Market Discount Security, the electing U.S. Holder will be treated as having made the election discussed above under “*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 U.S. Holder. U.S. Holders should consult their tax advisers concerning the propriety and consequences of this election.

6 Substitution of Issuer

The terms of the Securities provide that, in certain circumstances, the obligations of the Issuer under the Securities may be assumed by another entity. Any such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Securities by a U.S. Holder in exchange for new securities issued by the new obligor. As a result of this deemed disposition, a U.S. Holder could be required to recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the new securities (as determined for U.S. federal income tax purposes), and the U.S. Holder’s tax basis in the Securities. U.S. Holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of a change in obligor with respect to the Securities.

7 Purchase, Sale and Retirement of Securities

A U.S. Holder's tax basis in a Security will generally be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Security and the amount, if any, of income attributable to de minimis OID and de minimis market discount included in the U.S. 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 Security.

A U.S. Holder will generally recognise gain or loss on the sale or retirement of a Security equal to the difference between the amount realised on the sale or retirement and the tax basis of the Security. 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 Security will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the Securities exceeds one year. Gain or loss realised by a U.S. Holder on the sale or retirement of a Security generally will be U.S. source.

8 Foreign Currency Securities

8.1 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 U.S. Holder will be the U.S. 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 U.S. dollars.

An accrual basis U.S. 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 U.S. Holder, the part of the period within the taxable year).

Under the second method, the U.S. 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 U.S. Holder may instead translate the accrued interest into U.S. 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 U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. 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 Security) denominated in, or determined by reference

to, a foreign currency, the U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. 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 U.S. dollars.

8.2 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 U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Security or a sale or disposition of the Security), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. 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 U.S. dollars.

8.3 Market Discount

Market discount on a Security that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognise U.S. 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 U.S. Holder that does not elect to include market discount in income currently will recognise, upon the disposition or maturity of the Security, the U.S. 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.

8.4 Bond Premium

Bond premium (including acquisition premium) on a Security 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 U.S. Holder may recognise U.S. 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 Securities were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognise a market loss when the Security matures.

8.5 Sale or Retirement

As discussed above under "*Purchase, Sale and Retirement of Securities*", a U.S. Holder will generally recognise gain or loss on the sale or retirement of a Security equal to the difference between the amount realised on the sale or retirement and its tax basis in the Security. A U.S. Holder's tax basis in a Security that is denominated in a foreign currency will be determined

by reference to the U.S. dollar cost of the Security. The U.S. dollar cost of a Security purchased with foreign currency will generally be the U.S. dollar value of the purchase price on the date of purchase, or the settlement date for the purchase, in the case of Securities traded on an established securities market, as defined in the applicable Treasury Regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects).

The amount realised on a sale or retirement for an amount in foreign currency will be the U.S. dollar value of this amount on the date of sale or retirement, or the settlement date for the sale, in the case of Securities traded on an established securities market, as defined in the applicable Treasury Regulations, sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects). Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

A U.S. Holder will recognise U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Security equal to the difference, if any, between the U.S. dollar values of the U.S. Holder's purchase price for the Security (or, if less, the principal amount of the Security) (i) on the date of sale or retirement and (ii) the date on which the U.S. Holder acquired the Security. 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).

8.6 Disposition of Foreign Currency

Foreign currency received as interest on a Security or on the sale or retirement of a Security will have a tax basis equal to its U.S. dollar value at the time the foreign currency is received. Foreign currency that is purchased will generally have a tax basis equal to the U.S. 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 Securities or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss.

9 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 Securities, payable to a U.S. Holder by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments and to accruals of OID if the U.S. 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 U.S. federal income tax returns. Certain U.S. Holders (including, among others, corporations) are not subject to backup withholding. U.S. Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

10 Reportable Transactions

A U.S. 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 U.S. Holder may be required to treat a foreign currency exchange loss from the Securities as a reportable

transaction if the loss exceeds U.S.\$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders. In the event the acquisition, holding or disposition of Securities constitutes participation in a reportable transaction for purposes of these rules, a U.S. Holder will be required to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of U.S.\$10,000 in the case of a natural person and U.S.\$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 U.S. Holder realises a loss on any Security (or, possibly, aggregate losses from the Securities) satisfying the monetary thresholds discussed above, the U.S. Holder could be required to file an information return with the IRS, and failure to do so may subject the U.S. 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 U.S. 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 Securities.

11 ERISA Matters

BCCL and certain affiliates of BCCL may each be considered a “party in interest” within the meaning of the US Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or a “disqualified person” within the meaning of the Code with respect to many employee benefit plans and individual retirement accounts, tax qualified plans for the self-employed and other plans subject to Title I of ERISA or section 4975 of the Code. Certain transactions between an employee benefit plan and a party in interest or disqualified person may result in “prohibited transactions” within the meaning of ERISA and the Code, unless such transactions are affected pursuant to an applicable exemption. Any employee benefit plan or other entity whose assets may be subject to such provisions of ERISA or the Code proposing to invest in any Securities should consult with its legal counsel and be prepared to set forth for the Manager the basis of any applicable prohibited transaction exemption.

Cayman Islands Taxation

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Securities. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor’s particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

1 Under existing Cayman Islands laws:

- 1.1 Payments of interest and principal on the Securities will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal to any holder of the Securities, nor will gains derived from the disposal of the Securities be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.
- 1.2 No stamp duty is payable in respect of the issue of Securities in bearer form. Securities in bearer form themselves will be stampable if they are executed in or brought into the Cayman Islands.

1.3 No stamp duty is payable in respect of the issue of Securities in registered form. An instrument of transfer in respect of a Security in registered form is stampable if executed in or brought into the Cayman Islands.

BCCL has been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, has obtained an undertaking from the Governor in Cabinet (formerly known as the Governor in Council) of the Cayman Islands in the following form:

The Tax Concessions Law

(Revised)

Undertaking as to Tax Concessions

In accordance with the provision of section 6 of The Tax Concessions Law (Revised), the following undertaking is hereby given to Barclays Capital (Cayman) Limited being a company certified by the Registrar of Companies to be a company registered as an exempted company under section 180 of the Companies Law (Cap. 22):

- (1) That no law which is hereafter enacted in the Islands imposing any tax to be levied on profits or income or gains or appreciations shall apply to the aforesaid company or its operations; and
- (2) That the aforesaid tax or any tax in the nature of estate duty or inheritance tax shall not be payable on the shares, debentures or other obligations of the aforesaid exempted company.

This Undertaking shall be for a period of twenty years from the 29th day of August, 1989.

European Union Taxation

Under EC Council Directive 2003/48/EC on the taxation of savings income, each EU Member State is required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria, Belgium and Luxembourg will (unless they elect otherwise) instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU territories to the exchange of information relating to such payments.

A number of non-EU countries, including Switzerland, and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual or certain other persons in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

PURCHASE AND SALE

Pursuant to the Master Subscription Agreement dated 5 August 2009, the Manager (being, at the date of this Base Prospectus, Barclays Bank PLC in its capacity as a Manager) has agreed with the Issuers the basis on which it may from time to time agree to purchase Securities. Any such agreement will extend to those matters stated under “Summary” and “Terms and Conditions of the Securities” above. In the Master Subscription Agreement, each of the Issuers has agreed to reimburse the Manager for certain of its expenses in connection with the establishment of the Programme and the issue of Securities under the Programme.

No representation is made that any action has been or will be taken by BCCL, the Bank or the Managers in any jurisdiction that would permit a public offering of any of the Securities or possession or distribution of the Base Prospectus or any other offering material or any Final Terms in relation to any Securities in any country or jurisdiction where action for that purpose is required. No offers, sales, re-sales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on BCCL, the Bank and/or the Managers.

SELLING RESTRICTIONS

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive or for which the provisions of the Prospectus Directive have direct effect under local law because that Member State failed to implement the Prospectus Directive in time (each, a “**Relevant Member State**”), the Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Securities 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 Securities to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Securities which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive or, where appropriate, published in another Member State and notified to the competent authority in that Relevant Member State in accordance with Article 18 of the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Securities to the public” in relation to any Securities 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 Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United States of America

US Tax Selling Restrictions

Bearer Notes and the Bearer Indebtedness Certificates (collectively, the “**Bearer Debt Instruments**”) have not been issued in registered form for US federal income tax purposes and 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) (the “**D Rules**”).

Each Issuer and the Manager has represented and agreed (and each additional Manager 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 Debt Instruments to a person who is within the United States or its possessions or to a United States person and (y) such Manager has not delivered and agrees that it will not deliver within the United States or its possessions definitive Bearer Debt 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 Debt Instruments are aware that Bearer Debt 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 Debt Instruments for purposes of resale in connection with their original issuance, and if it retains Bearer Debt 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 Debt Instruments from the Manager for the purpose of offering or selling such Bearer Debt Instruments during the restricted period, the Manager 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 Manager 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 Manager) has offered or sold, or during the restricted period will offer or sell, any Bearer Debt Instruments except where pursuant to the contract the Manager has obtained or will obtain from that party, for the benefit of each Issuer and Manager, 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 US Treasury Regulations thereunder, including the D Rules.

US Securities Selling Restrictions

Notes and Certificates

The Notes, Certificates, the Guarantee (if any) and in certain cases, the Entitlements 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 of 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.

The Manager has agreed (and each further Manager named in a set of Final Terms will be required to agree) that it will not offer or sell Notes or Certificates (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes or Certificates are part, as determined and certified to the Agent by such Manager (in the case of a non-syndicated issue) or the relevant lead Manager (in the case of a syndicated issue), within the United States or to, or for the account or benefit of, US persons except to certain qualified institutional buyers as defined in Rule 144A ("QIBs") in reliance on Rule 144A, and it will have sent to each Manager to which it sells Notes or Certificates 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 Notes or Certificates 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 Manager 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 Securities, and such Manager, 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 Notes and Certificates are being offered and sold outside the United States to non-US persons in reliance on Regulation S. The Master Subscription Agreement provides that the Manager may directly or through its US broker-dealer affiliates arrange for the offer and resale of Registered Securities within the United States only to QIBs.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes and Certificates, an offer or sale of such Notes or Certificates within the United States by any dealer (whether or not participating in the offering of such tranche of Notes or Certificates) 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 Issuers for use in connection with the offer and sale of Securities outside the United States and for the resale of the Registered Securities in the United States and for the listing of Securities on the Relevant Stock Exchange. The Issuers and the Manager reserve the right to reject any offer to purchase the Securities, 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 to whom an offer has been made directly by the Manager or its US broker-dealer affiliate. Distribution of the Base Prospectus by any non-US person outside the United States or by any QIB in the United States to any US person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such non-US person or QIB with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuers 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, is prohibited.

Each issue of Notes or Certificates shall be subject to such additional US selling restrictions as the Issuers and the relevant Manager may agree as a term of the issue and purchase of such Notes or Certificates, which additional selling restrictions shall be set out in the applicable Final Terms.

Warrants and Exercisable Certificates (other than Warrants or Exercisable Certificates to be sold within the United States pursuant to Rule 144A)

No Warrants or Exercisable Certificates of any Series nor the Guarantee (if any) have been, or will be, registered under the Securities Act or any state securities laws and trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the United States Commodity Exchange Act of 1936, as amended (the “**Commodity Exchange Act**”). The Warrants and/or Exercisable Certificates are only being offered and sold pursuant to the registration exemption contained in Regulation S under the Securities Act. No Warrants or Exercisable Certificates of any Series, or interests therein, may at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or directly or indirectly offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered to, or for the account or benefit of, any US person. Terms used in the preceding sentence have the meanings given to them by Regulation S. Consequently, any offer, sale, re-sale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a US person will not be recognised.

Each Manager of an issue of Warrants or Exercisable Certificates will be required to agree that it, its affiliates and any person acting on its or their behalf will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Warrants or Exercisable Certificates of such Series in the United States or to, or for the account or benefit of, any US person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such US person. Each Manager of an issue of Warrants or Exercisable Certificates will be required to agree that it, its affiliates, and any person acting on its or their behalf will not offer or sell the Warrants or Exercisable Certificates at any time except in accordance with Rule 903 of Regulation S, and that neither it, its affiliates, nor any persons acting on its or their behalf will engage in any directed selling efforts with respect to the Warrants or Exercisable Certificates and it and they will comply with the offering restrictions requirements of Regulation S. The terms used in this paragraph have the meanings given to them by Regulation S. Any person purchasing Warrants or Exercisable Certificates of any Series must agree with the Manager or the seller of such Securities that (i) it is not located in the United States and was not solicited to purchase the Securities while present in the United States, (ii) it will

not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Securities of such Series so purchased in the United States or to, or for the account or benefit of, any US person or to others for offer, sale, resale, trade or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any US person, (iii) it is not purchasing any Securities of such Series for the account or benefit of any US person and (iv) it will not make offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of any Securities of such Series (otherwise acquired), directly or indirectly, in the United States or to, or for the account or benefit of, any US person. Each Manager of an issue of Warrants or Exercisable Certificates will also be required to agree, and any person purchasing Securities of such Series must agree, to send each person who purchases any Securities of such Series from it, at or prior to confirmation of sale of any Securities, a written confirmation (which shall include the definitions of United States and US persons set forth herein) stating that the Securities and the Guarantee (if any) have not been registered under the Securities Act, or any state securities laws, and trading in the Securities and the Guarantee (if any) has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act, and stating that such purchaser agrees that it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver the Securities, directly or indirectly, in the United States or to, or for the account or benefit of, any US person. Any person exercising a Warrant or an Exercisable Certificate will be required to represent, inter alia, that it is not a US person, the Security is not being exercised within the United States or on behalf of a US person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a US person in connection with any exercise thereof. See “ Condition 6 of the Base Conditions - Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates”.

US Commodities Selling Restrictions

(a) Type 1 US Commodities Restrictions

Type 1 US Commodities Restrictions will generally apply in the case of Notes or Certificates that may implicate the US commodities laws but that may, in limited circumstances agreed between the relevant Issuer and the relevant Manager, be purchased, or redeemed when held, by or on behalf of certain persons in the United States.

If the Final Terms for Notes or Certificates of any Series indicates that Type 1 US Commodities Restrictions apply, the US Commodities Restrictions will be as follows:

Trading in the Notes or Certificates has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act. Except in limited circumstances agreed between the Issuer and the relevant Manager, the Notes or Certificates may not at any time be offered, sold or delivered in the United States or to, or for the account or benefit of, US persons, nor may any US person, except in limited circumstances agreed between the Issuer and the Manager, at any time trade or maintain a position in the Notes or Certificates. The redemption of a Note or the payment of the relevant Settlement Amount or other similar amount on redemption of a Note or Certificate will be conditional on certification that (a) neither the person holding the Notes or Certificates that are being redeemed, nor any person on whose behalf the Notes or Certificates that are being redeemed are held, is a US person or a person within the United States or (b) the person redeeming the Notes or Certificates, and each person on whose behalf the Notes or Certificates are being redeemed or who is the

beneficial owner thereof, is an Eligible Contract Participant (as such term is defined in the Commodity Exchange Act), or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Securityholder to equivalent effect.

The Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) (a) that it has not, except in limited circumstances agreed between the Issuer and such Manager, acquired, and will not, except in such limited circumstances, at any time acquire, any Notes or Certificates for the account or benefit of any US person and (b) that it has not, except in limited circumstances agreed between the Issuer and such Manager, offered, sold, traded or delivered, and will not, except in such limited circumstances, at any time offer, sell, trade or deliver, any Notes or Certificates, whether acquired in connection with the distribution of the Notes or Certificates or otherwise, in the United States or to, or for the account or benefit of, US persons. Barclays Capital Inc. may act as agent for Barclays Bank PLC in respect of such offers and sales and receive certain consideration from Barclays Bank PLC in connection therewith.

Terms in the two immediately preceding paragraphs not otherwise defined have the meanings given to them by Regulation S. Thus, as used herein, the term “United States” includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term “US person” includes a resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States or an estate or trust the income of which is subject to United States federal income taxation regardless of its source.

Alternative or additional selling restrictions may apply where so indicated in the Final Terms for Notes or Certificates of any Series.

(b) *Type 2 US Commodities Restrictions*

Type 2 US Commodities Restrictions will generally apply in the case of Notes or Certificates that may implicate the US commodities laws resulting in a prohibition on purchase or holding by persons in the United States.

If the Final Terms for Notes or Certificates of any Series indicates that Type 2 US Commodities Restrictions apply, the US Commodities Restrictions will be as follows:

Trading in the Notes or Certificates has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act. The Notes or Certificates may not at any time be offered, sold or delivered in the United States or to, or for the account or benefit of, US persons, nor may any US person at any time trade or maintain a position in the Notes or Certificates. The redemption of a Note or Certificate or the payment of the relevant Settlement Amount or other similar amount on redemption of a Note or Certificate will be conditional on certification as to non US beneficial ownership.

The Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) (a) that it has not acquired, and will not at any time acquire, any Notes or Certificates for the account or benefit of any US person and (b) that it has not offered, sold, traded or delivered, and will not at any time offer, sell, trade or deliver, any Notes or Certificates, whether acquired in

connection with the distribution of the Notes or Certificates or otherwise, in the United States or to, or for the account or benefit of, US persons.

Terms in the two immediately preceding paragraphs not otherwise defined have the meanings given to them by Regulation S.

US Retirement Plan Selling Restrictions

The Notes may not be sold or transferred to, and each purchaser by its purchase of the Notes shall be deemed to have represented and covenanted that it is not acquiring the Notes for or on behalf of, and will not transfer the Notes to, any pension or welfare plan as defined in Section 3 of the ERISA, that is subject to Title I of ERISA or any plan or arrangement that is subject to Section 4975 of the Internal Revenue Code or of an entity the assets of which are considered assets of such a plan, except that such purchase for or on behalf of a plan shall be permitted when, in the sole judgment of the Manager, and to the extent:

- (a) such purchase is made by or on behalf of a bank collective investment fund maintained by the purchaser in which no plan (together with any other plans maintained by the same employer or employee organization) has an interest in excess of 10% of the total assets in such collective investment fund, and the other applicable conditions of Prohibited Transaction Class Exemption (“PTCE”) 91-38 issued by the US Department of Labor are satisfied;
- (b) such purchase is made by or on behalf of an insurance company pooled separate account maintained by the purchaser in which, at any time while the Notes are outstanding, no plan (together with any other plans maintained by the same employer or employee organization) has an interest in excess of 10% of the total of all assets in such pooled separate account, and the other applicable conditions of PTCE 90-1 issued by the US Department of Labor are satisfied;
- (c) such purchase is made on behalf of a plan by (A) an investment adviser registered under the US Investment Advisers Act of 1940, as amended (the “**Investment Advisers Act**”), that had as of the last day of its most recent fiscal year total assets under its management and control in excess of \$85 million and had stockholders’ or partners’ equity in excess of \$1 million as shown in its most recent balance sheet prepared in accordance with generally accepted accounting principles, or (B) a bank as defined in Section 202(a)(2) of the Investment Advisers Act with equity capital in excess of \$1 million as of the last day of its most recent fiscal year, or (C) an insurance company which is qualified under the laws of more than one state to manage, acquire or dispose of any assets of a pension or welfare plan, which insurance company has as of the last day of its most recent fiscal year, net worth in excess of \$1 million and which is subject to supervision and examination by a State authority having supervision over insurance companies and, in any case, such investment adviser, bank or insurance company is otherwise a qualified professional asset manager, as such term is used in PTCE 84-14 issued by the US Department of Labor, and the assets of such plan when combined with the assets of other plans established or maintained by the same employer (or affiliate thereof) or employee organisation and managed by such investment adviser, bank or insurance company, do not represent more than 20% of the total client assets managed by such investment adviser, bank or insurance company at the time of the transaction, and the other applicable conditions of such exemption are otherwise satisfied;

- (d) such plan is a governmental plan (as defined in Section 3(3) of ERISA) which is not subject to the provisions of Title I of ERISA or Section 4975 of the Internal Revenue Code;
- (e) such purchase is made by or on behalf of an insurance company using the assets of its general account, the reserves and liabilities for the general account contracts held by or on behalf of any plan, together with any other plans maintained by the same employer (or its affiliates) or employee organisation, do not exceed 10% of the total reserves and liabilities of the insurance company general account (exclusive of separate account liabilities), plus surplus as set forth in the National Association of Insurance Commissioners Annual Statement filed with the state domicile of the insurer, in accordance with PTCE 95-60, and the other applicable conditions of such exemption are otherwise satisfied;
- (f) such purchase is made by an in-house asset manager within the meaning of Part IV(a) of PTCE 96-23, such manager has made or properly authorized the decision for such plan to purchase the Notes, under circumstances such that PTCE 96-23 is applicable to the purchase and holding of the Notes; or
- (g) such purchase will not otherwise give rise to a transaction described in Section 406 of ERISA or Section 4975(c)(1) of the Internal Revenue Code for which a statutory or administrative exemption is unavailable.

United Kingdom

The Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Securities issued by BCCL which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

Singapore

Each Manager (which term includes each further manager appointed under the Programme) has acknowledged that this Base Prospectus has not been and will not be lodged and registered as a prospectus with the Monetary Authority of Singapore.

Accordingly, each Manager has represented and agreed that this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Securities may not be circulated or distributed, nor may any Securities 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 under Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA 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 any Securities are subscribed or purchased under Section 275 of the SFA 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 trustee 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,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferable for transferred within 6 months after that corporation or that trust has acquired any of the Securities pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person as defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than 200,000 Singapore dollars (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, and in accordance with the applicable conditions specified in Section 275 of the SFA;
- (ii) where no consideration is or will be given for the transfer; or
- (iii) where the transfer is by operation of law.

Where any Securities are subscribed or purchased under Section 274 or 275 of the SFA, they may not be sold to any person other than (A) an institutional investor; (B) a relevant person under Section 275 of the SFA; or (C) a person pursuant to Section 275(1A) within 6 months from the date of initial acquisition.

Hong Kong

Notes

The Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) that:

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent), or (ii) in other circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) (the “**CO**”), or (iii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) (the “**SFO**”) and any rules made under the SFO, or (iv) in other circumstances which do not result in the document being a “prospectus” within the meaning of the CO; and
- (b) it has not issued, or had in its possession for the purposes of issue, and will not issue, or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the SFO and any rules made under the SFO.

Certificates and Warrants

No person, other than a person permitted to do so under the securities laws of Hong Kong, has issued or had in its possession for the purposes of issue, or will issue, or have in its possession for the purposes of issue any advertisement, invitation or document relating to the Certificates or Warrants, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than with respect to the Certificates or Warrants which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the SFO and any rules made thereunder.

Japan

The Securities 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, the Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Securities 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.

Korea

The Manager has represented and agreed (and each additional Manager named in the applicable Final Terms will be required to represent and agree) that the Securities have not been and will not be registered under the Securities Financial Investment Services and Exchange Capital Market Act of the Republic of Korea, as amended (the “**FISCMA**”) and that it will not directly or indirectly offer, sell or deliver any Securities in the Republic of Korea or to any resident of the Republic of Korea, or to any persons for re-offering or re-sale, directly or indirectly, in the Republic of Korea or to any resident of Korea, except as otherwise permitted by applicable Korean laws pursuant to an exemption from the registration requirements of FISCMA available thereunder and in compliance with the Foreign Exchange Transaction Law and other relevant laws of the Republic of Korea. The Manager has undertaken (and each additional Manager named in a set of Final Terms will be required to represent and agree) that it will ensure that any securities dealer to whom it sells Securities will agree that he will not re-offer or re-sell any Securities directly or indirectly in the Republic of Korea or to any resident of the Republic of Korea, except as aforesaid.

Taiwan

The Securities are made available to investors in the Republic of China (“**ROC**”) (including banks in the ROC acting as specified trust of money trustees for clients or securities firms in the ROC acting as agents for clients) from outside Taiwan. No person or entity has been authorised to offer, sell, re-sell, distribute, transfer, give advice regarding or otherwise intermediate the offer and sale of, the Securities in the ROC other than in compliance with the laws and regulations of the ROC.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (“**Australian Corporations Act**”) in relation to the Securities has been or will be lodged with the Australian Securities and Investments Commission (“**ASIC**”). The Manager has represented and agreed and each further Manager appointed under the Programme will be required to represent and agree that unless the applicable Final Terms (or another supplement to any Prospectus) otherwise provides, it:

- (a) has not offered or invited applications, and will not offer or invite applications for the issue, sale or purchase of the Securities in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any draft, preliminary or definitive offering circular or other offering material or advertisement relating to the Securities in Australia,

unless:

- (i) the offer or invitation is not made to a “retail client” (as defined for the purposes of Chapter 7 of the Australian Corporations Act);
- (ii) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in other currencies but disregarding moneys lent by the offeror or its associates) or the offer or

invitation otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Australian Corporations Act;

- (iii) such action complies with all applicable laws, regulations and directives (including, without limitation, the licensing requirements of Chapter 7 of the Australian Corporations Act); and
- (iv) such action does not require any document to be lodged with ASIC.

Switzerland

The Securities may not be publicly distributed in Switzerland. This Base Prospectus shall not be dispatched, copied to or otherwise made available to, and the Securities may not be offered for sale to any person in Switzerland, except to Qualified Investors as defined in article 10 of the Swiss Act on Collective Investment Schemes (“CISA”), i.e. to a) prudentially regulated financial intermediaries such as banks, securities dealers and fund management companies, b) regulated insurance institutions, c) public entities and retirement benefits institutions with professional treasury department, d) companies with professional treasury departments, e) High-Net-Worth Individuals (as defined below) and f) investors who have concluded a written discretionary management agreement with a financial intermediary as defined under lit. a) or with an independent asset manager that is governed by the Money Laundering Act of October 10, 1997 and by the code of conduct employed by a specific industry body, such code of conduct being recognised by the supervisory authority as the minimum standard. The discretionary management agreement with such independent asset manager shall comply with the recognized standards of a specific industry body. “**High-Net-Worth Individual**” is a private individual who confirms in writing at the time of the investment to own a minimum of CHF 2 million of financial investments, whether directly or indirectly.

This document is neither a prospectus according to article 652a or article 1156 of the Swiss Code of Obligations nor a simplified prospectus according to article 5 of the CISA nor a listing prospectus according to the Listing Rules of the SIX Swiss Exchange.

Cayman Islands

No invitation will be made to the public in the Cayman Islands to subscribe for any of the Securities.

Russian Federation

The Manager is required to represent, warrant and agree (and each additional Manager named in a set of Final Terms will be required to represent and agree) that it has not offered or sold or transferred or otherwise disposed of, and will not offer, transfer or sell any Securities as part of their initial distribution or at any time thereafter to or for the benefit of any persons (including legal entities) resident, incorporated, established or having their usual residence in the Russian Federation or to any person located within the territory of the Russian Federation, unless and to the extent otherwise permitted by Russian law; it being understood and agreed that the Managers may distribute the Base Prospectus to persons in the Russian Federation in a manner that does not constitute advertisement (as defined in Russian law) of Securities and may sell Securities to Russian persons in a manner that does not constitute “placement” or “public circulation” of the Securities in the Russian Federation (as defined in Russian law).

General

These selling restrictions may be modified by the agreement of the Issuer and the Manager, including following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Securities to which it relates, in an applicable Relevant Annex or 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 Securities, 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.

The Manager 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 Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms, and neither the Issuer nor the Manager shall have responsibility therefor.

GENERAL INFORMATION

Authorisation and Consents

The establishment of the Programme and the issue of Securities under the Programme have been duly authorised by resolutions of the Board of Directors of BCCL on 4 August 2009 and resolutions of an authorised committee of the Board of Directors of the Bank on 31 July 2009.

The Issuers have obtained all necessary consents, approvals and authorisations in connection with establishing this Programme and will obtain all such consents, approvals and authorisations in connection with the issue and performance of each Security or Series of Securities issued under this Programme.

Use of Proceeds

Each Issuer intends to apply the net proceeds from the sale of any Securities either for hedging purposes or for general corporate purposes unless otherwise specified in the Final Terms relating to a particular Security or Series of Securities. If, in respect of any particular issue of Securities, there is a particular identified use of proceeds this will be stated in the applicable Final Terms.

Base Prospectus

This Base Prospectus may be used for a period of one year from its date in connection with a public offer of Securities in the EU, or for the listing and admission to trading of Series of Securities. A revised Base Prospectus will be prepared in connection with the listing of any Series of Securities issued after such period unless all consents necessary are obtained for an extension of such period.

If at any time the Bank or BCCL shall be required to prepare a supplement to the Base Prospectus (a “**Supplement**”) pursuant to Section 87 of the FSMA, or to give effect to the provisions of Article 16(1) of the Prospectus Directive, the Bank or BCCL will prepare and make available an appropriate amendment or supplement to this Base Prospectus or a further base prospectus which, in respect of any subsequent issue of Securities to be offered to the public or to be admitted to trading on the Regulated Market of the London Stock Exchange, or of any other Relevant Stock Exchange shall constitute a supplemental base prospectus as required by the FSA and Section 87 of the FSMA.

Listing

Any Series of Securities may be admitted to listing and trading on the London Stock Exchange or any other Relevant Stock Exchange as set out in the applicable Final Terms.

Unlisted Securities may also be issued under the Programme.

Relevant Clearing Systems

The Notes and Certificates issued under the Programme may be accepted for clearance through the Euroclear and Clearstream systems and DTC and any other Relevant Clearing System as set out in

the applicable Final Terms. The Warrants issued under the Programme may be accepted for clearance through the Euroclear and Clearstream systems, DTC and any other Relevant Clearing System as set out in the applicable Final Terms. The appropriate common code for each Series allocated by Euroclear or Clearstream, Luxembourg 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 Series. If the Securities 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, Luxembourg 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 Securities remain outstanding, copies of the following documents will, when available, be made available during usual business hours on a weekday (Saturdays and public holidays excepted) for inspection and in the case of (b), (c), (h), (i) and (j) below shall be available for collection free of charge at the registered office of the relevant Issuer and at the specified office of the Issue and Paying Agent and, in the case of the Final Terms in respect of any Series, at the specified office of the relevant Paying Agents:

- (a) the constitutional documents of each of the Issuers;
- (b) the documents set out in the “**INCORPORATION BY REFERENCE**” section of this Base Prospectus;
- (c) all future annual reports and semi-annual financial statements of the Bank and of BCCL;
- (d) the Master Subscription Agreement;
- (e) the Master Agency Agreement;
- (f) the Master Deed of Guarantee;
- (g) the Deed of Covenant;
- (h) the current Base Prospectus in respect of the Programme and any future supplements thereto;
- (i) any Final Terms issued in respect of Securities 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; and
- (j) any other future documents and/or announcements incorporated herein by reference.

Post-issuance information

The Issuers do not intend to provide any post-issuance information in relation to any issues of Securities, the Securities or the performance of any Reference Asset or any other underlying.

ISSUER & GUARANTOR

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