



**BANQUE ET CAISSE D'ÉPARGNE DE L'ÉTAT,
LUXEMBOURG**

**U.S.\$8,000,000,000
Euro Medium Term Note Programme**

Any Notes issued under the Programme are issued subject to the provisions set out herein. This does not affect Notes issued prior to the date hereof.

Under this U.S.\$8,000,000,000 Euro Medium Term Note Programme (the **Programme**), Banque et Caisse d'Épargne de l'État, Luxembourg (the **Issuer**) may from time to time issue notes (the **Notes**, which expression shall include Senior Notes and Subordinated Notes (each as defined below)) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). The Notes will rank either as senior obligations of the Issuer (**Senior Notes**) or as subordinated obligations of the Issuer (**Subordinated Notes**). Senior Notes may be Senior Preferred Notes or Senior Non Preferred Notes. Senior Non Preferred Notes will be issued as MREL Eligible Instruments (as defined below) and Senior Preferred Notes may be issued as MREL Eligible Instruments.

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.\$8,000,000,000 (or its equivalent in other currencies calculated as described herein).

The Notes may be issued on a continuing basis to one or more of the Dealers specified on page 10 (and any additional Dealer appointed under the Programme from time to time, which appointment may be for a specific issue or on an on-going basis) (each a **Dealer** and together the **Dealers**). References in this Prospectus to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "*Risk Factors*".

This Prospectus has been approved as a base prospectus by the *Commission de Surveillance du Secteur Financier* (the **CSSF**), as competent authority under Regulation (EU) 2017/1129 (the **Prospectus Regulation**). The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. This Prospectus has also been approved by the Luxembourg Stock Exchange pursuant to Part IV of the Luxembourg act dated 16 July 2019 on prospectuses for securities (the **Luxembourg Prospectus Act**) for the purpose of admitting Notes (Exempt Notes (as defined below) included) on the Euro MTF market of the Luxembourg Stock Exchange.

The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Prospectus or the quality or solvency of the Issuer, in accordance with article 6(4) of the Luxembourg Prospectus Act.

Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU).

Application has further been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Euro MTF market and to be listed on the Official List of the Luxembourg Stock Exchange. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be listed on the Luxembourg Stock Exchange's Securities Official List (**LuxSE SOL**) without admission to trading on one of the securities markets operated by the Luxembourg Stock Exchange. The CSSF has neither approved nor reviewed information contained in this Prospectus in connection with Notes to be admitted to trading on the Euro MTF market or Notes to be listed on the LuxSE SOL.

References in this Prospectus to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the Luxembourg Stock Exchange's regulated market and have been admitted to the Official List of the Luxembourg Stock Exchange. This Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the European Economic Area (**EEA**) and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid.

The requirement to publish a prospectus under the Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in the EEA and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. References in this Prospectus to **Exempt Notes** are to Notes for which no prospectus is required to be published under the Prospectus Regulation. The CSSF has neither approved nor reviewed information contained in this Prospectus in connection with Exempt Notes.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*") of Notes will (other than in the case of Exempt Notes, as defined above) be set forth in a final terms document (the form of which is contained herein) (the **Final Terms**) which will be filed with the CSSF. Copies of this Prospectus, the Final Terms with respect to Notes to be listed and admitted to trading on the Luxembourg Stock Exchange and any documents incorporated by reference herein will be available from the official website of the Luxembourg Stock Exchange at www.luxse.com. This Prospectus and any documents incorporated by reference herein shall be available from such website for a period of ten years from the date hereof. In the case of Exempt Notes, notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche will be set out in a pricing supplement document (the **Pricing Supplement**).

The date of this Prospectus is 30 June 2023. This Prospectus replaces the prospectus dated 22 August 2022 and is valid for a period of twelve months after approval, through to 30 June 2024.

**Arranger
Citigroup**

Dealers

BBVA
BNP PARIBAS
Citigroup
Goldman Sachs International
Mizuho
UBS Investment Bank

BCEE
Crédit Agricole CIB
Deutsche Bank
J.P. Morgan
Morgan Stanley

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Notes of each Tranche will initially be represented by a temporary global Note which will be deposited on the issue date thereof with a common depository or, as the case may be, a common safekeeper on behalf of Euroclear Bank SA/NV (**Euroclear**), and Clearstream Banking S.A. (**Clearstream, Luxembourg**) and/or any other agreed clearance system which will be exchangeable, as specified in the applicable Final Terms, for either a permanent global Note or Notes in definitive form, in each case upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations. A permanent global Note will be exchangeable for definitive Notes, either upon request or in certain limited circumstances, all as further described in "*Form of the Notes*" below.

As of the date of this Prospectus, the Issuer's long-term credit rating for Senior Preferred debt is Aa3 by Moody's France SAS (**Moody's**) and AA+ by S&P Global Ratings Europe Limited (Ireland) (**Standard & Poor's**). The Issuer's short-term credit ratings for Senior Preferred debt are P-1 (Moody's) and A-1+ (Standard & Poor's) and the Issuer's subordinated debt ratings are A3 (Moody's) and A- (Standard & Poor's). Each of Moody's and Standard & Poor's is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Long-term obligations rated (i) "Aa" by Moody's are judged to be of high quality and are subject to very low credit risk and (ii) "A" by Moody's are judged to be upper-medium grade and are subject to low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Short-term obligations rated "P-1" by Moody's indicates a superior ability to repay short-term debt obligations. Long-term obligations rated (i) "AA" by Standard & Poor's indicates a very strong capacity to meet financial commitments and (ii) "A" by Standard & Poor's indicates that they are somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories, however, the obligor's capacity to meet its financial commitments on the obligation is still strong. Short-term obligations rated "A-1" by Standard & Poor's indicates that the obligor's capacity to meet its financial commitments on the obligation is strong. The modifiers "+" or "-" are appended to a rating to denote the relative status within major rating categories. Notes issued under the Programme may be rated or unrated by either of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be disclosed in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) and will not necessarily be the same as the rating assigned to the Programme by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Whether or not each credit rating applied for in relation to relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the Final Terms

Amounts payable on certain Notes may be calculated by reference to one of EURIBOR, SARON, SONIA, SOFR, €STR, CMS Reference Rate or HICP as specified in the relevant Final Terms or Pricing Supplement, as the case may be. As at the date of this Prospectus, the administrator of EURIBOR and SARON are included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the EU Benchmarks Regulation). As at the date of this Prospectus, the administrator of SONIA, SOFR, €STR, CMS Reference Rate and HICP is not included in ESMA's register of administrators under Article 36 of the EU Benchmarks Regulation. As far as the Issuer is aware, SONIA, SOFR and €STR do not fall within the scope of the EU Benchmarks Regulation by virtue of Article 2 of that regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the EU Benchmarks Regulation apply, such that Eurostat (as administrator of HICP) and ICE Benchmark Administration Limited (as administrator of CMS Reference Rate) are not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).

IMPORTANT INFORMATION

This Prospectus comprises a base prospectus in respect of all Notes other than Exempt Notes issued under the Programme for the purpose of Article 8(1) of the Prospectus Regulation. When used in this Prospectus, **Prospectus Regulation** means Regulation (EU) 2017/1129, as amended.

This Prospectus also comprises a base prospectus in respect of Notes (Exempt Notes included) issued under the Programme to be admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange (or to be listed on LuxSE SOL without admission to trading).

The Issuer accepts responsibility for the information contained in this Prospectus and the Final Terms or, as the case may be, the Pricing Supplement for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that this is the case) the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

The Issuer, having made all reasonable enquiries, confirms that this Prospectus contains all information with respect to itself and any Notes which is material in the context of the Programme, that the information contained in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Prospectus are honestly held and that there are no other facts the omission of which would make any of such information or the expression of any such opinions or intentions misleading.

This Prospectus is to be read in conjunction with all documents which are deemed to be incorporated in it by reference (see "*Documents Incorporated by Reference*" below). This Prospectus shall be read and construed on the basis that those documents are incorporated by reference in and form part of this Prospectus.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the CSSF.

Apart from the Issuer, no other party has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer in connection with the Programme or any Notes or their distribution. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer in connection with the Programme. The statements made in this paragraph are made without prejudice to the responsibility of the Issuer under the Programme.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers.

Neither this Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation or constituting an invitation or offer by the Issuer or any of the Dealers that any recipient of this Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in it concerning the Issuer is correct at any time subsequent to its date 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. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention.

IMPORTANT – EEA RETAIL INVESTORS – Unless the applicable Final Terms in respect of any Notes (or Pricing Supplement, in case of Exempt Notes) specifies "*Prohibition of sales to EEA Retail Investors - Legend*" as "Not Applicable", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS – Unless the applicable Final Terms in respect of any Notes (or Pricing Supplement, in case of Exempt Notes) specifies "*Prohibition of sales to UK Retail Investors - Legend*" as "Not Applicable", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the **UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the the UK's European Union (Withdrawal) Act 2018 (the **EUWA**); or (ii) a customer within the meaning of the provisions of the UK's Financial Services and Markets Act 2000, as amended (the **FSMA**) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 (the **MiFIR**) as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II product governance / target market – The applicable Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment made by the relevant manufacturer(s) in respect of the Notes and which channels for distribution of the Notes as appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR product governance / target market – The applicable Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) may include a legend entitled "*UK MiFIR Product*

Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules:

Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the SFA) – Unless stated otherwise in the Final Terms in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Regulation to publish a prospectus. Any such offer is referred to as a **Non-exempt Offer**. Investors should note that important information relating to Non-exempt Offers of Notes can be found on page 42.

Benchmarks Regulation: Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the **Benchmark Regulation**). If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (**ESMA**) pursuant to Article 36 of the Benchmark Regulation. Transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Final Terms. The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS PROSPECTUS AND OFFERS OF NOTES GENERALLY

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this document may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, except for the approval of this Prospectus by the CSSF, no action has been taken by the Issuer or the Dealers which is intended to permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are

restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the EEA (including Switzerland), Singapore and Japan (see "*Subscription and Sale*" below).

SUITABILITY OF INVESTMENT

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (a) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant indices and financial markets; and
- (e) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes 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 potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see "*Subscription and Sale*" below).

Investors should consult the Issuer should they require a copy of the 2006 ISDA Definitions.

PRESENTATION OF INFORMATION

In this Prospectus, all references to

- **U.S. dollars, U.S.\$, \$ and U.S. cent** refer to the currency of the United States of America;
- **£ and Sterling** refer to the currency of the United Kingdom; and
- **Euro, EUR and €** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

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STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms or Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or overallotment must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

GENERAL DESCRIPTION OF THE PROGRAMME

The following general description of the Programme does not purport to be complete and is qualified in its entirety by the remainder of this Prospectus and, in relation to the Terms and Conditions of a particular Tranche of Notes, the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement). The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of Notes other than Exempt Notes and, if appropriate, a supplement to the Prospectus or a new Prospectus will be published. This General Description constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980 implementing the Prospectus Regulation (the **Delegated Regulation**). Words and expressions defined in "*Form of the Notes*" and "*Terms and Conditions of the Notes*" shall have the same meanings in this general description.

Issuer:	Banque et Caisse d'Epargne de l'Etat, Luxembourg
Issuer Legal Entity Identifier (LEI):	R7CQUF1DQM73HUTV1078
Description of the Programme:	Euro Medium Term Note Programme
Arranger:	Citigroup Global Markets Limited
Dealers:	Banco Bilbao Vizcaya Argentaria, S.A. Banque et Caisse d'Epargne de l'Etat, Luxembourg BNP Paribas Citigroup Global Markets Europe AG Citigroup Global Markets Limited Crédit Agricole Corporate and Investment Bank Deutsche Bank Aktiengesellschaft Goldman Sachs International J.P. Morgan SE Mizuho Securities Europe GmbH Morgan Stanley Europe SE UBS AG London Branch
Principal Paying Agent and Agent Bank:	Banque et Caisse d'Epargne de l'Etat, Luxembourg
Issuing Agent and Paying Agent:	Citibank, N.A., London Branch
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, Notes may be denominated in such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, U.S. dollars, Euro and Sterling (as indicated in the applicable Final Terms or, in the case of Exempt Notes, Pricing Supplement).
Form of Notes:	The Notes will be issued in bearer form as described in " <i>Form of the Notes</i> ".
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms or, in the case of Exempt Notes, Pricing Supplement) and on redemption, and will be calculated on the

basis of such Fixed Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.

Fixed Rate Notes may also include an interest step-up provision whereby the Rate of Interest payable increases at pre-determined periods to a pre-determined percentage per annum as indicated in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement).

Floating Rate Notes:

Floating Rate Notes will bear interest on the basis of a reference rate (such as EURIBOR, SARON, SONIA, SOFR or €STR) appearing on the agreed screen page of a commercial quotation system and set out in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement).

The Margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each series of Floating Rate Notes.

Index Linked Redemption Notes, Equity Linked Redemption Notes and Inflation Linked Interest Notes:

Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Inflation Linked Interest Notes or other notes linked to an underlying reference will be calculated by reference to such index and/or formula or to changes in the prices of securities or commodities or to such other factors as indicated in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement). The equity securities to which Equity Linked Redemption Notes are linked do not belong to the Issuer nor to an entity belonging to the Issuer's Group and do not consist in equity of a third party issuer that are not admitted to trading on a regulated market (within the meaning of the Prospectus Regulation).

Credit Linked Notes:

Credit Linked Notes payments or deliveries will be linked to the credit of a specified entity or entities and will be issued on such terms as may be agreed between the Issuer and the relevant Dealer(s) and specified in the applicable Final Terms. In the event of the occurrence of certain circumstances (which may include Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium, Restructuring or Governmental Intervention) in relation to a Reference Entity or, with respect to Portfolio Credit Linked Notes, Reference Entities, in each case as specified in the applicable Final Terms, the obligation of the Issuer to pay principal at maturity may be replaced by (i) an obligation to pay other amounts which are equal to either certain fixed amount(s) as specified in the applicable Final Terms or amounts calculated by reference to the value of the Valuation Obligation(s) (which may, in each case, be less than the par value of the Notes at the relevant time) and/or (ii) an obligation to deliver the Deliverable Obligation(s), all as more fully described in the Additional provisions applicable to Credit Linked Notes. In addition, interest-bearing Credit Linked Notes may cease to bear interest on or prior to the date of occurrence of such circumstances. Credit Linked Notes may be subject to early redemption or adjustments as more fully described in the Additional provisions applicable to Credit Linked Notes.

Other provisions in relation to Floating Rate Notes: Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.

Range Accrual and Dual Range Accrual Notes: Range Accrual and Dual Range Accrual Notes bear interest if a certain reference rate or a combination of reference rates does not equal or exceed or fall below certain parameters, as indicated in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement).

Zero Coupon Notes: Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest other than in the case of late payment.

Redemption and Purchase: In the case of Senior Preferred Notes (other than those qualifying as MREL Eligible Instruments (as defined below)), the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in the case of Exempt Notes in specified instalments, if applicable, or for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

In the case of MREL Notes (as defined below), the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in the case of Exempt Notes in specified instalments, if applicable, or for taxation reasons or upon the occurrence of an MREL Disqualification Event) or that such Notes will be redeemable at the option of the Issuer upon giving notice to the Noteholders on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

In the case of Subordinated Notes, the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) will indicate whether such Notes will be redeemable at the option of the Issuer or not and they shall be redeemable for taxation reasons or upon the occurrence of a Capital Event and upon giving notice to the Noteholders, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.

The Notes will also be redeemable prior to their stated maturity if Automatic Early Redemption is specified as applicable in the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes) and an Automatic Early Redemption Event occurs.

Denominations of Notes:

Notes will be issued in such denominations as may be specified in the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes) save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

Approval, listing and admission to trading:

Application has been made to the CSSF for approval of this Prospectus in respect of all Notes other than Exempt Notes issued under the Programme. Application has also been made to the Luxembourg Stock Exchange for approval of this Prospectus in respect of Notes (Exempt Notes included) issued under the Programme to be admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange. Application may be made to the Luxembourg Stock Exchange for Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange and for Notes to be admitted to trading on the Euro MTF market and to be listed on the Official List of the Luxembourg Stock Exchange. Application may also be made to the Luxembourg Stock Exchange for Notes to be listed on the Luxembourg Stock Exchange's Securities Official List without admission to trading on one of the securities markets operated by the Luxembourg Stock Exchange.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealers in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms (or applicable Pricing Supplement, in the case of Exempt Notes) will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchange(s) and/or markets.

Exempt Notes:

The requirement to publish a prospectus under the Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in the European Economic Area and/or offered to the public in the European Economic Area other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. Under this Prospectus, the Issuer may issue Exempt Notes (being Notes for which no prospectus is required to be published under the Prospectus Regulation). In the case of Exempt Notes, any terms and conditions not contained in this Prospectus which are applicable to such Exempt Notes will be set out in the applicable Pricing Supplement. The variations to the terms and conditions of the Exempt Notes, where such Exempt Notes are to be admitted to

trading on the Euro MTF market of the Luxembourg Stock Exchange or listed on the Luxembourg Stock Exchange's Securities Official List, shall not entail the creation of an entirely new product. Such variations shall be limited to the features of the interest and redemption basis.

Taxation:

All payments in respect of Notes will be made without deduction for or on account of withholding taxes imposed by Luxembourg or any political subdivision or any authority thereof or therein having power to tax, unless such deduction or withholding is required by law, as provided in Condition 7. In such event, the Issuer will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.

Selling Restrictions:

There are restrictions on the offer and sale of Notes and the distribution of offering material in various jurisdictions.

Payout Methodology:

The amount(s) (if any) payable or deliverable, as applicable, under the Notes will be comprised of the following components:

- (i) on final redemption, the Final Redemption Amount (see Condition 6 of the Terms and Conditions of the Notes and the relevant SPS Payout Conditions, if any SPS Final Payout is specified as applicable in the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes));
- (ii) if Automatic Early Redemption is specified as applicable in the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes) and an Automatic Early Redemption Event occurs, the Automatic Early Redemption Amount (see the Automatic Early Redemption provisions in Annex 2 and SPS Payout Condition 1.2);
- (iii) if an Issuer Call Option or Noteholder Put Option is specified as applicable in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement), the relevant Optional Redemption Amount (see Condition 6 of the Terms and Conditions of the Notes);
- (iv) in the case of Physical Delivery Notes, the Asset Amount(s) (see Condition 5 of the Terms and Conditions of the Notes) and, if any SPS Final Payout is specified as applicable in the applicable Final Terms (or Pricing Supplement in the case of exempt Notes, the SPS Entitlement Amount(s) (see SPS Payout Condition 1.3); and/or

The terms of a Series of Notes are comprised of (i) the Conditions, (ii) if selected in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement), Annex 2 to the Conditions which contains additional provisions applicable to Index Linked Redemption Notes, Equity Linked Redemption Notes and Inflation Linked Interest Notes (Annex 2), (iii) Annex 3 to the

Conditions which contains additional provisions applicable to Credit Linked Notes (Annex 3) and (iv) if selected in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement), the SPS Coupon Rate Payout(s) and/or SPS Payout(s) selected from Annex 1 to the Conditions (Annex 1) specified in the applicable Final Terms and the related variables specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) (including the relevant valuation provisions) for such SPS Coupon Rate Payout(s) and/or SPS Payout(s) (as selected from the Annex 1).

Investors must review the Conditions and Annex 1, Annex 2, and/or Annex 3, as applicable, together with the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) to ascertain the Terms and Conditions applicable to the Notes.

RISK FACTORS

In purchasing Notes, investors assume the risk that the Issuer may become insolvent, *subject to resolution* or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in this Prospectus factors which could materially adversely affect its business and ability to make payments.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents deemed to be incorporated in it by reference) and reach their own views prior to making any investment decision. Investors should be aware that the risks described may combine and thus intensify one another.

Finally, investors should be aware that the individual risks or the combination of the risks set out below may have a significant impact on the price of the Notes and a negative impact on the value of the investment. Under certain circumstances the prospective investor may suffer substantial losses.

RISK FACTORS SPECIFIC AND MATERIAL TO THE ISSUER

The risk factors specific and material to the Issuer are presented in the following categories depending on their nature with the most material risk factor presented first in each category:

- 1.1 Risks related to the Issuer generally
- 1.2 Risks related to the Issuer's business activities
- 1.3 Risks related to the Issuer's financial situation

Risks related to the Issuer generally

Risks related to the macroeconomic, market and regulatory environments

Macroeconomic risk - Based on the strategic orientation of the Issuer with the business segments Retail and Corporate Banking, its offering of products and concentration on the core market Luxembourg, general economic developments in Luxembourg, in combination with developments on the European and international financial and capital markets are of great importance for the assets, liabilities, financial position and profit or loss of the Issuer. The profitability of the Issuer's businesses could, therefore, be adversely affected by a worsening of general economic conditions in its markets, as well as by foreign and domestic trading market conditions and/or related factors, including governmental policies and initiatives. An economic downturn or significantly higher interest rates could increase the risk that a greater number of the Issuer's customers default on their loans or other obligations to the Issuer, or refrain from seeking additional borrowing from the Issuer.

After the economic decline in 2020 due to the COVID 19 pandemic, the global economy recovered in 2021. However, Russia's invasion of Ukraine has brought new challenges by exerting further upward pressures on commodity prices, causing renewed supply disruptions and increasing uncertainty. The long term economic consequences of these crises could adversely affect the Issuer's business and financial position both as a result of their impact on the global markets and macroeconomic environment generally and as a result of the direct impact on the Bank's customers. Based on current information, the effects on the Luxembourgish economy are still difficult to assess (forecasts for economic activity and inflation are heavily dependent on the evolution of

the war and especially on its impact on energy markets and), but seem to be less severe than for the rest of Europe.

Extremely low interest rates represented in the past one of the main challenges for the financial sector. The interest rates have strongly increased but, at the moment, it is still not foreseeable to what extent and intensity financial markets will react to the overall developments. Higher interest rates are likely to slow down the development in economic activity. As highlighted by the problems of some banks in the US and Europe, higher interest rates and financial volatility do impose a risk to financial stability, even though the banking sector in general is in a solid position.

Competition - The Issuer faces increased competition from local and international banking and non-banking operations. While the Issuer believes it is positioned to compete effectively with these competitors, there can be no assurance that increased competition will not adversely affect the Issuer in one or more of the markets in which it operates.

Regulatory risk and Increased Regulation - The Issuer's business activities are subject to substantial regulation and regulatory oversight in the jurisdictions in which it operates. Current, together with future regulatory developments, including changes to accounting standards and the amount of regulatory capital required to support the risk, could have an adverse effect impacting on how the Issuer conducts its business and on the results of its operations. The Issuer's business and earnings are also affected by fiscal and other policies that are adopted by the various regulatory authorities of the European Union, foreign governments and international agencies. The nature and impact of future changes in such policies are not predictable and are beyond the Issuer's control.

Risk related to the creditworthiness and credit rating of the Issuer

One or more independent rating agencies may assign ratings to the Issuer. A rating assesses the creditworthiness of the Issuer and informs an investor therefore about the probability of the Issuer being able to redeem invested capital. The Issuer is generally exposed to the risk that ratings assigned to it by rating agencies may be downgraded. A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

If the ratings of the Issuer were to be downgraded, this might impair the Issuer's access to refinancing sources and/or cause refinancing costs to rise. Negative changes in the rating assigned to the Issuer may adversely affect the market price of the Notes and may have a negative impact on the value of the investment made by an investor.

Risks related to the Issuer's business activities

Counterparty Risk

As a credit institution, the Issuer is exposed to the creditworthiness of its customers and counterparties. This exposure can arise through trading, lending, deposit-taking, clearance and settlement and numerous other activities and relationships. These counterparties include institutional clients, brokers and dealers, commercial banks, investment banks and mutual funds. Many of these relationships expose the Issuer to credit risk in the event of default of a counterparty or client. In addition, the Issuer's credit risk may be exacerbated when the collateral it holds cannot be realised at, or is liquidated at prices not sufficient to recover, the full amount of the loan or derivative exposure it is due to cover, which could in turn affect the Issuer's ability to meet its payments under the Notes. Many of the hedging and other risk management strategies utilised by the Issuer also involve transactions with financial services counterparties. The risk of insolvency in relation to these counterparties may impair the effectiveness of the Issuer's hedging and other risk management strategies, which could in turn affect the Issuer's ability to meet its payments under the Notes.

There can be no assurance that the Issuer's methods and provisions on risk management for identifying, monitoring and controlling counterparty risk, including its policies on risk management, provisions on risk management, risk management procedures, valuation methods and financing principles, are sufficient in all individual cases and will always be sufficient and appropriate in the future. It cannot be ruled out that undetected, unforeseen and unavoidable counterparty risks or counterparty risks that were not identified in the past will arise and lead to loan losses which could have a negative effect on the net assets, financial and income position of the Issuer and could limit its ability to make payments under the Notes.

Operational Risk

Operational risk refers to possible losses caused by personal misconduct, weaknesses in process management, technical failure or negative outside influences. Personal misconduct also includes unlawful actions, improper sales practices, unauthorised actions and transaction costs.

There can be no assurance that the precautions taken by the Issuer to manage and mitigate operational risk will be effective in all cases. The realisation of such a risk, for example resulting in lost revenue as a result of business interruption or reputational damage arising from improper conduct of its employees, could have a negative effect on the net assets, financial and income position of the Issuer which could limit its ability to make payments under the Notes.

Investment Risk

Investment risk is understood as the danger of financial losses due to a decline in the value of a holding to less than its book value. This refers to long term investments the Issuer has made in companies for strategic reasons.

If a future impairment test determines that the book value of long term investments is significantly impaired, this could have an adverse impact on the financial performance and financial position of the Issuer and could limit its ability to make payments under the Notes.

Risks related to the Issuer's Financial Situation

Liquidity Risk

Liquidity risks consist of the following risks:

- Inability to fulfil payment obligations when they fall due
- Inability to procure sufficient liquidity when needed at anticipated conditions (refinancing risk)
- Inability to terminate, extend or close out a transaction, or only be able to do so at a loss, due to insufficient market depth or market turbulence (market liquidity risk)

Insufficient liquidity could have a material adverse effect on the Issuer's solvency and its ability to make payments under the Notes.

Liquidity risk is directly managed by the Issuer's Asset and Liability Management function, which carefully manages the Issuer's resources and their use, in particular, the adequacy of expected new lending production with the available resources and the Issuer's liquidity needs.

Pursuant to bank regulatory requirements, the Issuer has to maintain a liquidity cover ratio ("LCR") and a net stable funding ratio ("NSFR") of above 100 per cent. The LCR (short term view) is defined as the ratio of available highly liquid assets to net cash outflows over the next 30 days, subject to defined stress conditions. The NSFR (long term view) requires the available amount of stable funding to exceed the required amount of stable funding over the time horizon of one year.

Market Price Risk

Market price risks consist of the risks to the value of positions due to changes in market parameters including interest rates, volatility and exchange rate among others. These risks are quantified as potential losses of present value using a present value model that differentiates between risks related to interest rates, options and currency rates. Market price risks also include (credit) spread risks.

If the interest environment changes in an unfavourable manner for the Issuer's business, i.e. if refinancing interest rates increase and the Issuer is unable to raise the interest rates it charges its creditors accordingly, this might have a negative impact on the Issuer's results and financial situation.

Market price risks could have a material adverse effect on the Issuer's profitability and its ability to make payments under the Notes.

RISK FACTORS SPECIFIC AND MATERIAL TO THE NOTES

Risks related to Notes generally

Set out below is a description of material risks relating to the Notes generally:

Risks related to the complex structure of certain Notes

Some Notes are particularly 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 potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

An investment in the Notes may involve a high degree of risk, including the risk that the entire amount invested may be lost. The Issuer, will invest in and trade securities and other financial instruments using a variety of investment techniques with significant risk characteristics, including the risks arising from the volatility of the equity, credit and fixed-income markets, the risks of borrowings and short sales, the risks arising from leverage associated with trading in the equity, credit, currency and OTC derivative markets, the illiquidity of derivative instruments and the risk of loss from counterparty defaults. No guarantee or representation is made that the investment in Notes will be a successful one. The Issuer may utilise investment techniques such as option transactions, margin transactions, short sales, leverage, derivatives trading and futures and forward contracts to hedge payments due under the Notes, which practices could adversely affect the value of the Notes.

Short selling technique may be used to provide indexation of payments under the Notes. Short selling involves selling securities which may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to benefit from declines in market prices to the extent such declines exceed the transaction costs and the costs of borrowing the securities. A short sale creates the risk of an unlimited loss, as the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position. There can be no assurance that the securities necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Modification and risk relating to resolutions of Noteholders

The conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Agent which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes also provide that the Agent may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (a) any modification of any of the provisions of the Notes which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law or (b) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 15 or Condition 17, as the case may be.

EU Capital Requirements Regulation and Capital Requirements Directive

The Luxembourg capital adequacy framework is based on Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the **Capital Requirements Regulation** or **CRR**) and Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the **Capital Requirements Directive** or **CRD IV**) (together, **CRD IV**), which implemented in the EU the framework for new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards for credit institutions and certain investment firms. Certain provisions of the CRD IV are further specified by the European Banking Authority (**EBA**) through technical standards approved by the European Commission as delegated acts.

The Capital Requirements Directive was implemented in Luxembourg by the Luxembourg law of 5 April 1993 on the financial sector, as amended (the **Banking Act 1993**).

The Luxembourg financial sector supervisory authority (*Commission de Surveillance du Secteur Financier*, the **CSSF**) has supplemented the Banking Act 1993 by adopting certain regulations.

Under CRD IV, institutions are required to hold a minimum amount of regulatory capital expressed in risk weighted assets (**RWA**). In addition to these minimum "own funds" requirements under CRD IV, supervisors may require extra capital to cover other risks (thereby increasing the regulatory minimum required under CRD IV) and the Issuer may also decide to hold an additional amount of capital. CRD IV also introduced a number of capital buffers for additional risks that institutions, such as the Issuer, may be subject to. These buffers comprise: (i) the capital conservation buffer, (ii) the global systemically important institutions (**G-SIIs**) buffer, (iii) the other systemically important institutions (**O-SIIs**) buffer, (iv) the systemic risk buffer and (v) the institution-specific countercyclical capital buffer.

The Issuer has not been designated a G-SII. However, according to CSSF Regulation N°22-07 of 30 November 2022 concerning systemically important institutions authorised in Luxembourg, the Issuer has been qualified by the CSSF as an O-SII within the meaning of article 59-3 of the Banking Act 1993 on the financial sector (as amended) due to its contribution to the Luxembourg economy, its exposure to the real estate market and its large base of Luxembourg deposits. The Issuer's O-SII buffer rate has been set at 0.5% as from 1 January 2023.

The Luxembourg capital adequacy framework has evolved as a result of the changes adopted by the EU legislators. On 7 June 2019, as part of the contemplated amendments to, among others, the CRR and CRD IV Directive, the following legislative texts were published in the European Union's Official Journal:

- Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending the CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (such amended act, **CRR II**),

- Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the **BRRD**) as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (such amended act, **BRRD II**),
- Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund (the **SRMR**) as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (such amended act, **SRMR II**), and
- Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending the CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures (such amended act, **CRD V** and, together with CRR II, BRRD II and SRMR II, the **Banking Reforms**).

The Banking Reforms introduced, among other things, the Total Loss Absorbing Capacity Term (**TLAC**) standard as implemented by the Financial Stability Board, by adapting, among others, the existing regime relating to the specific minimum requirements for own funds and eligible liabilities (**MREL**). BRRD II and CRD V have been implemented into Luxembourg law by the Luxembourg act dated 20 May 2021 amending, among others, the Banking Act 1993 and the Resolution Law.

Regulatory action in the event of a failure of the Issuer could materially adversely affect the value of the Notes

The Basel Committee

The Basel Committee has been working on several policy and supervisory measures that aim to enhance the reliability and comparability of risk-weighted capital ratios and on 7 December 2017 finalised the Basel III post-crisis reforms, adopted by the Group of Governors and Heads of Supervision (**GHOS**), with the aim to strengthen certain components of the regulatory framework. This includes the revised standardised approaches (credit and operational risk), review of the capital floor of the IRB framework and a leverage ratio surcharge buffer for global systemically important banks, such as G-SIIs at the EU level. In December 2017, the GHOS also announced an extension of the implementation timetable for the revised framework for minimum capital requirements for market risk published in January 2016, from 1 January 2019 to 1 January 2022 to allow a number of issues identified in the course of monitoring the implementation and expected impact of the framework to be addressed.

The new framework is in the process of being finalised for all the relevant work streams. The new setup will have a revolutionary impact on risk modelling: directly on the exposures assessed via standardised approach, but also indirectly on internal ratings based approach (**IRB**) RWA, due to the introduction of a new output floor (72.5% of the total risk-weighted assets using only the standardised approach). Also for counterparty exposures (generated by derivatives) the Basel Committee has retained internal models, but subject to a floor based on a percentage of the applicable standardised approach. Moreover, in the context of the revision of Credit Valuation Adjustment (**CVA**) risk framework, the revised framework provides for the adoption of a standardised approach and basic approach.

The implementation date for the reforms is 1 January 2025, but the output floor will be gradually introduced from 1 January 2025 over a period of 5 years. In practice, this means that the output floor will gradually increase over this period, from a starting value of 50% to its final value of 72.5%.

On 14 January 2019, GHOS endorsed a set of revisions to the market risk framework. In March 2020, GHOS further deferred the implementation date of the revised market risk framework to 1 January 2023, in line with changes to the implementation date of the December 2017 final Basel III post-crisis reforms, in order to provide

banks and supervisors additional capacity to respond to the impact of Covid-19. The implementation of this new risk assessment framework may impact the calculation of BCEE's risk-weighted assets and consequently its capital ratios.

In October 2021, the European Commission adopted legislative proposals for further amendments to CRR, CRD IV and the BRRD (the **2021 Banking Package**). Amongst other things, the 2021 Banking Package would implement certain elements of Basel III that have not yet been transposed into EU law. The 2021 Banking Package includes:

- a proposal for a Regulation (sometimes known as "CRR III") to make amendments to CRR with regard to (amongst other things) requirements on credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor;
- a proposal for a Directive (sometimes known as "CRD VI") to make amendments to CRD IV with regard to (amongst other things) requirements on supervisory powers, sanctions, third-country branches and ESG risks; and
- a proposal for a Regulation to make amendments to CRR and the BRRD with regard to (amongst other things) requirements on the prudential treatment of G-SII groups with a multiple point of entry resolution strategy and a methodology for the indirect subscription of instruments eligible for meeting the MREL requirements (the **Daisy-Chain Proposal**), following which the European Parliament and the Council adopted on 19 October 2022 Regulation (EU) 2022/2036 amending CRR and BRRD, which partially started to apply on 14 November 2022..

The European Council reached its position on the other proposals of the 2021 Banking Package on 8 November 2022, whereas the European Parliament's Economics and Monetary Affairs Committee adopted the proposed CRD VI and CRR III on 24 January 2023. Trilogue discussion with the European Council and the European Commission began in March 2023.

The 2021 Banking Package remains subject to amendments in the course of the EU's legislative process and its scope and terms may still change prior to its implementation. In addition, in the case of the proposed amendments to CRD IV and the BRRD, their terms and effect will depend, in part, on how they are transposed in each Member State. As a general matter, it is likely to be a number of years until the 2021 Banking Package (except for the Daisy-Chain Proposal) begins to be implemented and certain measures are expected to be subject to transitional arrangements or to be phased in over time. Accordingly, it is currently not possible to predict the potential impact of the 2021 Banking Package on the Issuer.

EU Bank Recovery and Resolution Directive

BRRD is designed to provide the relevant resolution authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing relevant entity. This is to ensure the continuity of the relevant entity's critical financial and economic functions, while minimising the impact of a relevant entity's failure on the economy and financial system.

BRRD has been implemented in Luxembourg by the law of 18 December 2015 on the failure of credit institutions and certain investment firms, as amended (the **Resolution Law**) which entered into force on 28 December 2015. In line with BRRD II, the Resolution Law gives power to the CSSF in its capacity as a supervisory authority to take certain early intervention measures and gives power to the CSSF as the Luxembourg resolution authority and acknowledges the power of the SRB (as defined below) as central resolution authority within the banking union to implement resolution measures.

BRRD II (and accordingly in Luxembourg the Resolution Law) contains four resolution tools which may be used by the relevant resolution authorities alone or in combination where a relevant entity is considered as failing or likely to fail:

- (a) sale of business – which enables resolution authorities to direct the sale of the relevant entity or the whole or part of its business on commercial terms;
- (b) bridge institution – which enables resolution authorities to transfer all or part of the business of the relevant entity to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control);
- (c) asset separation – which enables resolution authorities to transfer assets to one or more publicly owned asset management vehicles to allow them to be managed and with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and
- (d) bail-in – which gives resolution authorities the power to write-down certain claims of unsecured creditors of a failing relevant entity and/or to convert certain unsecured debt claims including Senior Notes and Subordinated Notes to equity (**the Bail-In Tool**), which equity could also be subject to any future write-down. See "*Bail-in tool under BRRD II and the Resolution Law*" below for more details.

BRRD II also provides for a Member State as a last resort, after having assessed and utilised the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

BRRD II also grants powers to enable the relevant resolution authorities to implement the resolution tools, including the power to replace or substitute the relevant institution as obligor in respect of debt instruments, the power to modify the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), and/or the power to discontinue the listing and admission to trading of financial instruments.

A relevant entity will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; when its assets are, or are likely in the near future to be, less than its liabilities; when it is, or is likely in the near future to be, unable to pay its debts as they fall due; or when it requires extraordinary public financial support (except in limited circumstances).

The resolution tools are intended to be used prior to the point at which any insolvency proceedings with respect to the relevant entity could have been initiated and only upon the relevant resolution authorities, i.e. the CSSF, acting in its capacity as resolution authority for Luxembourg, being satisfied that the relevant conditions for resolution contained in BRRD II have been met. The use of such tools, or perceived likelihood of them being used, could affect the market value of an investment in the relevant Notes.

Bail-in tool under BRRD and the Resolution Law

The Bail-In Tool as required to be implemented under BRRD II has been implemented by the Resolution Law in Luxembourg. The Bail-In Tool can be used to recapitalise a relevant entity that is failing or likely to fail, allowing resolution authorities (including the CSSF in Luxembourg under the Resolution Law) to restructure it through the resolution process and restore its viability after reorganisation and restructuring. The Bail-In Tool can be used to impose losses on holders of Notes by effecting the cancellation of all, or a portion, of the principal amount of, interest on, or any other amounts payable on, the Notes, as applicable, and/or the conversion of all or a portion of the principal amount of, interest on, or any other amounts payable on the Notes, as applicable, into shares or other equity instruments of the Issuer or another person, including by means of a variation to the terms of the Notes, in each case, to give effect to the exercise by the relevant resolution authority of such Bail-In Tool. This may result in holders of Notes losing some or all of their investment. Any indication or perception that Notes will become subject to a Bail-In Tool could have an adverse effect on the market price of the relevant Notes. With respect to the Issuer, as confirmed by the Luxembourg act dated 20

May 2021, the conversion of the Notes into equity shall mean the conversion into the participation certificates (*certificats participatifs*) issued by the Issuer.

Loss absorption at the point of non-viability under BRRD II (and accordingly in Luxembourg the Resolution Law) and SRMR II

The powers provided in BRRD II and SRMR II to the relevant resolution authorities (including the SRB (as defined below), in cooperation with the CSSF) include mandatory write-down and conversion powers in respect of capital instruments, to ensure that relevant capital instruments (as the Subordinated Notes and the Senior Non Preferred Notes) fully absorb losses at the point of non-viability of the issuing entity and before any other resolution action is taken.

For the purposes of the application of the mandatory write-down and conversion power, the point of non-viability under BRRD II and SRMR II is the point at which (i) the relevant resolution authority determines that the relevant entity meets the conditions for resolution (but no resolution action has yet been taken) or (ii) the relevant authority or authorities, as the case may be, determine(s) that the relevant entity or its group will no longer be viable unless the relevant capital instruments are written down or converted into ordinary shares or (iii) extraordinary public financial support is required by the relevant entity other than, where the entity is an institution, for the purposes of remedying a serious disturbance in the economy of an EEA Member State and to preserve financial stability.

Holders of Subordinated Notes and the Senior Notes may be subject to write-down or conversion into equity on application of such mandatory write-down or conversion powers (without requiring such holders' consent), which may result in such holders losing some or all of their investment. Any indication or perception that Notes will become subject to such non-viability loss absorption measure could have an adverse effect on the market price of the relevant Notes.

Single Resolution Mechanism

BRRD II (implemented in Luxembourg by the Resolution Law) is complemented by the directly binding SRMR II.

SRMR II applies to institutions covered by the SSM. According to the selection criteria of the ECB, the Issuer has been identified as a "significant bank" and is thus centrally supervised under the SSM.

SRMR II applies to the Issuer as a primary recovery and resolution code instead of the Luxembourg implementation measures relating to BRRD II, including in particular the Resolution Law. SRMR II establishes a single European resolution board (consisting of representatives from the ECB, the European Commission and the relevant national resolution authorities) (the **SRB**) having resolution powers over the entities that are subject to SRMR II, thus replacing or exceeding the powers of the national resolution authorities. The SRB is required to draw up and adopt a resolution plan for the entities subject to its powers, including the Issuer. It will also determine, after consultation with competent authorities, MREL requirements subject to write-down and conversion powers which the Issuer will be required to meet at all times. The SRB has determined the MREL targets for the Issuer at consolidated level by a decision of the Board in its Executive Session as of 15 November 2021. The binding MREL determination by the SRB shall be met at all times.

When early intervention measures, as set forth in BRRD II, are triggered by the national competent authorities, the SRB can also use certain powers of early intervention as set forth in SRMR II, including the power to require an institution to contact potential purchasers in order to prepare for resolution of institution.

The SRB has the authority to exercise the specific resolution powers pursuant to SRMR II similar to those of the national resolution authorities under BRRD II (i.e. for Luxembourg the CSSF in accordance with the Resolution Law). These specific resolution powers include the sale of business tool, the bridge institution tool, the asset separation tool, the Bail-In Tool and the mandatory write-down and conversion power in respect of capital instruments. The use of one or more of these tools will be included in a resolution scheme to be adopted

by the SRB. National resolution authorities (i.e. for Luxembourg the CSSF in accordance with the Resolution Law) will remain responsible for the execution of the resolution scheme according to the instructions of the SRB.

The provisions relating to resolution plans and cooperation between the SRB and the national resolution authorities have been applied as of 1 January 2015. The resolution powers of the SRB took effect from 1 January 2016.

Effect of the resolution powers under BRRD II and SRMR II

The resolution powers under BRRD II (as implemented in the relevant EU Member State, notably for the Issuer in Luxembourg by the Resolution Law) and SRMR II impact on how credit institutions and investment firms in the EU are managed as well as, in certain circumstances, the rights of creditors. The exercise of any such resolution power, including the power of the Bail-In Tool under BRRD II or SRMR II, as applicable, in respect of the Issuer and any Notes issued by the Issuer or any suggestion, or perceived suggestion, of such exercise could adversely affect the rights of the holders of such Notes, the price or the value of any Notes and/or the ability of the Issuer to satisfy its obligations under such Notes and could lead to the holders of the Notes losing some or all of their investment in the Notes. Prospective investors in the Notes should consult their own advisors as to the consequences of SRMR II and the implementation of the BRRD, in particular in Luxembourg by the Resolution Law.

Depositor Preference

BRRD II establishes a preference in the insolvency hierarchy firstly, for insured deposits and secondly, for certain other deposits of individuals and micro, small and medium sized enterprises held in EEA or non-EEA branches of an EEA bank ("the other preferred deposits"). In addition, a new EU deposit guarantee schemes directive (Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 of 16 April 2014 on deposit guarantee schemes) (the **DGSD**), which has been implemented in Luxembourg by the Resolution Law, increases the nature and quantum of insured deposits to include a wide range of deposits, including corporate deposits (unless the depositor is a public authority or financial institution) and some temporary high value deposits. The effect of these changes is generally to increase the size of the class of preferred creditors. All such preferred deposits rank in the insolvency hierarchy ahead of all other unsecured senior creditors of the Issuer, including the holders of the Senior Preferred Notes and Senior Non-Preferred Notes. Furthermore, insured deposits are excluded from the scope of the Bail-In Tool. As a result, the Notes issued by the Issuer would be more likely to be bailed-in than certain other unsubordinated liabilities of the Issuer such as other preferred deposits.

In addition, on 18 April 2023, the European Commission adopted a legislative package proposal to adjust and strengthen the European Union's existing bank crisis management and deposit insurance framework (the CMDI Proposal). The CMDI Proposal provides for amendments to the BRRD and SRM Regulation frameworks as well as a separate legislative proposal to amend the DGSD, all with the aim of preserving financial stability, protecting taxpayers' money and providing better protection for depositors (including new rules that foresee that all deposits relating to ordinary unsecured claims are preferred).

If the CMDI Proposal is implemented in its current form, this would mean that the Senior Notes (including the Senior Preferred Notes) will rank junior to the claims of all depositors, including deposits of large corporates and other deposits that are currently excluded from such privileged claims. Any such general depositor preference would also impact upon any application of the Bail-in Power, as such application is to be carried out in the order of the hierarchy of claims in normal insolvency proceedings. Accordingly, this would mean that following any such amendment of the insolvency laws of Luxembourg to establish a general depositor preference, any resulting write-down or conversion of the Senior Notes (including the Senior Preferred Notes) by the Relevant Resolution Authority would be carried out before any write-down or conversion of the claims of depositors such as those of large corporates that, with the current bail-in regime, would have been written-down or converted alongside the Senior Notes. By removing the requirement for such deposits to be written-down or converted in this manner, one of the stated objectives of this proposed amendment is to reduce the

likelihood of deposits generally needing to be included in any such write-down or conversion upon any application of the Bail-in Power and improve the process for the application of the Bail-in Power. However, this may have the corresponding impact of increasing the likelihood of any write-down or conversion of the Senior Notes (including the Senior Preferred Notes). As such, there may be an increased risk of an investor in Senior Notes (including the Senior Preferred Notes) losing all or some of their investment. The proposal, if implemented, may also lead to a rating downgrade for Senior Notes (including the Senior Preferred Notes).

Nevertheless, the CMDI Proposal is subject to further discussion by the European Parliament and the Council and, as of the date of this Base Prospectus, there is a high degree of uncertainty with regards to the ultimate substance of the proposed adjustments and when they will be finally implemented in the European Union. Therefore, the exact impact of these adjustments and the potential effects on the Issuer cannot be assessed yet.

Waiver of set-off rights

The terms of the Notes provide that Noteholders waive any set-off, netting, compensation or retention rights against any right, claim or liability the Issuer has, may have or acquires against any Noteholder, directly or indirectly, howsoever arising. As a result, Noteholders will not at any time be entitled to set-off the Issuer's obligations under such Notes against obligations owed by them to the Issuer.

US Withholding Tax under Section 871(m)

Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended imposes a 30 per cent. withholding tax on amounts attributable to U.S. source dividends that are paid or "deemed paid" under certain financial instruments if certain conditions are met (such instruments referred to as "Specified Notes"). If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. Prospective investors should refer to the section "Taxation – U.S. Dividend Equivalent Withholding".

For purposes of withholding under the U.S. Foreign Account Tax Compliance Act, commonly known as FATCA, Specified Notes are subject to a different grandfathering rule than other Notes. Prospective investors should refer to the section "*Taxation – Foreign Account Tax Compliance Act*". Investors should consult their tax adviser regarding the potential application of Section 871(m) Regulations to their investment in the Notes.

FATCA and CRS

Under the terms of the FATCA Law and CRS Law (as defined below), the Issuer is likely to be treated as a Luxembourg Reporting Financial Institution. As such, the Issuer may require all investors to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

Should the Issuer become subject to a withholding tax and/or penalties as a result of non-compliance under the FATCA Law and/or penalties as a result of non-compliance under the CRS Law, the value of the Notes held by all holders of Notes may be materially affected.

Furthermore, the Issuer may also be required to withhold tax on certain payments to its investors which would not be compliant with FATCA (i.e. the so-called foreign passthru payments withholding tax obligation).

Investors who hold less than the minimum the Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing

system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Notes issued as Green Bonds may not be a suitable investment for all investors seeking exposure to green assets

The Final Terms (or Pricing Supplement in the case of Exempt Notes) relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply the proceeds from an offer of those Notes specifically for projects and/or activities that promote climate-friendly and other environmental purposes (either in those words or otherwise) (**Green Projects**).

Prospective investors should have regard to the information in the relevant Final Terms (or Pricing Supplement in the case of Exempt Notes) regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Green Bonds together with any other investigation such investor deems necessary. In particular no assurance is given by the Issuer, the Dealers or any of their respective affiliates (other than the Issuer in its capacity as Dealer) or the Arranger that the use of such proceeds to particular loans and investments that are the subject of, or related to, the Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own governing documents or investment portfolio mandates, in particular with regard to any direct or indirect "green", "environmental", "sustainable", or "social" impact of any loans and investments and projects that are the subject of, or related to, the Green Projects.

None of the Dealers or any of their respective affiliates (other than the Issuer in its capacity as Dealer) or the Arranger shall be responsible for (i) any assessment of the Green Projects, (ii) any verification of whether the Green Projects fall within an investor's requirements or expectations of a "green", "environmental", "sustainable", "social" or equivalently-labelled project or (iii) the ongoing monitoring of the use of proceeds in respect of any such Green Bonds.

Furthermore, it should be noted that there is currently no clearly-defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green", "environmental", "sustainable", "social" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green", "environmental", "sustainable" or "social" or such other equivalent label and if developed in the future, such Green Bonds may not comply with any such definition or label.

A basis for the determination of such a definition has been established in the EU with the publication in the Official Journal of the EU on 22 June 2020 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (the "**Sustainable Finance Taxonomy Regulation**") on the establishment of a framework to facilitate sustainable investment (the "**EU Sustainable Finance Taxonomy**"). The EU Sustainable Finance Taxonomy is subject to further development by way of the implementation by the European Commission through delegated regulations of technical screening criteria for the environmental objectives set out in the Sustainable Finance Taxonomy Regulation. On 21 April 2021, the European Commission approved the first delegated act and the Delegated Regulation supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council (the "**EU Taxonomy Climate Delegated Act**") was formally adopted on 4 June 2021. The EU Taxonomy Climate Delegated Act is aimed at supporting sustainable

investment by making it clear which economic activities most contribute to the EU's environmental objectives. The EU Taxonomy Climate Delegated Act sets out criteria for economic activities in the sectors that are most relevant for achieving climate neutrality and delivering on climate change adaptation. This includes sectors such as energy, forestry, manufacturing, transport and buildings. Criteria for other environmental objectives will follow in a later delegated act, in line with mandates in the Sustainable Finance Taxonomy Regulation. Until all criteria for such objectives have been developed and disclosed it is not known whether the Green Projects will satisfy those criteria. Accordingly, alignment with the EU Sustainable Finance Taxonomy, once all criteria is established, is not certain.

In addition, prospective investors should have regard to, if and to the extent finally approved and, to the extent applicable to the Notes, the Regulation of the European Parliament and of the Council on European green bonds, a draft of which was proposed by the European Commission on 6 July 2021 with reference 2021/0191(COD) (the **draft European Green Bond Regulation**). The draft European Green Bond Regulation, includes a set of requirements that bonds and notes shall comply with in order to be labelled as "European Green Bonds". However, as at the date of this Base Prospectus, it is unclear whether or not (i) the draft European Green Bond Regulation will be finally approved; and (ii) the draft European Green Bond Regulation will be subject to modifications or amendments before its approval. Therefore, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any eligible projects will meet any or all investor expectations or any other requirements regarding such "green", "social" or "sustainable" or other equivalently-labelled performance objectives or requirements (including, without limitation, the requirements envisaged in the draft European Green Bond Regulation, if and to the extent finally approved) or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any eligible projects.

Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any Green Projects will meet any or all investor expectations regarding such "green", "sustainable" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Green Projects.

No assurance or representation is given by the Issuer, the Dealers or any of their respective affiliates (other than the Issuer in its capacity as Dealer) or the Arranger as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Green Bonds and in particular with the Green Projects to fulfil any "green", "environmental", "sustainable", "social" and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer or any of the Dealers to buy, sell or hold any such Green Bonds or that the Green Projects fulfil any "green", "environmental", "sustainable", "social" and/or other criteria. Any such opinion or certification is only current as at the date that opinion or certification was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Green Bonds. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. Investors in such Green Bonds shall have no recourse against the Issuer, the Dealers or any of their respective affiliates (other than the Issuer in its capacity as Dealer), the Arranger or the provider of such opinion or certification for the contents of such opinion or certification.

In the event that any such Green Bonds are listed or admitted to trading on any dedicated "green", "environmental", "sustainable", "social" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), or are included in any dedicated "green", "environmental", "sustainable", "social" or other equivalently-labelled index or indices, no representation or assurance is given by the Issuer, the Dealers or any of their respective affiliates (other than the Issuer in its capacity as Dealer) or the Arranger or any other person that such listing or admission or inclusion in such index or indices satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether

by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any loans and investments and projects that are the subject of or related to, the Green Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another and also the criteria for inclusion in such index or indices may vary from one index to another. Nor is any representation or assurance given or made by the Issuer, the Dealers or any of their respective affiliates (other than the Issuer in its capacity as Dealer) or the Arranger or any other person that any such listing or admission to trading or inclusion in such index or indices will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading or inclusion in such index or indices will be maintained during the life of the Green Bonds.

While it is the intention of the Issuer to apply the proceeds of any Notes so specified for Green Projects in, or substantially in, the manner described in the relevant Final Terms (or Pricing Supplement in the case of Exempt Notes), there can be no assurance that the relevant intended project(s) or use(s) the subject of, or related to, any Green Projects will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such Green Projects. Nor can there be any assurance that such Green Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not (i) give rise to any claim of a Noteholder against the Issuer (including, for the avoidance of doubt, the right to accelerate the Green Bonds); (ii) constitute an Event of Default under the Green Bonds; or (iii) lead to an obligation of the Issuer to redeem such Green Bonds or be a relevant factor for the Issuer in determining whether or not to exercise any optional redemption rights in respect of any Green Bonds or (iv) affect the regulatory treatment of such Green Bonds as Tier 2 capital or eligible liabilities for the purposes of MREL (as applicable) if such Green Bonds are also Subordinated Notes, Senior Non Preferred Notes or Senior Preferred Notes in respect of which MREL Notes is specified as applicable in the applicable Final Terms or Pricing Supplement. For the avoidance of doubt, payments of principal and interest (as the case may be) on the relevant Green Bonds shall not depend on the performance of the projects included in the Green Projects.

Any such event or failure to apply the proceeds of any issue of Notes for any Green Projects as aforesaid and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance Green Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

The market continues to develop in relation to risk-free rates (including SOFR, SONIA, SARON and €STR) as reference rates

Investors should be aware that the market continues to develop in relation to risk-free rates, such as SOFR, SONIA, SARON and €STR, as reference rates in the capital markets for U.S. dollar, Sterling, Swiss franc and Euro bonds, as applicable, and their adoption as alternatives to the relevant interbank offered rates. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

In addition, market participants and relevant working groups have been working together to design alternative reference rates based on risk-free rates, including applying term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Terms and Conditions and used in relation to Notes that reference such risk-free rates

issued under this Programme. If the relevant risk-free rates do not prove to be widely used in securities such as the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of notes referencing rates that are more widely used. The Issuer may in the future also issue Notes referencing SARON Compounded, Compounded Daily SONIA, Compounded Daily SOFR, Weighted Average SOFR or Compounded Daily €STR that differ materially in terms of interest determination when compared with any previous SARON Compounded, Compounded Daily SONIA, Compounded Daily SOFR, Weighted Average SOFR or Compounded Daily €STR referenced Notes issued by it under this Programme. The development of risk-free rates for the eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in notes linked to such risk-free rates issued to date and no assurance can be given that any particular methodology, including the compounding formula in the Terms and Conditions, will gain widespread market acceptance. In addition, the methodology for determining any overnight rate index used to determine the Rate of Interest in respect of certain Notes could change during the life of such Notes.

Notes referencing risk-free rates may also have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities referencing such risk-free rates, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market and may consequently suffer from increased pricing volatility and market risk.

Certain administrators of risk-free rates have published hypothetical and actual historical performance data. Hypothetical data inherently includes assumptions, estimates and approximations and actual historical performance data may be limited in the case of certain risk-free rates. Investors should not rely on hypothetical or actual historical performance data as an indicator of the future performance of such risk-free rates.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SARON Compounded, Compounded Daily SONIA, Compounded Daily SOFR, Weighted Average SOFR or Compounded Daily €STR.

A Noteholder's actual yield on the Notes may be reduced from the stated yield by transaction costs

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes.

For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Noteholders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), Noteholders must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any

additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

A Noteholder's effective yield on the Notes may be diminished by the tax impact on that Noteholder, as the case may be, of its investment in the Notes

Payments of interest on the Notes, or profits realised by the Noteholder, as the case may be, upon the sale or repayment of the Notes, may be subject to taxation in its home jurisdiction or in other jurisdictions in which it is required to pay taxes. The tax impact on Noteholders generally is described under "Taxation" below; however, the tax impact on an individual Noteholder may differ from the situation described for Noteholders generally. The Issuer advises all investors to contact their own tax advisers for advice on the tax impact of an investment in the Notes.

Risks related to the market generally

Set out below is a description of material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The second market generally

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes.

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, are being issued to a single investor or a limited number of investors or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. In addition, should the Issuer be in financial distress, this is likely to have a further significant impact on the secondary market for the Notes and investors may have to sell their Notes at a substantial discount to their principal amount.

The trading market for debt securities may be volatile and may be adversely impacted by many events

The market for debt securities issued by banks is influenced by economic and market conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of Notes or that economic and market conditions will not have any other adverse effect.

Exchange rate risks

If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the Investor's Currency) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (a) the Investor's Currency-equivalent yield on the Notes,

(b) the Investor's Currency-equivalent value of the principal payable on the Notes and (c) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The value of Fixed Rate Notes may be adversely affected by movements in market interest rates

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU registered or UK registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). If the status of the rating agency rating the Notes changes, European regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European regulated investors selling the Notes which may impact the value of the Notes and any secondary market. The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Prospectus.

Credit rating agencies including Moody's, Standard & Poor's and others could seek to rate the Notes without having been requested to do so by the Issuer and if such unsolicited ratings are lower or higher than the comparable ratings assigned to the Notes by Fitch, Moody's and Standard & Poor's, those unsolicited ratings could have an effect on the market value and/or liquidity of the Notes. For the avoidance of doubt, all references to ratings in this Prospectus are to ratings by the specified rating agencies only.

Interests of the Dealers

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically,

such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Potential conflicts of interest

Potential conflicts of interest may exist between the Calculation Agent (if any) and Noteholders (including where a Dealer acts as a calculation agent), including with respect to certain determinations and judgments that such Calculation Agent may make pursuant to the Conditions that may influence amounts receivable by the Noteholders during the term of the Notes and upon their redemption.

Risks related to the structure of a particular feature of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common features.

Notes subject to optional redemption by the Issuer

If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return

An optional redemption feature of Notes (including *Redemption for Tax Reasons* and *Capital Event Redemption*) is likely to limit their market value. During any period when the Issuer may elect to redeem, or is perceived to have the ability to redeem, Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes or where it is otherwise economically incentivised to redeem (for example following a change in applicable regulatory or tax treatment of the Notes). At those times, 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 Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Risks relating to Automatic Early Redemption of the Notes

In the case of Notes that include an Automatic Early Redemption feature, the longer the time remaining until the scheduled maturity date of the Notes, the higher the probability that an Automatic Early Redemption Event will occur.

In the event that the relevant level, value or price of an underlying reference asset(s) (the **Underlying Reference(s)**) approaches the level that triggers the Automatic Early Redemption Event, the Noteholder may not be able to sell the Notes in the secondary market before the occurrence of an Automatic Early Redemption Event (see also "*The secondary market generally*" above). If the Underlying Reference is listed on a different exchange to that on which the Notes are listed, the Automatic Early Redemption Event may occur outside the normal trading hours of the exchange on which the Notes are listed. In this case, the Noteholder may not have an opportunity to sell the Notes in the secondary market before the Automatic Early Redemption Event occurs.

Risk of Loss Following Automatic Early Redemption of the Notes

In the case of Notes that include an Automatic Early Redemption feature, if the relevant level, value or price of the Underlying Reference(s) reaches the level that triggers the Automatic Early Redemption Event, the product will automatically redeem before the scheduled maturity date. Depending on the applicable payout the Noteholder may lose some or all of their investment in the Notes.

Zero Coupon Notes are subject to higher price fluctuations than non-discounted notes

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary notes because the discounted issue prices are substantially below par. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk

Notes issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for more conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to more conventional interest-bearing securities with comparable maturities.

Investors will not be able to calculate in advance their rate of return on Floating Rate Notes

A key difference between (i) Floating Rate Notes and (ii) Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the Terms and Conditions of the Notes provide for frequent interest payment dates, investors are exposed to the reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Risks in relation to the interest derived on Range Accrual Notes

Investors should also note that the Coupon Amount payable in respect of Range Accrual Notes will depend on the frequency with which the Range Accrual Reference Rate falls between Lower Range and the Upper Range during the relevant Interest Period. The fewer the number of days the Range Accrual Reference Rate falls in this range during the relevant Interest Period, the lower the relevant interest in respect of such Interest Period. As a result, the interest amounts payable in respect of the Range Accrual Notes (and therefore the market value of the Range Accrual Notes) may be more volatile than for securities that do not include this feature.

Range Accrual Notes bearing or paying a floating or other variable rate of interest either will pay or, depending on the fulfilment of certain conditions, may pay a variable amount of interest on specified interest payment dates. Range Accrual Notes which bear or pay floating or other variable interest rates can be volatile investments. Investors who purchase Range Accrual Notes with a floating or other variable rate of interest, will be exposed to the risk of a fluctuating rate of interest and consequently variable interest amounts.

Where Notes are issued on a partly paid basis, an investor who fails to pay any subsequent instalment of the issue price could lose all of his investment.

The Issuer may issue Notes where the issue price is payable in more than one instalment. Any failure by an investor to pay any subsequent instalment of the issue price in respect of his Notes could result in such investor losing all of his investment.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as EURIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Physical Delivery Notes involve specific risks linked to the occurrence of a Settlement Disruption Event

The value of Notes to be settled by way of physical delivery may be affected and/or the settlement of such Notes may be delayed if in the opinion of the Calculation Agent, delivery of the Asset Amount (being the amount of relevant asset relating to each Note as set out in the Final Terms (or Pricing Supplement in the case of Exempt Notes)) using the method of delivery specified in the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes), or such other commercially reasonable manner as the Calculation Agent has determined, is impracticable because a Settlement Disruption Event has occurred and is continuing on the Delivery Date. A Settlement Disruption Event is an event beyond the control of the Issuer as a result of which, in the opinion of the Calculation Agent, delivery of the specified assets to be delivered by or on behalf of the Issuer is not practicable.

Risks related to Structured Notes

General risks relating to Structured Notes

An investment in Notes, the premium and/or the interest on or principal of which is determined by reference to one or more values of interest rates, shares or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that an investor may lose the value of its entire investment or part of it, as the case may be. Neither the current nor the historical value of the relevant interest rates, shares or other indices or formulae should be taken as an indication of future performance of such interest rates, shares or other indices or formulae during the term of any Notes.

No Claim against any Underlying Reference

A Note will not represent a claim against any underlying reference asset(s) (defined above) to which the amount of principal and/or interest payable or amount of specified assets deliverable in respect of the Notes is dependent and, in the event that the amount paid by the Issuer or value of the specified assets delivered on redemption of the Notes is less than the principal amount of the Notes, a Noteholder will not have recourse under a Note to any Underlying Reference. In addition, investing in a Note will not entitle the Noteholder to benefit from a voting right (if any) attached to an Underlying Reference.

An investment in Notes linked to one or more Underlying Reference may entail significant risks not associated with investments in conventional debt securities, including but not limited to the risks set out in this section "Risks related to the structure of a particular issues of Notes". The amount paid or value of the specified assets delivered by the Issuer on redemption of such Notes may be less than the principal amount of the Notes, together with any accrued interest, and may in certain circumstances be zero.

Limited Exposure to Underlying Reference

If the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes) provide that the exposure of any Index Linked Redemption Notes, Equity Linked Redemption Notes, Inflation Linked Interest Notes, Credit Linked Notes, and other Notes linked to one or more Underlying References is limited or capped to a

certain level or amount, such Notes will not benefit from any upside in the value of any such Underlying References beyond such limit or cap.

The regulation and reform of benchmarks may adversely affect the value of Notes linked to or referencing such benchmarks

Interest rates and indices which are deemed to be benchmarks (including the London interbank offered rate (**LIBOR**) and the Euro interbank offered rate (**EURIBOR**) are the subject of national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms have resulted in the cessation of certain benchmarks, including Sterling LIBOR and Japanese Yen LIBOR, the cessation of US Dollar LIBOR by 30 June 2023 and may cause other benchmarks to perform differently than in the past, to disappear entirely, to be subject to revised calculation methods or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a benchmark.

Regulation (EU) 2016/1011 (the **Benchmarks Regulation**) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmark Regulation has been amended by Regulation (EU) 2019/2089 of the European Parliament and of the Council of 27 November 2019 by extending the transitional provisions applicable to material benchmarks and third-country benchmarks until the end of 2021. Regulation (EU) 2021/168 of the European Parliament and of the Council of 10 February 2021 further amends the Benchmark Regulation and introduces a harmonised approach to deal with the cessation or wind-down of certain benchmarks by conferring the power to designate a statutory replacement for certain benchmarks on the European Commission, such replacement being limited to contracts and financial instruments. In addition, the transitional provisions applicable to third country benchmarks are extended until the end of 2023. The European Commission is empowered to further extend this period until the end of 2025, if necessary.

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark and as a consequence, Noteholders could lose part of their investment or receive less income.

There is continued regulatory scrutiny of use of inter-bank offered rates (**IBORs**) and increasing pressure and momentum for banks and other financial institutions to transition relevant products to replacement rates.

Different currency LIBORs have been or are being transitioned to different rates which, in contrast to IBORs (which include an interbank lending risk margin) may be (or may be derived from) risk-free rates, which may perform very differently from the relevant IBOR.

For example, in the case of floating rate eurobonds:

- bonds which would traditionally have referenced CHF-LIBOR are now referencing the SARON;
- bonds which would traditionally have referenced GBP-LIBOR are now referencing the SONIA;
- bonds which would traditionally have referenced USD-LIBOR are now referencing the SOFR; and
- bonds which would traditionally have referenced EURIBOR may move towards referencing the new €STR (although a reformed EURIBOR rate will continue to be published).

The replacement risk-free rates referenced above operate on a backward-looking basis (predominantly on the basis of a daily compounding calculation, although weighted average alternatives have been seen in certain rates), rather than forward-looking term rates. While forward-looking term rates based on certain of these risk-free rates have been or are being developed, it is uncertain whether the capital markets will move to referencing those term rates for public bond issues, or if the regulators will allow such adoption.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Specifically, the euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 25 November 2020, the euro risk-free rate working group published consultations on EURIBOR fallback trigger events and fallback rates. The final recommendations were published on 11 May 2021. The recommended fallback triggers include both cessation and pre-cessation triggers, including, inter alia, permanent cessation, non-representativeness and (potentially) unlawfulness triggers (the working group recommended against a material change in the EURIBOR methodology as defined by the European Money Markets Institute (**EMMI**) being an automatic trigger). For debt securities, based on support for the proposals from the public consultation and issuances already observed in the capital markets, the working group recommended the replacement rate to be €STR with a backward-looking lookback period methodology (with an observation shift methodology, although use of the lag approach was considered a robust alternative) and applying an adjustment spread based on a five-year historical median methodology.

In addition, EMMI as administrator of EURIBOR has launched a forward-looking term rate EFTERM as alternative to and as a new fallback rate for EURIBOR. It is therefore currently not foreseeable whether EURIBOR will continue to exist permanently and beyond 2025.

The EMMI, as administrator of the EURIBOR, has developed a hybrid methodology for the determination of EURIBOR that takes into account current transaction data, historical transaction data and modelled data based on expert opinions and has obtained regulatory authorisation under the Benchmarks Regulation for the EURIBOR so calculated. However, since reference rates relying on expert opinion and modelled data are widely regarded as potentially less representative than reference rates determined in a fully transaction-based approach and because central banks, supervisory authorities, expert groups and relevant markets tend to prefer the use of risk-free overnight interest rates with a broad and active underlying market as reference rates, there is a risk that the use or provision of EURIBOR may come to an end in the medium or long term.

Separately, the FCA has indicated through a series of announcements that the continuation of LIBOR on the current basis cannot and would not be guaranteed after 2021. On 5 March 2021, ICE Benchmark Administration Limited (**IBA**), the administrator of LIBOR, published a statement confirming its intention to cease publication of all LIBOR settings, together with the dates on which this will occur, subject to the FCA exercising its powers to require IBA to continue publishing such LIBOR settings using a changed methodology. Concurrently, the FCA published a statement on the future cessation and loss of representativeness of all LIBOR currencies and tenors, following the dates on which IBA has indicated it will cease publication (the **FCA announcement**). Permanent cessation has occurred immediately after 31 December 2021 for all Euro and Swiss Franc LIBOR tenors and certain Sterling, Japanese Yen and US Dollar LIBOR settings and shall occur immediately after 30 June 2023 for certain other USD LIBOR settings. In relation to the remaining LIBOR settings (1-month, 3-month and 6-month Sterling, US Dollar and Japanese Yen LIBOR settings), the FCA will consult on, or continue to consider the case for, using its powers to require IBA to continue their publication under a changed methodology for a further period after end-2021 (end-June 2023 in the case of US Dollar LIBOR). The FCA announcement states that consequently, these LIBOR settings will no longer be representative of the underlying market that such settings are intended to measure immediately after 31 December 2021, in the case of the Sterling and Japanese Yen LIBOR settings and immediately after 30 June 2023, in the case of the USD LIBOR settings. Any continued publication of the Japanese Yen LIBOR settings has also permanently ceased at the end of 2022. On 3 April 2023, the FCA

exercised its powers to require IBA to continue publishing the 1-, 3- and 6-month USD LIBOR settings until 30 September 2024, using an unrepresentative ‘synthetic’ methodology.

The potential transition from IBORs to risk-free or other rates or benchmarks, the cessation of a benchmark or changes in the manner of administration of any benchmark could require an adjustment to the Terms and Conditions of the Notes, or result in other consequences, in respect of any Notes referencing such benchmark. Such factors may have (without limitation) also the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

The Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a Benchmark Event (as defined in the Terms and Conditions) occurs in respect of the Original Reference Rate or other relevant reference rate and/or any page on which such benchmark may be published (or any other successor service) becomes unavailable.

Such fallback arrangements include the possibility that the rate of interest could be set by reference to a successor or alternative rate, together with the application of an Adjustment Spread or Benchmark Amendments (each as defined in the Terms and Conditions), and may include amendments to the Terms and Conditions of the Notes to ensure the proper operation of the new benchmark, all as determined by the Issuer (acting in good faith and in consultation with an Independent Adviser) and as more fully described at Condition 4.2(j). It is possible that the adoption of a successor or alternative rate, including any Adjustment Spread or Benchmark Amendments, may result in a rate of interest less favourable to holders than the Original Reference Rate.

There is also a risk that the relevant fallback provisions may not operate as expected or as intended at the relevant time.

Investors should be aware that, if a benchmark were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference such benchmark will be determined for the relevant period by the fallback provisions applicable to such Notes. Depending on the manner in which a benchmark rate is to be determined under the Terms and Conditions, this may if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when the benchmark was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark.

There are particular risks associated with an investment in certain types of Notes such as Index Linked Redemption Notes, Inflation Linked Interest Notes or other notes linked to an Underlying Reference. In particular, an investor might receive less interest than expected or no interest in respect of such Notes and may lose some or all of the principal amount invested by it

The Issuer may issue Notes with principal or interest payable in respect of the Notes being determined by reference to an index (including an inflation index) or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a Relevant Factor). Potential investors should be aware that:

- (a) the market price of such Notes may be very volatile;
- (b) they may receive no interest;

- (c) payment of principal or interest may occur at a different time or in a different currency than expected;
- (d) they may lose all or a substantial portion of their principal;
- (e) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices or may cease to exist or be published;
- (f) the effect of any multiplier or leverage factor that is applied to the Relevant Factor is that the impact of any changes in the Relevant Factor on the amounts of principal or interest payable likely will be magnified; and
- (g) 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.

The historical experience of an index should not be viewed as an indication of the future performance of such index during the term of any Index Linked Redemption Notes or Inflation Linked Interest Notes. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any Index Linked Redemption Notes or Inflation Linked Interest Notes and the suitability of such Notes in light of their particular circumstances.

The particular risks involved in an investment in Index Linked Redemption Notes or other notes linked to an Underlying Reference include volatility, effects of leverage and the loss of part of or all principal amount invested

The Issuer may issue Notes where the amount of principal payable is dependent upon the level of an index or indices, or upon a formula encompassing a combination of a number of components, which can be indices or securities or derivatives or any other component (**Index Linked Redemption Notes**).

Potential investors in any such Notes should be aware that depending on the terms of the Index Linked Redemption Notes (i) payment of principal may occur at a different time than expected and (ii) they may lose all or a substantial portion of their investment.

If the amount of principal payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level of the index or the indices or the components of the formula on principal payable will be magnified. The market price of such Notes may be volatile and may depend on the time remaining to the redemption date and the volatility of the level of the index or indices or of any component of the formula. The level of the index, indices, components or the formula may be affected by the economic, financial and political events in one or more jurisdictions, including but not limited to the stock exchange(s) or quotation system(s) on which any securities comprising the index, indices or the formula may be traded.

Investors in Equity Linked Redemption Notes or other notes linked to an Underlying Reference are exposed to volatility risks, leverage risks or performance of the share risks

The Issuer may issue Notes where the amount of principal payable is dependent upon the price of, or changes in the price of, share(s) or where, depending on the price of or change in the price of shares, on redemption the Issuer's obligation is to deliver specified assets (Equity Linked Redemption Notes).

Potential investors in any such Notes should be aware that depending on the terms of the Equity Linked Redemption Notes (i) payment of principal or delivery of any specified assets may occur at a different time than expected and (ii) they may lose all or a substantial portion of their investment.

If the amount of principal payable is 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 share(s) on principal payable will be magnified.

The market price of such Notes may be volatile and may be affected by the time remaining to the redemption date, the volatility of the share(s), the dividend rate (if any) and the financial results and prospects of the issuer or issuers of the relevant share(s) as well as economic, financial and political events in one or more jurisdictions, including factors affecting the stock exchange(s) or quotation system(s) on which any such shares may be traded.

There are specific risks associated with an investment in Inflation Linked Interest Notes

The Issuer may issue Notes where the amount of interest payable is dependent upon changes in the level of inflation (**Inflation Linked Interest Notes**).

Potential investors in any such Notes should be aware that depending on the terms of the Inflation Linked Interest Notes (i) they may receive no or a limited amount of interest, (ii) payment of interest 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 level of inflation or any component of the formula may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices or similar components and the timing of changes in the relevant level of inflation or the components of the formula 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 level of inflation or result of a formula, the greater the effect on yield.

If the amount of interest payable is determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level of inflations or the components of the formula on interest payable will be magnified. The market price of such Notes may be volatile and may depend on the time remaining to the redemption date and the volatility of the level of inflation or of any component of the formula. The level of inflation, components or the formula may be affected by the economic, financial and political events in one or more jurisdictions, including but not limited to the stock exchange(s) or quotation system(s) on which any securities comprising the inflation level or the formula may be traded.

In addition, the decision to purchase Inflation Linked Interest Notes involves complex financial appreciations and risks as the inflation cannot be foreseen with any degree of certainty. The yield of Inflation Linked Interest Notes may be lower than the yield of non-inflation linked interest notes. The Issuer makes no representation as to the tax treatment of such Notes or as to the lawfulness of the purchase of such Notes in any jurisdiction.

There are specific risks associated with an investment in Credit Linked Notes

As set out below, an investment in Credit Linked Notes will entail significant risks not associated with a conventional debt security.

Prospective investors in Credit Linked Notes should be aware that depending on the terms of the Credit Linked Notes (i) they may receive no or a limited amount of interest (or other periodic payments), (ii) payments may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment.

Investors in Credit Linked Notes should be aware that:

- where physical settlement of Credit Linked Notes applies and holders fail to comply with physical settlement requirements, there is a significant risk that they may not receive their entitlement;
- the 2014 ISDA Credit Derivatives Definitions, as published by ISDA (the **ISDA Credit Derivatives Definitions**) are subject to continuous evolution and require further amendment when reflected in the terms of an offering of securities such as the Credit Linked Notes, meaning that the Credit Linked

Notes may not conform to future market standards and are not equivalent to investing in a credit default swap which incorporates the ISDA Credit Derivatives Definitions;

- in certain circumstances the Calculation Agent may amend the Additional provisions applicable to Credit Linked Notes in relation to a Series of Notes in a way which is unfavourable to investors;
- the Issuer may make adjustments to the Additional provisions applicable to Credit Linked Notes or redeem the Credit Linked Notes to account for certain hedging disruption events and in this way have an adverse impact on the value of the Credit Linked Notes;
- the Credit Linked Notes may incorporate certain terms of the Credit Derivatives Physical Settlement Matrix, and it is the responsibility of the investor to ensure that they are familiar with such terms;
- following a Credit Event Determination Date, the Issuer may select an Obligation(s) for delivery or valuation which has the lowest value in the market at that time, thereby adversely impacting the return (if any) to investors;
- in respect of a Credit Event, the Credit Event Determinations Committee has the power to make binding decisions on critical issues and investors will have no control over how such decisions are made notwithstanding that they may have a significant impact on the return (if any) to investors.

The market price of Credit Linked Notes may be volatile and will be affected by, amongst other things, the time remaining to the Maturity Date, prevailing credit spreads and the creditworthiness of the relevant Reference Entity which in turn may be affected by the economic, financial and political events in one or more jurisdictions. In the event of early redemption of Credit Linked Notes following the occurrence of a Credit Event, the Credit Linked Notes will either (i) cease to bear interest from the Interest Payment Date immediately preceding the Credit Event Determination Date if "Accrual of Interest upon Credit Event" is specified as Not Applicable in the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes), or (ii) cease to bear interest from the Credit Event Determination Date if "Accrual of Interest upon Credit Event" is specified as being Applicable in the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes).

In the case of Credit Linked Notes (other than Portfolio Credit Linked Notes), save where the Credit Event Redemption Date occurs on or after the Scheduled Maturity Date, the Credit Linked Notes may then be early redeemed following a Credit Event which may be prior to their scheduled maturity. Accordingly investors should review carefully the nature of the relevant Credit Event Redemption Amount and Credit Event Redemption Date and the timing for this, as well as the basis on which these are determined.

Where the Credit Linked Notes provide for physical delivery, the Issuer may determine that the specified assets to be delivered are either (a) assets which for any reason (including, without limitation, failure of the relevant clearance system or due to any law, regulation, court order or market conditions but excluding the non-receipt of any requisite consents with respect to the delivery of assets which are loans) it is impossible or illegal to deliver on the specified settlement date or (b) assets which the Issuer and/or any affiliate and/or agent has not received under the terms of any transaction and/or trading position entered into by the Issuer and/or such affiliate and/or agent to hedge the Issuer's obligations in respect of the Credit Linked Notes. Any such determination may delay settlement in respect of the Credit Linked Notes and/or mean that the obligation to deliver such specified assets is replaced by an obligation to pay a cash amount which, in either case, may affect the value of the Credit Linked Notes and, in the case of payment of a cash amount, will affect the amount payable and relevant timing for this. In addition, since the deliverable assets will be issued, guaranteed or insured by the Reference Entity affected by a Credit Event, the value of such assets at the relevant time may be considerably less than would be the case if a Credit Event had not occurred. Prospective investors should review the relevant Conditions and the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes) to ascertain whether and how such provisions will apply to the Credit Linked Notes.

The Issuer, the Dealer(s) or any of their respective Affiliates may have acquired, or during the term of the Notes may acquire, non-public information with respect to the Reference Entity/Entities that they may not

disclose. Prospective investors must therefore make an investment decision based upon their own due diligence and purchase the Credit Linked Notes in the knowledge that non-public information, which the Issuer, the Dealer(s) or any of their respective affiliates may have, will not be disclosed to investors. None of the Issuer, the Dealer(s) or any of their respective affiliates is under any obligation (i) to review on the Noteholders' behalf the business, financial conditions, prospects, creditworthiness, status or affairs of the Reference Entity/Entities or conduct any investigation or due diligence into the Reference Entity/Entities or (ii) other than as may be required by applicable rules and regulations relating to the Notes, to make available (a) any information relating to the Notes or (b) any non-public information they may possess in respect of the Reference Entity/Entities.

Certain Credit Linked Notes may be highly leveraged instruments, including without limitation Portfolio Credit Linked Notes linked to the Reference Entity/Entities within a reference portfolio (or similar arrangements over a reference portfolio). The use of leverage is a speculative investment technique designed to enhance returns. However, such technique will also magnify the adverse impacts of a Credit Event.

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

Increase of risk due to the replacement of a Reference Entity or succession

Reference Entities may be replaced due to events beyond the control of the Issuer, such as the merger of a corporate entity with another entity, in which case the Reference Entity may be replaced by its successor. Each such replacement may result in an increase in the risks involved for the Noteholders.

Concentration risks in case of Credit Linked Notes referring to a portfolio of Reference Entities

The probability of the occurrence of Credit Events with respect to the Reference Entities referenced by a Portfolio Credit Linked Note may depend on the degree of diversification among the Reference Entities. The composition of the portfolio of Reference Entities may change after the Issue Date. Such change may result in an increase of concentration among the Reference Entities and therefore also in an increase in the risks associated with such concentration.

Amendment of Credit Linked Conditions in accordance with the terms of the Notes

The Calculation Agent may from time to time amend any provision of the Additional provisions applicable to Credit Linked Notes:

- (i) to incorporate and/or reflect further or alternative documents or protocols from time to time published by ISDA with respect to the documentation, trading or settlement of credit derivative transactions and/or the operation or application of determinations by the ISDA Credit Derivatives Determinations Committees; and/or
- (ii) to reflect or account for market practice for credit derivative transactions and/or reflect the hedging arrangements of the Issuer or any of its affiliates.

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

Risks relating to Auction Settlement of Credit Linked Notes

Auction Settlement

Where Auction Settlement is specified as the applicable Settlement Method in respect of a Series of Notes and an Auction Final Price Determination Date occurs, the Auction Final Price will be determined according to an auction procedure set out in the applicable Transaction Auction Settlement Terms, a form of which will be published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and may be amended from time to time. The Auction Final Price determined pursuant to an auction may be less than the market value that would otherwise have been determined in respect of the relevant Reference Obligation. The Issuer and the Noteholders may have little or no influence in the outcome of any such auction.

Auction Final Price and the Issuer's ability to influence the Auction Final Price

If the Credit Linked Notes are redeemed or the Outstanding Nominal Amount of Portfolio Credit Linked Notes is reduced, as applicable, following the occurrence of a Credit Event, the amount payable in respect of the Notes or the amount of such reduction in the Outstanding Nominal Amount (by reference to which principal and interest payable is calculated) may be determined by reference to the Auction Final Price determined according to an auction procedure set out in the applicable Transaction Auction Settlement Terms. There is a possibility that the Issuer or the Calculation Agent (or one of their affiliates) would act as a participating bidder in any such auction. In such capacity, it may take certain actions which may influence the Auction Final Price including (without limitation): (a) providing rates of conversion to determine the applicable currency conversion rates to be used to convert any obligations which are not denominated in the auction currency into such currency for the purposes of the auction; and (b) submitting bids, offers and physical settlement requests with respect to the relevant Deliverable Obligations. In deciding whether to take any such action (or whether to act as a participating bidder in any auction), the Issuer or the Calculation Agent (or any affiliate of any of them) shall be under no obligation to consider the interests of any Noteholder.

Zero Recovery Portfolio Credit Linked Notes

If the Credit Linked Notes are Zero Recovery Portfolio Credit Linked Notes, on the occurrence of a Credit Event in respect of a Reference Entity, the Notes will not be redeemed by payment of the scheduled Final Redemption Amount and instead the Outstanding Nominal Amount by reference to which interest and amounts payable on redemption of the Notes are calculated, will be reduced proportionately to the weighting of the Reference Entity in the basket and no amounts will be payable to investors in this respect. In such circumstances an investor will suffer total loss of the proportion of its investment attributable to such Reference Entity (as represented by the relevant Reference Entity weighting). In certain circumstances the amount paid to Noteholders on redemption may be less than their original investment and, if the Outstanding Nominal Amount is reduced to zero, will be zero. It should also be noted that for interest calculation purposes the Outstanding Nominal Amount is observed at the end of an Interest Period and no allowance is made that the Outstanding Nominal Amount may have been higher during the Interest Period.

Market Recovery Portfolio Credit Linked Notes

If the relevant Notes are Market Recovery Portfolio Credit Linked Notes, in the event that a Credit Event Determination Date occurs in respect of any Reference Entity, the loss amount in respect of such Reference Entity will be determined by reference to the value of the debt of the Reference Entity in the market, either by reference to the Auction Final Price as set out above, or by reference to the value of one or more obligations of such Reference Entity selected by the Calculation Agent (see also "Cheapest to deliver" below), determined by reference to quotations from Quotation Dealers. In certain circumstances the amount paid to Noteholders on redemption may be less than their original investment and, if the Outstanding Nominal Amount is reduced to zero, will be zero. It should also be noted that for interest calculation purposes the Outstanding Nominal Amount is observed at the end of an Interest Period and no allowance is made that the Outstanding Nominal Amount may have been higher during the Interest Period.

Cheapest to deliver

Following a Credit Event Determination Date, subject to Auction Settlement procedures, where applicable, the Calculation Agent is entitled to select an obligation for delivery or for valuation which has the lowest value in the market at the relevant time, provided such obligation satisfies certain specifications and limits for qualification as a Deliverable Obligation or Obligation (as the case may be).

Settlement Suspension, Adjustments and Interest Provisions

Credit Linked Condition 11 permits the Calculation Agent, at its option and only in the circumstances described in Credit Linked Condition 11, to determine that the applicable timing requirements of the Notes Conditions and the Credit Linked Conditions (as determined by the Calculation Agent) shall toll and be suspended and remain suspended (such period of suspension, a **Suspension Period**) until the date of the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal or Calculation Agent determination that neither the necessary conditions to determining a Credit Event Determination Date nor a Credit Event Determination Date have occurred (as applicable). During such suspension period none of the Issuer, the Calculation Agent or any Noteholder are obliged to, nor are they entitled to, take any action in connection with the settlement of the Credit Linked Notes. Following the occurrence of one of the events described above, the relevant timing requirements of the Notes Conditions and the Credit Linked Conditions that have previously tolled or been suspended shall resume following the occurrence of such event.

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

In the case of interest bearing Credit Linked Notes, the Issuer shall be obliged to pay interest calculated in accordance with Notes Condition 4 provided that:

- (a) if a Suspension Period falls in any one or more Interest Period(s), then no interest shall accrue during each portion of an Interest Period during which a Suspension Period exists;
- (b) if an Interest Payment Date falls in a Suspension Period, such Interest Payment Date will be deferred until after the end of the Suspension Period; and
- (c) for the avoidance of doubt, no additional amount of interest will accrue or be payable as a result of any delayed payment of interest.

Market Disruption and adjustments provisions may affect the value and liquidity of the Notes as well as postpone due dates for payment

If an issue of Index Linked Redemption Notes, Equity Linked Redemption Notes, Inflation Linked Interest Notes or other notes linked to an Underlying Reference includes provisions dealing with the occurrence of a Market Disruption Event or any other event, however defined, set out under Conditions 21 to 25 and affecting such Note (a Disruption Event) on a Valuation Date, Observation Date, Averaging Date or any other relevant date and the Calculation Agent determines that a Disruption Event has occurred or exists on such Valuation Date, Observation Date, such Averaging Date, any consequential postponement of the Valuation Date, Observation Date or Averaging Date or any other relevant date, alternative provisions for valuation provided in any such Notes may have an adverse effect on the value and liquidity of such Notes. The timing of such dates (as scheduled or as so postponed or adjusted) may affect the value of the relevant Notes such that the Noteholder may receive a lower cash redemption amount and/or interest amount or other payment under the relevant Notes than otherwise would have been the case. The occurrence of such a Disruption Event in relation to any Underlying Reference comprising a basket may also have such an adverse effect on Notes related to such basket. In addition, any such consequential postponement may result in the postponement of the relevant due date for payment under the Notes and/or Maturity Date.

Potential Loss of the Noteholder's Investment in the Notes

Each Noteholder may receive a Final Redemption Amount, a SPS Final Payout and/or physical delivery of the Asset Amount or the Entitlement Amount the aggregate value of which may be less than the value of the Noteholder's investment in the relevant Notes. In certain circumstances Noteholders may lose the entire value of their investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features, their market values may be even more volatile than those for securities that do not include those features.

If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned

Fixed/Floating Rate Notes are Notes which bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

Risks related to Subordinated Notes

An investor in Subordinated Notes assumes an enhanced risk of loss in the event of the Issuer's insolvency

The Issuer's obligations under the Subordinated Notes will be unsecured and subordinated and will rank junior in priority of payment to Senior Liabilities. Senior Liabilities means all of the Issuer's liabilities which constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is an enhanced risk that an investor in Subordinated Notes will lose all or some of his investment should the Issuer become insolvent.

Impact of BRRD II on the ranking of fully or partially recognised own fund instruments

According to the article 48(7) of BRRD II (as implemented into Luxembourg law by article 152(4) of the Resolution Law, liabilities resulting from fully or partially recognised own funds instruments (within the meaning of the CRR) shall rank junior to all other liabilities. This would entail that, regardless of their contractual ranking, liabilities that are no longer at least partially recognised as an own funds instrument for the purpose of the CRR shall rank senior to any liabilities fully or partially recognised as an own funds instrument. Accordingly, in the event of a liquidation or bankruptcy of the Issuer, the Issuer will, *inter alia*, be required to pay subordinated creditors of the Issuer, whose claims arise from liabilities that no longer fully or partially are recognised as an own funds instrument (within the meaning of the CRR) in full before it can make any payments on the Subordinated Notes qualifying as own funds of the Issuer.

The Subordinated Notes may be redeemed prior to maturity

Unless the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) specify otherwise, in the event that as a result of a change in law or regulations of Luxembourg, or in the official application of such laws or regulations or any political subdivision or any authority thereof or therein having power to tax, or any change in the application of such laws or regulations which change or amendment becomes effective on or after the Issue Date, which change the Issuer demonstrates to the satisfaction of the Regulator

was material and was not reasonably foreseeable as at the Issue Date (i) (A) the Issuer has or would become obliged to pay additional amounts as provided or referred to in Condition 7 of the Terms and Conditions of the Subordinated Notes, and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or (ii) the Issuer would not be entitled to claim a deduction in respect of any payments in computing its taxation liabilities or the amount of the deduction would be materially reduced, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts or would not be entitled to claim a deduction were a payment in respect of the Notes then due. The Issuer may redeem all outstanding Notes in accordance with the Terms and Conditions of the Subordinated Notes, subject to the prior consent of the Regulator and satisfaction of certain requirements.

In addition, unless the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) specify otherwise, the Issuer may redeem all outstanding Notes upon the occurrence of a Capital Event, in accordance with the Terms and Conditions of the Subordinated Notes, subject to the consent of the Regulator and satisfaction of certain requirements.

In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes. See also "Notes subject to optional redemption by the Issuer".

Limited remedies for non-payment under Subordinated Notes

The sole remedy against the Issuer available to the holders of Subordinated Notes for recovery of amounts owing in respect of any non-payment of principal or interest in respect of the Subordinated Notes will be to ask the relevant authorities to institute proceedings in Luxembourg (but not elsewhere) in accordance with Part III of the Resolution Law, to the extent set out in Condition 9.2(a)(ii) under "*Terms and Conditions of the Notes*". As such, the remedies available to holders of Subordinated Notes are more limited than those typically available to holders of unsubordinated debt of the Issuer.

In addition, holders of Subordinated Notes may only accelerate the maturity of such Subordinated Notes if an order is made or an effective resolution is passed for the Liquidation (as defined under "*Terms and Conditions of the Notes*") of the Issuer in Luxembourg and, if accelerated, may claim payment in respect of the Subordinated Notes only in the Liquidation of the Issuer.

There is no restriction on the amount or type of further instruments or indebtedness that the Issuer may issue, incur or guarantee

There is no restriction on the amount or type of further instruments or indebtedness that the Issuer may issue, incur or guarantee, that rank senior to, or *pari passu* with, the Subordinated Notes. As a result, this may reduce the amount recoverable by holders of Subordinated Notes on a Liquidation of the Issuer and may limit the Issuer's ability to meet its obligations under the Subordinated Notes. In addition, the Subordinated Notes do not contain any restriction on the Issuer's ability to issue securities that may have preferential rights to the Subordinated Notes or securities with similar or different provisions.

Subordinated Notes may be subject to loss absorption on any application of the Bail-In Tool or at the point of non-viability of the Issuer

Holders of Subordinated Notes may be subject to write-down or conversion into equity on application of such mandatory write-down or conversion powers (without requiring such holders' consent), which may result in such holders losing some or all of their investment. Any indication or perception that Subordinated Notes will become subject to such non-viability loss absorption measure could have an adverse effect on the market price of the relevant Subordinated Notes. See "*EU Bank Recovery and Resolution Directive*".

The obligation of the Issuer to pay additional amounts in respect of any withholding or deduction of taxes is limited to payments of interest under the Subordinated Notes

The obligation of the Issuer to pay additional amounts in respect of any withholding or deduction of taxes imposed under the laws of Luxembourg under Condition 7 of the Terms and Conditions of the Subordinated Notes apply only to payments of interest and not to payments of principal due under the Subordinated Notes. As such, the Issuer is not required to pay any additional amounts under Condition 7 of the Terms and Conditions of the Subordinated Notes to the extent any withholding or deduction applies to payments of principal under the Subordinated Notes. Accordingly, if any such withholding or deduction were to apply to any payments of principal under the Subordinated Notes, holders of Subordinated Notes may receive less than the full amount due under the Subordinated Notes.

Risks related to MREL Notes

Holders of MREL Notes may not be able to exercise their rights on an event of default in the event of the exercise of any resolution tools under BRRD II (as implemented through the Resolution Law)

Noteholders will have limited ability to accelerate the maturity of their MREL Notes. The terms of such Notes do not provide for any events of default, except in the limited circumstances set out in Condition 9.1(b) of the Terms and Conditions of the Notes. In the event that any payment on such Notes is not made when due, each Noteholder will have a right to ask the relevant authorities to institute liquidation (*liquidation*) or reprieve from payment (*sursis de paiement*) proceedings in Luxembourg (but not elsewhere) in accordance with Part II of the Resolution Law in respect of the Issuer.

As mentioned above, the Issuer may be subject to the exercise of any resolution tools under BRRD II (as implemented through the Resolution Law). Pursuant to the Resolution Law, the adoption of any such procedure shall not itself constitute an event of default or entitle any counterparty of the Issuer to exercise any rights it may otherwise have in respect thereof. Any provision providing for such rights shall further be deemed not to apply, although this does not limit the ability of a counterparty to declare any event of default and exercise its rights accordingly where an event of default arises either before or after the exercise of any such procedure and does not necessarily relate to the exercise of any relevant measure or power which has been applied pursuant to the Resolution Law.

Any enforcement by a Noteholder of its rights in respect of such Notes upon the occurrence of an event of default following the adoption of any early intervention or any resolution procedure will, therefore, be subject to the relevant provisions of BRRD II and the Resolution Law in relation to the exercise of the relevant measures and powers pursuant to such procedure, including the resolution tools and powers referred to above (see "*EU Bank Recovery and Resolution Directive*" above). Any claims on the occurrence of an event of default will consequently be limited by the application of any measures pursuant to the provisions of the Resolution Law. There can be no assurance that the taking of any such action would not adversely affect the rights of Noteholders, the price or value of their investment in such Notes and/or the ability of the Issuer to satisfy its obligations under such Notes and the enforcement by a Noteholder of any rights it may otherwise have on the occurrence of any event of default may be further limited in these circumstances.

Senior Non Preferred Notes are senior non preferred obligations and are junior to certain obligations

Senior Non Preferred Notes constitute direct, unconditional, unsecured and senior (*chirographaires*) obligations of the Issuer according to the ranking referred to in article 108-2(c) of BRRD II and the ranking referred to in the Luxembourg law of 25 July 2018 (amending the Resolution Law in this respect) and rank within the senior and unsecured liabilities of the Issuer:

- (a) *pari passu* and without any preference among themselves;
- (b) *pari passu* with any other obligations or instruments of the Issuer that rank, or are expressed to rank, equally with the Senior Non Preferred Notes;

- (c) senior to the Issuer's Subordinated Obligations (as defined in the Terms and Conditions of the Notes); and
- (d) junior to the Issuer's Statutory Ordinary Senior Liabilities (as defined in the Terms and Conditions of the Notes).

Upon the insolvency of the Issuer or if any order is made or resolution passed for the Liquidation (as defined in the Terms and Conditions of the Notes) of the Issuer, save as may be provided by mandatory applicable legislation in relation to creditors' rights, Noteholders will have a right to payment under Senior Non Preferred Notes:

- (i) only after, and subject to, payment in full in respect of Statutory Ordinary Senior Liabilities or any claims benefiting from statutory preferences or otherwise ranking in priority to Senior Non Preferred Notes; and
- (ii) in full, in priority to claims in respect of Subordinated Obligations and other claims otherwise ranking junior to the Statutory Second Ranking Senior Liabilities (as defined in the Terms and Conditions of the Senior Notes and the Senior Non Preferred Notes).

The Issuer's Statutory Ordinary Senior Liabilities would include, among other liabilities, its deposit obligations, its obligations in respect of derivatives and other financial contracts and its unsecured and unsubordinated debt securities that are not expressed to rank *pari passu* with Senior Non Preferred Notes or other Senior Parity Liabilities (as defined in the Terms and Conditions of the Notes). If the Issuer does not have sufficient assets to settle the claims of higher ranking creditors in full, the claims of the Noteholders under Senior Non Preferred Notes will not be satisfied. Noteholders will participate *pari passu* in any distribution of assets available to satisfy all claims in respect of its senior and unsecured liabilities with the creditors under any other Senior Parity Liabilities if the Issuer does not have sufficient funds to make full payment to all of them.

In addition, in the event of the exercise of a Bail-In Tool, the Issuer's eligible liabilities (including MREL Notes) could be subject to bail-in, meaning the potential write-down or conversion into equity securities or other instruments. See "*Bail-in tool under BRRD II and the Resolution Law*" above. The sequence of any resulting write-down or conversion of eligible instruments under Article 48 of BRRD II and Article 49 of the Resolution Law provides for claims to be written-down or converted into equity in accordance with the hierarchy of claims provided in the Resolution Law. Because the terms of Senior Non Preferred Notes will provide that they are senior non preferred liabilities, the Issuer expects them to be written down or converted in full after any Subordinated Obligations of the Issuer and before any of the Issuer's Statutory Ordinary Senior Liabilities are written down or converted. Because the terms of the MREL Eligible Senior Preferred Notes will provide that they are senior preferred liabilities, the Issuer expects them to be written down or converted in full after any Subordinated Obligations and any Senior Parity Liabilities of the Issuer are written down or converted. With respect to the Issuer, as confirmed by the Luxembourg act dated 20 May 2021, the conversion of the Notes into equity shall mean the conversion into the participation certificates (*certificats participatifs*) issued by the Issuer.

The qualification of any Senior Non Preferred Notes or Senior Preferred Notes as MREL Eligible Instruments is subject to uncertainty

It is intended that any Senior Non Preferred Notes that are issued will be MREL Eligible Instruments under the MREL Regulations and that certain Senior Preferred Notes that are issued may be MREL Eligible Instruments under the MREL Regulations (each as defined in the Terms and Conditions of the Notes). However, there is uncertainty regarding the final substance of the applicable MREL Regulations and how those regulations, once enacted, are to be interpreted and applied and the Issuer cannot provide any assurance that any Senior Non Preferred Notes or any Senior Preferred Notes will be (or thereafter remain) MREL Eligible Instruments.

Because of the uncertainty surrounding any potential changes to the regulations giving effect to MREL (as defined in the Terms and Conditions of the Notes), the Issuer cannot provide any assurance that any Senior Non Preferred Notes or any Senior Preferred Notes will ultimately be MREL Eligible Instruments. If for any reasons any Senior Non Preferred Notes or any Senior Preferred Notes are not MREL Eligible Instruments or if such Notes initially are MREL Eligible Instruments and subsequently become ineligible due to a change in Luxembourg law or applicable MREL Regulations, then an MREL Disqualification Event (as defined in the Terms and Conditions of the Notes) will occur, with the consequences indicated below. See — "*MREL Notes may be redeemed prior to maturity upon the occurrence of an MREL Disqualification Event*" below.

MREL Notes may be redeemed prior to maturity upon the occurrence of an MREL Disqualification Event

The Issuer may, at its option, redeem MREL Notes upon or following the occurrence of an MREL Disqualification Event.

As part of the Banking Reforms, CRR II has been adopted. Once Banking Reforms and the CRR II are fully applicable, they will require that the Issuer shall obtain the prior permission of the resolution authority to effect the call, redemption, repayment or repurchase of MREL Eligible Instruments prior to the date of their contractual maturity.

According to Article 78a of the CRR, as amended by CRR II, such consent will be given only if either of the following conditions are met:

- (a) before or at the same time of, the redemption request, the Issuer replaces the MREL Eligible Instruments with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or
- (b) the Issuer has demonstrated to the satisfaction of the resolution authority that the own funds and eligible liabilities of the Issuer would, following the redemption request, exceed the MREL requirements (as a requirement in MREL Regulations) by a margin that the resolution authority, in agreement with the competent authority considers necessary; or
- (c) the Issuer has demonstrated to the satisfaction of the resolution authority that the partial or full replacement of the MREL Eligible Instruments with own funds instruments is necessary to ensure compliance with the own funds requirements for continuing authorisation.

It is not possible to predict whether or not any Senior Non Preferred Notes or any Senior Preferred Notes will qualify as MREL Eligible Instruments (see "*The qualification of any Senior Non Preferred Notes or Senior Preferred Notes as MREL Eligible Instruments is subject to uncertainty*" above) or if any further change in the laws or regulations of Luxembourg will occur in relation to the applicable MREL Regulations and so lead to the circumstances in which the Issuer is able to elect to redeem the MREL Notes, and if so whether or not the Issuer will elect to exercise such option to redeem any MREL Notes or any prior consent of the competent authority, if required, will be given. The Issuer may be expected to redeem MREL Notes when its cost of borrowing is lower than the interest rate on such MREL Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on such MREL Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

MREL Notes may be subject to substitution and/or variation without Noteholder consent

Subject as provided herein, in particular to the provisions of Condition 10 of the Terms and Conditions of the Notes, if an MREL Eligibility Event, a Rating Methodology Event, an Alignment Event and/or a Tax Event (each term as defined in the Terms and Conditions of the Notes) occurs, the Issuer may, at its option, and without further consent or approval of the Noteholders, elect either (i) to substitute all (but not some only) of the MREL Notes or (ii) to modify the terms of all (but not some only) of such MREL Notes, in each case so that they are substituted for, or varied to, become, or remain, Qualifying Notes (as defined in the Terms and

Conditions of the Notes). While Qualifying Notes generally must contain terms that are materially no less favourable to Noteholders as the original terms of the MREL Notes, there can be no assurance that the terms of any Qualifying Notes will be viewed by the market as equally favourable, or that the Qualifying Notes will trade at prices that are equal to the prices at which the MREL Notes would have traded on the basis of their original terms.

Further, prior to the making of any such substitution or variation, the Issuer, shall not be obliged to have regard to the tax position of individual Noteholders or to the tax consequences of any such substitution or variation for individual Noteholders. No Noteholder shall be entitled to claim, whether from the Fiscal Agent, the Issuer, or any other person, any indemnification or payment in respect of any tax consequence of any such substitution or variation upon individual Noteholders.

Changes in law may adversely affect the rights of holders of MREL Notes

Changes in law after the issue date in respect of any MREL Notes may affect the rights of Noteholders as well as the market value of such MREL Notes. No assurance can be given as to the impact of any possible judicial decision or change to European or Luxembourg law or administrative practice after the date of issue. Such changes in law may include changes in statutory, tax and regulatory regimes during the life of MREL Notes, which may have an adverse effect on an investment in MREL Notes. See, in particular, the Banking Reforms described above.

Furthermore, any change in the laws or regulations of Luxembourg, applicable MREL Regulations or the application or interpretation thereof may in certain circumstances result in the Issuer having the option to redeem, substitute or vary the terms of MREL Notes (see "*MREL Notes may be redeemed prior to maturity upon the occurrence of an MREL Disqualification Event*" and "*MREL Notes may be subject to substitution and/or variation without Noteholder consent*" above). In any such case, MREL Notes would cease to be outstanding, be substituted or be varied, each of which actions could materially and adversely affect investors and frustrate investment strategies and goals.

Such legislative and regulatory uncertainty could also affect an investor's ability to accurately value MREL Notes and, therefore, affect the trading price of MREL Notes given the extent and impact that one or more regulatory or legislative changes, including those described above, could have on MREL Notes.

Furthermore, the financial services industry continues to be the focus of significant regulatory change and scrutiny which may adversely affect the Issuer's business, financial performance, capital and risk management strategies. Such regulatory changes, and the resulting actions taken to address such regulatory changes, may have an adverse impact on the Issuer's performance and financial condition, which could in turn affect levels of CET1 capital and risk weighted assets and, therefore, the resulting CET1 ratio and the levels of capital, leverage and additional loss absorbing capacity resources more generally. It is not yet possible to predict the detail of such legislation or regulatory rulemaking or the ultimate consequences to the Issuer or the Noteholders, which could be material to the rights of holders of MREL Notes and/or the ability of the Issuer to satisfy its obligations under any MREL Notes.

Second ranking senior securities are new types of instruments for which there is limited trading history

As at the date of this Prospectus, there is a limited trading history for senior non preferred notes of Luxembourg financial institutions. Market participants, including credit rating agencies, are in the initial stages of evaluating the risks associated with senior non preferred liabilities. The credit ratings assigned to any Senior Non Preferred Notes may change as the rating agencies refine their approaches, and the value of such securities may be particularly volatile as the market becomes more familiar with them. It is possible that, over time, the credit ratings and value of any Senior Non Preferred Notes will be lower than those expected by investors at the time of issuance of any Senior Non Preferred Notes. If so, Noteholders may incur losses in respect of their investments in any Senior Non Preferred Notes.

INFORMATION RELATING TO NON-EXEMPT OFFERS OF NOTES

Restrictions on Non-exempt Offers of Notes in relevant Member States of the EEA

This Prospectus has been prepared on a basis that permits Non-exempt Offers of Notes in each State in relation to which the Issuer has given its consent (from amongst Member States) as specified in the applicable Final Terms (each specified State a **Non-exempt Offer Jurisdiction** and together the **Non-exempt Offer Jurisdictions**). Any person making or intending to make a Non-exempt Offer of Notes on the basis of this Prospectus must do so only with the Issuer's consent to the use of this Prospectus as provided under "*Consent given in accordance with Article 5(1) of the Prospectus Regulation*" below and provided such person complies with the conditions attached to that consent.

Save as provided above, neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any Non-exempt Offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

Consent given in accordance with Article 5(1) of the Prospectus Regulation

In the context of a Non-exempt Offer of Notes, the Issuer accepts responsibility, in each of the Non-exempt Offer Jurisdictions, for the content of this Prospectus in relation to any person (an **Investor**) who purchases any Notes in a Non-exempt Offer made by a Dealer or an Authorised Offeror (as defined below), where that offer is made during the Offer Period specified in the applicable Final Terms and provided that the conditions attached to the giving of consent for the use of this Prospectus are complied with. The consent and conditions attached to it are set out under "*Consent*" and "*Common Conditions to Consent*" below.

None of the Issuer or any Dealer makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and none of the Issuer or any Dealer has any responsibility or liability for the actions of that Authorised Offeror.

Except in the circumstances set out in the following paragraphs, neither the Issuer nor, for the avoidance of doubt, any Dealer has authorised the making of any Non-exempt Offer by any offeror and the Issuer has not consented to the use of this Prospectus by any other person in connection with any Non-exempt Offer of Notes. Any Non-exempt Offer made without the consent of the Issuer is unauthorised and neither the Issuer nor, for the avoidance of doubt, any Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer.

If, in the context of a Non-exempt Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Prospectus for the purposes of the relevant Non-exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Prospectus and/or who is responsible for its contents it should take legal advice.

The financial intermediaries referred to in paragraphs (a)(ii), (a)(iii) and (a) below are together the **Authorised Offerors** and each an **Authorised Offeror**.

Consent

In connection with each Tranche of Notes and subject to the conditions set out below under "*Common Conditions to Consent*":

Specific Consent

- (a) the Issuer consents to the use of this Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Notes during the relevant Offer Period stated in the applicable Final Terms by:
 - (i) the relevant Dealer(s) or Manager(s) stated in the applicable Final Terms;
 - (ii) any financial intermediaries specified in the applicable Final Terms; and
 - (iii) any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the Issuer's website (www.spuerkeess.lu) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer; and

General Consent

- (a) if (and only if) Part B of the applicable Final Terms specifies **General Consent** as **Applicable**, the Issuer hereby offers to grant its consent to the use of this Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of Notes during the relevant Offer Period stated in the applicable Final Terms by any other financial intermediary which satisfies the following conditions:
 - (i) it is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2014/65/EU); and
 - (ii) it accepts the Issuer's offer to grant consent to the use of this Prospectus by publishing on its website the following statement (with the information in square brackets duly completed) (the **Acceptance Statement**):

*"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the **Notes**) described in the Final Terms dated [insert date] (the **Final Terms**) published by Banque et Caisse d'Epargne de l'Etat, Luxembourg (the **Issuer**). In consideration of the Issuer offering to grant its consent to our use of the Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [specify relevant State(s)] during the Offer Period and subject to the other conditions to such consent, each as specified in the Prospectus, we hereby accept the offer by the Issuer in accordance with the Authorised Offeror Terms (as specified in the Prospectus) and we are using the Prospectus accordingly."*

The **Authorised Offeror Terms**, being the terms to which the relevant financial intermediary agrees in connection with using this Prospectus, are that the relevant financial intermediary:

- (A) will, and it agrees, represents, warrants and undertakes for the benefit of the Issuer and the relevant Dealer that it will, at all times in connection with the relevant Non-exempt Offer:
 - I. act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the **Rules**) from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential Investor;
 - II. comply with the restrictions set out under "*Subscription and Sale*" in this Prospectus which would apply as if the relevant financial intermediary were a Dealer and consider the relevant manufacturer's target market assessment

and distribution channels identified under the "MiFID II product governance" legend set out in the applicable Final Terms;

- III. ensure that any fee (and any other commissions or benefits of any kind) received or paid by that the relevant financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;
- IV. hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules;
- V. comply with applicable anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Notes by the Investor), and will not permit any application for Notes in circumstances where the financial intermediary has any suspicions as to the source of the application monies;
- VI. retain Investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to the relevant Dealer, the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Dealer in order to enable the Issuer and/or the relevant Dealer to comply with anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules applying to the Issuer and the relevant Dealer, as the case may be;
- VII. ensure that it does not, directly or indirectly, cause the Issuer or the relevant Dealer to breach any Rule or subject the Issuer or the relevant Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- VIII. immediately inform the Issuer and the relevant Dealer if at any time it becomes aware, or suspects, that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
- IX. comply with the conditions to the consent referred to under "*Common Conditions to Consent*" below and any further requirements or other Authorised Offeror Terms relevant to the Non-exempt Offer as specified in the applicable Final Terms;
- X. make available to each potential Investor in the Notes this Prospectus (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any applicable information booklet provided by the Issuer for such purpose, and not convey or publish any information that is not contained in or entirely consistent with the Prospectus and the applicable Final Terms;
- XI. if it conveys or publishes any communication (other than this Prospectus or any other materials provided to such financial intermediary by or on behalf of the Issuer for the purposes of the relevant Non-exempt Offer) in connection with the relevant Non-exempt Offer, it will ensure that such communication (a) is fair, clear and not misleading and complies with the Rules, (b) states that such financial intermediary has provided such communication

independently of the Issuer, that such financial intermediary is solely responsible for such communication and that none of the Issuer and the relevant Dealer accepts any responsibility for such communication and (c) does not, without the prior written consent of the Issuer, or the relevant Dealer (as applicable), use the legal or publicity names of the Issuer or the relevant Dealer or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest, except to describe the Issuer as issuer of the relevant Notes on the basis set out in this Prospectus;

XII. ensure that no holder of Notes or potential Investor in Notes shall become an indirect or direct client of the Issuer or the relevant Dealer for the purposes of any applicable Rules from time to time, and to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;

XIII. co-operate with the Issuer and the relevant Dealer in providing relevant information (including, without limitation, documents and records maintained pursuant to paragraph (VI) above) and such further assistance as is reasonably requested upon written request from the Issuer or the relevant Dealer in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process. For this purpose, relevant information is information that is available to or can be acquired by the relevant financial intermediary:

(a) in connection with any request or investigation by any regulator in relation to the Notes, the Issuer or the relevant Dealer; and/or

(b) in connection with any complaints received by the Issuer and/or the relevant Dealer relating to the Issuer and/or the relevant Dealer or another Authorised Offeror including, without limitation, complaints as defined in the Rules; and/or

(c) which the Issuer or the relevant Dealer may reasonably require from time to time in relation to the Notes and/or as to allow the Issuer or the relevant Dealer fully to comply with its own legal, tax and regulatory requirements;

XIV. during the period of the initial offering of the Notes:

(a) only sell the Notes at the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the relevant Dealer);

(b) only sell the Notes for settlement on the Issue Date specified in the applicable Final Terms;

(c) not appoint any sub-distributors (unless otherwise agreed with the relevant Dealer);

(d) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Notes (unless otherwise agreed with the relevant Dealer); and

- (e) comply with such other rules of conduct as may be reasonably required and specified by the relevant Dealer; and
- XV. either (a) obtain from each potential Investor an executed application for the Notes, or (b) keep a record of all requests the relevant financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case prior to making any order for the Notes on their behalf, and in each case maintain the same on its files for so long as is required by any applicable Rules;
- (B) agrees and undertakes to each of the Issuer and the relevant Dealer that if it or any of its respective directors, officers, employees, agents, affiliates and controlling persons (each a **Relevant Party**) incurs any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation or defence) (a **Loss**) arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by the relevant financial intermediary, including (without limitation) any unauthorised action by the relevant financial intermediary or failure by it to observe any of the above restrictions or requirements or the making by it of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by the Issuer or the relevant Dealer, the relevant financial intermediary shall pay to the Issuer or the relevant Dealer, as the case may be, an amount equal to the Loss. None of the Issuer nor any Dealer shall have any duty or obligation, whether as fiduciary or trustee for any Relevant Party or otherwise, to recover any such payment or to account to any other person for any amounts paid to it under this provision; and
- (C) agrees and accepts that:
 - I. the contract between the Issuer and the relevant financial intermediary formed upon acceptance by the relevant financial intermediary of the Issuer's offer to use the Prospectus with its consent in connection with the relevant Non-exempt Offer (the **Authorised Offeror Contract**), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, Luxembourg law;
 - II. subject to (IV below), the Luxembourg courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Authorised Offeror Contract (including any dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) (a **Dispute**) and the Issuer and the relevant financial intermediary submit to the exclusive jurisdiction of the Luxembourg courts;
 - III. for the purposes of (C)(II) and (IV), the relevant financial intermediary waive any objection to the Luxembourg courts on the grounds that they are an inconvenient or inappropriate forum to settle any dispute; and
 - IV. to the extent allowed by law, the Issuer and each relevant Dealer may, in respect of any Dispute or Disputes, take (a) proceedings in any other court with jurisdiction; and (b) concurrent proceedings in any number of jurisdictions.

Any Authorised Offeror falling within (a) above who meets the conditions set out in (b) and the other conditions stated in *Common Conditions to Consent* below and who wishes to use this Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website the Acceptance Statement.

Common Conditions to Consent

The conditions to the Issuer's consent to the use of this Prospectus in the context of the relevant Non-exempt Offer are (in addition to the conditions described in paragraph (a) above if Part B of the applicable Final Terms specifies "*General Consent*" as "*Applicable*") that such consent:

- (a) is only valid during the Offer Period specified in the applicable Final Terms; and
- (b) only extends to the use of this Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in Luxembourg;

The consent referred to above only relates to Offer Periods (if any) occurring within 12 months from the date of this Prospectus.

The only Relevant States which may, in respect of any Tranche of Notes, be specified in the applicable Final Terms (if any Relevant States are so specified) as indicated in (b) above, will be Luxembourg and accordingly each Tranche of Notes may only be offered to Investors as part of a Non-exempt Offer in Luxembourg, as specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS

AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF THE ISSUER OR, FOR THE AVOIDANCE OF DOUBT, ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.

OVERVIEW OF CONSOLIDATED FINANCIAL INFORMATION

The following information presents an overview of relevant consolidated financial information of the Issuer extracted without adjustments from its audited consolidated financial statements as of 31 December 2021 and as of 31 December 2022, each prepared in accordance with International Financial Reporting Standards as adopted by the European Union (**IFRS**). These consolidated financial information should be read in conjunction with the respective consolidated financial statements which are incorporated in this Prospectus by reference.

Overview of Consolidated Financial Information of the Issuer (amounts in thousands of euro)

	<i>31 DECEMBER 2021</i>	<i>31 DECEMBER 2022</i>
Total Assets	53,424,865	56,674,860
Loans and advances at amortised cost – Credit institutions	1,346,632	1,457,998
Loans and advances at amortised cost – Customers	25,246,693	26,705,359
Fixed-income securities recognised at amortised cost	13,821,928	13,586,208
Deposits at amortised cost – Credit institutions	6,934,712	5,682,386
Deposits at amortised cost – Customers	36,906,631	41,126,287
Issuance of debt securities and financial liabilities designated at fair value through profit or loss	2,958,472	2,810,712
Total equity	5,217,398	5,475,537
Bank margin	668,393	747,054
Total general expense	436,269	447,560
Net income for the period – Group share	329,053	332,858

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Prospectus shall be incorporated by reference in, and form part of, this Prospectus:

- (a) the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2021 (in French), together with the independent auditor's report thereon, including the information set out at the following pages in particular:

Business Overview	Pages 7 to 34
Balance Sheet	Pages 45 to 46
Income Statement	Page 47
Statement of Comprehensive Income	Page 48
Statement of Changes in Equity	Pages 49 to 50
Statement of Cash Flow	Pages 51 to 53
Notes to the Financial Statements	Pages 54 to 184
Report of the “Réviseur d’entreprises agréé”	Pages 38 to 43
Scope of consolidation	Pages 60 to 61

which can be viewed at:

<https://dl.bourse.lu/dlp/1078b8bd53b20144b7996dd5e1bde5a37a>

Any other information incorporated by reference that is not included in the cross-reference list above is not incorporated by reference to this Prospectus;

- (b) the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2022 (in French), together with the independent auditor's report thereon, including the information set out at the following pages in particular:

Business Overview	Pages 8 to 27
Balance Sheet	Pages 37 to 38
Income Statement	Page 39
Statement of Comprehensive Income	Page 40
Statement of Changes in Equity	Pages 41 to 42
Statement of Cash Flow	Pages 43 to 45
Notes to the Financial Statements	Pages 46 to 179
Report of the “Réviseur d’entreprises agréé”	Pages 29 to 35
Scope of consolidation	Pages 49 to 51

which can be viewed at:

<https://dl.bourse.lu/dlp/10f3e88c137d994ba0a492f9a585d8cb40>

Any other information incorporated by reference that is not included in the cross-reference list above is not incorporated by reference to this Prospectus;

- (c) a free English translation of the original version in French of the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2021, together with the independent auditor's report thereon, including the information set out at the following pages in particular:

Business Overview	Pages 7 to 33
Balance Sheet	Pages 44 to 45
Income Statement	Page 46

Statement of Comprehensive Income	Page 47
Statement of Changes in Equity	Pages 48 to 49
Statement of Cash Flow	Pages 50 to 52
Notes to the Financial Statements	Pages 53 to 176
Report of the “Réviseur d’entreprises agréé”	Pages 36 to 42
Scope of consolidation	Pages 58 to 59

which can be viewed at:

<https://dl.bourse.lu/dlp/1012ddea92288c4cd797e4e85d9afa4f1d>

Any other information incorporated by reference that is not included in the cross-reference list above is not incorporated by reference to this Prospectus;

- (d) a free English translation of the original version in French of the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2022, together with the independent auditor's report thereon, including the information set out at the following pages in particular:

Business Overview	Pages 7 to 25
Balance Sheet	Pages 36 to 37
Income Statement	Page 38
Statement of Comprehensive Income	Page 39
Statement of Changes in Equity	Pages 40 to 41
Statement of Cash Flow	Pages 42 to 44
Notes to the Financial Statements	Pages 46 to 170
Report of the “Réviseur d’entreprises agréé”	Pages 28 to 34
Scope of consolidation	Pages 48 to 50

which can be viewed at:

<https://dl.bourse.lu/dlp/10daeaedace7de4b3ea2f097f081ac6169>

Any other information incorporated by reference that is not included in the cross-reference list above is not incorporated by reference to this Prospectus;

- (e) the Terms and Conditions of the Notes contained in the Prospectus dated 30 June 2014 on pages 137 to 212 (inclusive) prepared by the Issuer in connection with the Programme which is available for viewing on the following website:

<http://dl.bourse.lu/dlp/10bfccce1fceb69490c83f0544f1ccc8807>

- (f) the Terms and Conditions of the Notes contained in the Prospectus dated 30 June 2015 on pages 143 to 219 (inclusive) prepared by the Issuer in connection with the Programme which is available for viewing on the following website:

<http://dl.bourse.lu/dlp/10823b1427080d4e028859d6660872ca63>

- (g) the Terms and Conditions of the Notes contained in the Prospectus dated 30 June 2016 on pages 146 to 221 (inclusive) prepared by the Issuer in connection with the Programme which is available for viewing on the following website:

<http://dl.bourse.lu/dlp/10e48894ac99d54c7dadf8b4881b1c0428>

- (h) the Terms and Conditions of the Notes contained in the Prospectus dated 28 June 2019 on pages 182 to 292 (inclusive) prepared by the Issuer in connection with the Programme which is available for viewing on the following website:

<http://dl.bourse.lu/dlp/107001762dfe5749fabcc123f4df775032>

- (i) the Terms and Conditions of the Notes contained in the Prospectus dated 1 July 2020 on pages 159 to 269 (inclusive) prepared by the Issuer in connection with the Programme which is available for viewing on the following website:

<https://dl.bourse.lu/dlp/10d68dd3bdd6ec4f8fb5ed4e6d00a154d0>

- (j) the Terms and Conditions of the Notes contained in the Prospectus dated 1 July 2021 on pages 160 to 265 (inclusive) prepared by the Issuer in connection with the Programme which is available for viewing on the following website:

<https://dl.bourse.lu/dlp/107302c5c027c542dfa60f6bf148d734bc>

- (k) the Terms and Conditions of the Notes contained in the Prospectus dated 17 December 2021 on pages 164 to 270 (inclusive) prepared by the Issuer in connection with the Programme which is available for viewing on the following website:

<https://dl.bourse.lu/dlp/10afc548e0df324eecac029bc930fd83d7>

- (l) the Terms and Conditions of the Notes contained in the Prospectus dated 22 August 2022 on pages 167 to 289 (inclusive) prepared by the Issuer in connection with the Programme which is available for viewing on the following website:

<https://dl.bourse.lu/dlp/103e602ef7178f4af1ad08894c1129b011>

Following the publication of this Prospectus a supplement may be prepared by the Issuer and approved by the CSSF in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Any non-incorporated parts of a document referred to herein (which, for the avoidance of doubt, means any parts not listed in the cross-reference list above) are either deemed not relevant for an investor or are otherwise covered elsewhere in this Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Prospectus or publish a new Prospectus for use in connection with any subsequent issue of Notes.

FORM OF THE NOTES

Any reference in this section to "applicable Final Terms" shall be deemed to include a reference to "applicable Pricing Supplement" where relevant.

Each Tranche of Notes will initially be represented by a temporary global Note (a **Temporary Global Note**) without receipts, interest coupons or talons or, if so specified in the applicable Final Terms, a permanent global Note (a **Permanent Global Note** and, together with a Temporary Global Note, each a **Global Note**) which, in either case will be:

- (a) if the Global Notes are intended to be issued in new global note (NGN) form, as stated in the applicable Final Terms, delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**); or
- (b) if the Global Notes are not intended to be issued in NGN form, delivered on or prior to the original issue date of the Tranche to a common depository (the **Common Depository**) for Euroclear and Clearstream, Luxembourg.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether or not such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Note is represented by a Temporary Global Note, payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent. Any reference in this section "*Form of the Notes*" to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearance system approved by the Issuer, the Issuing Agent and the Agent.

On and after the date (the **Exchange Date**) which is 40 days after the date on which any Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Global Note of the same Series or (ii) for definitive Notes of the same Series, where applicable, receipts, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Notes, to such notice period as is specified in the applicable Final Terms) in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused.

Payments of principal and interest (if any) on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note (if the Permanent Global Note is not intended to be issued in NGN form)) without any requirement for certification.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole (but not in part), for definitive Notes with, where applicable, receipts, interest coupons and talons attached the occurrence of an Exchange Event. **Exchange Event** means (a) an Event of Default (as defined in Condition 9.1(a) (in relation to Senior Preferred Notes (other than MREL Eligible Senior Preferred Notes)) or Condition 9.1(b)(in relation to MREL Notes), as applicable) has occurred or is continuing and/or, (in the case of Subordinated Notes, Senior Preferred Notes and Senior Non Preferred Notes) a payment default has occurred and is continuing with respect to such Notes, (b) the Issuer has been notified that Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system is available or (c) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 7 which would not be required were the Notes represented by the Permanent Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) may give notice to the Principal Paying Agent requesting exchange and in the event of the occurrence of an Exchange Event as described in (c) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 60 days after the date of receipt of the first relevant notice by the Principal Paying Agent. Global Notes and definitive Notes will be issued pursuant to the Agency Agreement.

The following legend will appear on all Notes (other than Temporary Global Notes) and definitive Notes which have an original maturity of more than one year and on all receipts, interest coupons and talons relating to such Notes:

"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."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Notes, receipts or interest coupons.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

General

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*" below) the Issuing Agent shall arrange that, where a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned a common code and ISIN by Euroclear and Clearstream, Luxembourg which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least 40 days (as notified by the Issuing Agent to the relevant Dealer(s)) after the completion of the distribution of the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

Under Luxembourg law, owners of interests in a Global Note governed by Luxembourg law will, subject to proof of ownership of such interest, be entitled to proceed directly against the Issuer either individually or, following the appointment of a Noteholders' representative, collectively through such representative, pursuant to articles 470-3 to 470-19 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended (the **Companies Act 1915**).

The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event, other than where such Notes are Exempt Notes, a new Prospectus or a supplement to the Prospectus will be made available which will describe the effect of the agreement reached in relation to such Notes.

APPLICABLE FINAL TERMS (RETAIL)

NOTES WITH A DENOMINATION OF LESS THAN €100,000 (OR ITS EQUIVALENT IN ANY OTHER CURRENCY), OTHER THAN EXEMPT NOTES

Set out below is the form of Final Terms which will be completed for each Tranche of Notes which are not Exempt Notes and which have a denomination of less than EUR 100,000 (or its equivalent in any other currency) issued under the Programme.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended or superseded, **MiFID II**); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**) where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation]. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.¹

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]²

[³MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

¹ Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared or the issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

² Legend to be included on the front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared in the UK or the issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

³ Legend to be included on front of the Final Terms if following the ICMA 1 "all bonds to all professionals" target market approach.

⁴[**UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

OR

⁵[**MIFID II product governance / Retail investors, professional investors and ECPs** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)]**[MiFID II]; EITHER**⁶ [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] **OR**⁷ [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and] [non-advised sales] [and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]⁸.]

⁹[**UK MiFIR product governance / Retail investors, professional investors and ECPs target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**), and eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (**UK MiFIR**); **EITHER** [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] **OR** [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and] [non-advised sales] [and pure execution services][, subject to the distributor’s suitability and appropriateness obligations under COBS, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own

⁴ Legend to be included on front of the Final Terms if following the ICMA 1 "all bonds to all professionals" target market approach (UK).

⁵ Legend to be included on front of the Final Terms if following the ICMA 2 approach.

⁶ Include for bonds that are not ESMA complex.

⁷ Include for certain ESMA complex bonds. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

⁸ If the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II. If there are advised sales, a determination of suitability will be necessary.

⁹ Legend to be included on front of the Final Terms if following the ICMA 2 approach (UK).

target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable].]

Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the **SFA**) - [To insert notice if classification of the Notes is not "prescribed capital markets products" pursuant to Section 309B of the SFA or Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)].¹⁰

[In respect of any tranche of Notes issued in Singapore Dollars with a denomination of less than S\$200,000, the following information is provided pursuant to Regulation 6 of the Banking Regulations made under the Banking Act 1970 of Singapore:

- (a) *the place of booking of the Notes is [●];*
- (b) *the branch or office of the Issuer at which the tranche of the Notes is booked is not subject to regulation or supervision in Singapore;*
- (c) *the tranche of Notes is [not secured by any means] **OR** [secured by [please describe the nature of the security, the name of the mortgagor, chargor or guarantor and whether such person is regulated by the Monetary Authority of Singapore]].]*

[Date]

BANQUE ET CAISSE D'EPARGNE DE L'ETAT, LUXEMBOURG

Legal Entity Identifier (LEI): **R7CQUF1DQM73HUTV1078**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the U.S.\$8,000,000,000
Euro Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the **Conditions**) set forth in the Prospectus dated 30 June 2023 [and the supplement[s] to the Prospectus dated [date/s]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Prospectus**). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Prospectus [as so supplemented] in order to obtain all the relevant information. A summary of key information is annexed to these Final Terms. The Prospectus is available on the website of the Luxembourg Stock Exchange (www.luxse.com), and copies may be obtained from the Issuer's registered office at, 1-2 Place de Metz, L-2954 Luxembourg and from Citibank, N.A., London Branch at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.]

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

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the **Conditions**) set forth in the Prospectus dated [22 August 2022]/[17 December 2021]/[1 July 2021]/[1 July 2020]/[28 June 2019]/[30 June 2016]/[30 June 2015]/[30 June 2014] which are incorporated by

¹⁰ Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

reference in the Prospectus dated 30 June 2023. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Prospectus dated 30 June 2023 [and the supplement[s] to the Prospectus dated [date[s]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Prospectus**) in order to obtain all the relevant information. A summary of key information is annexed to these Final Terms. The Prospectus is available on the website of the Luxembourg Stock Exchange (www.luxse.com) and copies may be obtained from the Issuer's registered office at, 1-2 Place de Metz, L-2954 Luxembourg and from Citibank, N.A., London Branch at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.]

[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]

[When adding any other final 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 Prospectus under Article 23 of the Prospectus Regulation.]

1. (a) Series Number: []
- (b) Tranche Number: []
- (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [identify earlier Tranches] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 34 below, which is expected to occur on or about []][Not Applicable]
2. Specified Currency or Currencies: []
3. Aggregate Nominal Amount:
 - (a) Series: []
 - (b) Tranche: []
 - (c) Units: [] Units (being the equivalent of [insert currency]; [insert amount])[Not Applicable]
4. Issue Price: []% of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
5. (a) Specified Denominations: []
- (b) Calculation Amount (in relation to calculation of interest in global form see Conditions): []

(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor.)

N.B.: There must be a common factor in the case of two or more Specified Denominations.)

6. (a) Issue Date: []
- (b) Interest Commencement Date: [*specify*]/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes)*
7. Maturity Date: [*Fixed Rate Note – specify date/Floating Rate Note or any other Note where the Interest Period end date(s) are adjusted – Interest Payment Date falling in or nearest to [specify month]/[(the Scheduled Maturity Date) subject to adjustment as provided in the Credit Linked Conditions]]*
8. Interest Basis: [[]% Fixed Rate] [subject to interest rate step-up as specified in subparagraph 14(h) below]
[[[]month [EURIBOR]]/[CMS Reference Rate] +/- []% Floating Rate]
[SARON Compounded]
[Compounded Daily SONIA]
[Compounded Daily SOFR]
[Weighted Average SOFR]
[Compounded Daily €STR]
[Zero Coupon]
[[]% Fixed Rate] [[] month [EURIBOR] [+/-][] per cent. Floating Rate] Range
Accrual/Dual Range Accrual
[Inflation Linked Interest]
See paragraph [14/15/16/18/19]
9. SPS Coupon Rate (*include one or more of the following if applicable*): [Applicable/Not Applicable]
[SPS Digital Coupon applicable]
[SPS Snowball Digital Coupon applicable]
See paragraph [17] below
10. Redemption/Payment Basis: [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at []% of their nominal amount]
[Index Linked Redemption]
[Equity Linked Redemption]
[Credit Linked Redemption]
[SPS Payout]
11. Change of Interest Basis or Redemption/Payment Basis: [*Specify the date when e.g. any fixed to floating rate change occurs or cross refer to paragraphs 14 and 15 below and identify there*] [Not Applicable]
12. Put/Call Options:

- [Investor Put]
(N.B. Not applicable to MREL Eligible Senior Preferred Notes, Senior Non Preferred Notes and Subordinated Notes)
 [Issuer Call]
 [(see paragraph 26/27)]
 [Not Applicable]
13. (a) Status of the Notes: [Senior [Preferred/Non Preferred]/Subordinated]
(Issues of Subordinated Notes are subject to the prior written consent of the Ministry of Treasury of Luxembourg)
- (b) MREL Notes: [Applicable/Not Applicable]
(In case of an issuance of Notes which are debt instruments with an embedded derivative, MREL eligibility will be subject to further conditions under the SRMR, including that either (i) the principal amount of the Notes being known at the time of issue, being fixed or increasing and not being affected by an embedded derivative feature and the bank having the ability to perform a daily valuation of the liability in line with Article 12c(2)(a) SRMR even in stressed market conditions; or (ii) the debt instrument includes a contractual term in line with Article 12c(2)(b) SRMR).
- (c) Date [Board] approval for issuance of Notes obtained: [[] [and []], respectively]] [Not Applicable]
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate(s) of Interest: []% [per annum] payable [in arrear on each Interest Payment Date]
[For interest step-up Notes: []% per annum commencing on (and including) the Interest Commencement Date until (but not including) [date]

- []% [per annum] commencing on (and including) [date] until (but not including) [date]¹¹
 []% [per annum] commencing on (and including) [date] until (but not including) the Maturity Date]]]
- (b) Interest Payment Date(s): [[] in each year up to and including the Maturity Date]/[specify dates]]
- (Amend appropriately in the case of irregular coupons)*
- (c) Interest Period End Date(s): [] in each year [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] specify any applicable Additional Business Centre(s) for the definition of Business Day]/[not adjusted]
- (d) Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [] per Calculation Amount
- (e) [Initial/Final] Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [[] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []/[Not Applicable]
- (f) Fixed Day Count Fraction: [Actual/360, 30/360, 360/360, Bond Basis, 30E/360, Eurobond Basis, Actual/365 (Fixed), Actual/Actual (ICMA)][Not Applicable] *(Note that if interest is not payable on a regular basis (for example, if there are Broken Amounts specified) Actual/Actual (ICMA) will not be a suitable Fixed Day Count Fraction)*
- (g) Determination Date(s): [[] in each year] [Not Applicable]
- (Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)*
- (h) Interest rate step-up: [Applicable, for further details see paragraph 14(a) above /Not Applicable]
15. Floating Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*

¹¹ Further periods to be inserted as necessary.

- (a) Interest Period End Dates: [] in each year [adjusted in accordance with [FRN Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[not adjusted]
- (b) Interest Payment Dates: []
- (c) Additional Business Centre(s):
- (i) For fixing: [] [Not Applicable]
- (ii) For Interest Period End Dates: [] [Not Applicable]
- (d) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [] (the **Calculation Agent**)
- (e) Screen Rate Determination:
- (i) Reference Rate: [SARON Compounded]
[Compounded Daily SONIA]
[Compounded Daily SOFR]
[Weighted Average SOFR]
[Compounded Daily €STR]
[] month [EURIBOR]
- (ii) Term Rate: [Applicable/Not Applicable]
- (iii) Specified Time: [[11.00 a.m./[]] in the Relevant Financial Centre]
[Not Applicable]
- (iv) Relevant Financial Centre: [Zurich/London/New York/Brussels/[]]
[Not Applicable]
- (v) Overnight Rate: [Applicable/Not Applicable]
- (vi) Index Determination: [Applicable/Not Applicable]
- (vii) Relevant Number: [5/[]] [[London Banking Days]/[U.S. Government Securities Business Days][TARGET Business Days] / [Not Applicable]

(If “Index Determination” is “Not Applicable”, delete “Relevant Number” and complete the remaining paragraphs below)

(If “Index Determination” is “Applicable”, insert number of days (expected to be five or greater) as the Relevant Number, and the remaining paragraphs below will each be “Not Applicable”)

- (If the Reference Rate is SARON Compounded delete this paragraph)*
- (viii) D: [30/365/[]] / [Not Applicable]
- (If the Reference Rate is SARON Compounded delete this paragraph)*
- (ix) Observation Period: [Lag/Lock-out/Observation Shift/Not Applicable]
- (If the Reference Rate is SARON Compounded delete this paragraph)*
- (x) Lag Period: [5/[] [London Banking Days] [U.S. Government Securities Business Days] [TARGET Business Days] [[City] Banking Days] / [Not Applicable]
- (If the Reference Rate is SARON Compounded delete this paragraph)*
- (xi) Observation Shift Period: [5/[] [London Banking Days] [U.S. Government Securities Business Days] [TARGET Business Days] [[City] Banking Days] / [Not Applicable]
- (NB: A minimum of 5 relevant business/banking days should be specified for the Lag Period or Observation Shift Period unless otherwise agreed with the Calculation Agent)*
- (If the Reference Rate is SARON Compounded delete this paragraph)*
- (xii) Interest Determination Date(s): []
- (Second day on which T2 is open prior to the start of each Interest Period if EURIBOR)*
- (xiii) Relevant Screen Page: [] [Not Applicable]
- (In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- (f) CMS Rate Determination: [Applicable/Not Applicable]
- (i) CMS Screen Page: [Condition 4.2(b)(iii) applies/[]]
- (ii) Interest Determination Date: [Condition 4.2(b)(iii) applies/[]/]
- (iii) Reference Currency: [Euro/Sterling/United States dollar]
- (iv) Designated Maturity: [[]]

- (v) Calculation Agent: [Agent/named Manager/other]
- (g) Linear Interpolation: [Not Applicable/Applicable – the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (h) Margin(s): [+/-] []% per annum
- (i) Minimum Rate of Interest: [[]% per annum] [Not Applicable]
- (j) Maximum Rate of Interest: [[]% per annum] [Not Applicable]
- (k) Day Count Fraction: [Actual/Actual
Actual/Actual (ISDA)
Actual/365 (Fixed)
Actual/Actual (ICMA)
Actual/360
30/360
360/360
Bond Basis
30E/360
Eurobond Basis
30E/360 (ISDA)]
16. Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Accrual Yield: []% per annum
- (b) Reference Price: []
- (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360]
[Actual/360]
[Actual/365]
[Actual/Actual (ICMA)]
17. SPS Coupon Rate (*include one or more of the following if applicable*): [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- [SPS Digital Coupon applicable:
[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions.]]
- [SPS Snowball Digital Coupon applicable:
[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions.]]]
- (a) Interest Valuation Date(s): []

- (b) Interest Payment Date(s): [] in each year up to and including the Maturity Date
(Amend appropriately in the case of irregular coupons)
- (c) Interest Period End Date(s): [] in each year [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] *specify any applicable Additional Business Centre(s) for the definition of Business Day*]/[not adjusted]
- (d) Day Count Fraction: [Applicable/Not Applicable]
[30/360]
[Actual/360]
[Actual/365]
[Actual/Actual (ICMA)]
18. Inflation Linked Interest Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Screen Page: []
- (b) Cap Level []%
- (c) Floor Level []%
- (d) Multiplier []%
- (e) Calculation Agent responsible for calculating the interest due: []
- (f) Interest Period End Dates: [] in each year [adjusted in accordance with [FRN Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/not adjusted]
- (g) Interest Payment Dates: []
- (h) Interest Determination Date(s): []
- (i) Additional Business Centre(s): []
- (j) Minimum Rate of Interest: []% per annum]/[Not Applicable]
- (k) Maximum Rate of Interest: []% per annum]/[Not Applicable]
- (l) Day Count Fraction: [Actual/Actual]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/Actual (ICMA)]
[Actual/360]

[30/360]
[360/360]
[Bond Basis]
[30E/360]
[Eurobond Basis]
[30E/360 (ISDA)]

- (m) Cut-Off Date: []/[Not Applicable]
- (n) Related Bond: []/[Fall Back Bond]
- (o) Issuer of Related Bond: []/[Not Applicable]
- (p) Fall Back Bond: [Applicable/Not Applicable]
- (q) Index Sponsor: []
- (r) Related Bond Redemption Event: [Applicable/Not Applicable]
- (s) Scheduled Trading Day: []
19. Range Accrual Note Provisions: [Fixed Rate Range Accrual Note]
[Floating Rate Range Accrual Note]
[Fixed Rate Dual Range Accrual Note]
[Floating Rate Dual Range Accrual Note]
[CMS Range Accrual Note]
[Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*

(The following is applicable in relation to Fixed Rate Range Accrual Notes, Fixed Rate Dual Range Accrual Notes or CMS Range Accrual Notes that bear fixed rate interest)

- (a) Fixed Rate: []% per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [] in each year up to and including the Maturity Date [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] *specify any applicable Additional Business Centre(s) for the definition of Business Day*]/[not adjusted]
- (Amend appropriately in the case of irregular coupons)*
- (c) Interest Period End Date(s): [] in each year [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding

Business Day Convention] *specify any applicable Additional Business Centre (s)/not adjusted]*

- (d) Day Count Fraction: [Actual/360, 30/360, Bond Basis, 30E/360, Eurobond Basis, Actual/365 (Fixed), Actual/Actual (ICMA)]
- (e) Determination Dates: [[] in each year] [Not Applicable] *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*

(The following is applicable in relation to Floating Rate Range Accrual Notes, Floating Rate Dual Range Accrual Notes or CMS Range Accrual Notes that bear floating rate interest)

- (f) Interest Period End Dates: [] in each year [adjusted in accordance with [FRN Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[not adjusted]
- (g) Interest Payment Dates: []
- (h) Additional Business Centre(s): []
- (i) For fixing: [] [Not Applicable]
- (ii) For Interest Period End Dates: [] [Not Applicable]
- (i) Screen Rate Determination:
- (i) Reference Rate: [] month [EURIBOR]/[CMS Reference Rate]
- (ii) Interest Determination Date(s): []

(Second day on which T2 is open prior to the start of each Interest Period if EURIBOR)

- (iii) Relevant Screen Page: []
- (In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- (j) Margin(s): [+/-][]% per annum
- (k) Minimum Rate of Interest: []% per annum
- (l) Maximum Rate of Interest: []% per annum
- (m) Day Count Fraction: [Actual/Actual Actual/Actual (ISDA)]

Actual/365 (Fixed)
 Actual/Actual (ICMA)
 Actual/360
 30/360
 360/360
 Bond Basis
 30E/360
 Eurobond Basis
 30E/360 (ISDA)]

(The following must be completed in relation to all Range Accrual Notes (other than Dual Range Accrual Notes))

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

(o) Upper Range: []%

(If the Upper Range adjusts with various periods use the table below)

From and including	To but excluding	Upper Range
[]	[]	[]%

(p) Lower Range: []%

(If the Lower Range adjusts with various periods use the table below)

From and including	To but excluding	Lower Range
[]	[]	[]%

(q) Range Accrual Reference Rate: [Screen Rate Determination]

Screen Rate Determination:

- Reference Rate: [[] month [EURIBOR]]/[CMS Reference Rate]

(The following is applicable in relation to CMS Range Accrual Notes)

Reference Currency: [Euro/Sterling/United States dollar]

Designated Maturity: []

- Relevant Screen Page: []

(For example, Reuters EURIBOR 01)

- Range Accrual Reference Rate Determination Date(s): [Observation Date/specify other period]

• Rate Cut-Off Date: [] / [Not Applicable]

(r) Calculation Agent: [give name]

(s) Autoswitch: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs)

(i) Target Rate: [] %

(ii) Switch Rate: [] %

(The following must be completed in relation to Dual Range Accrual Notes)

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

(u) Upper Range₁: [] %

(If the Upper Range₁ adjusts with various periods use the table below)

From and including	To but excluding	Upper Range ₁
[]	[]	[] %

(v) Lower Range₁: [] %

(If the Lower Range₁ adjusts with various periods use the table below)

From and including	To but excluding	Lower Range ₁
[]	[]	[] %

(w) Upper Range₂: [] %

(If the Upper Range₂ adjusts with various periods use the table below)

From including	and To excluding	but Upper Range ₂
[]	[]	[] %

(x) Lower Range₂: [] %

(If the Lower Range₂ adjusts with various periods use the table below)

From including	and To excluding	but Lower Range ₂
----------------	------------------	------------------------------

- [] [] [] %
- (y) Range Accrual Reference Rate: [Screen Rate Determination]
- Screen Rate Determination:
- Reference Rate₁: [[] month [EURIBOR]]/[CMS Reference Rate]

(The following is applicable in relation to CMS Range Accrual Notes)

Reference Currency: [Euro/Sterling/United States dollar]

Designated Maturity: []
 - Relevant Screen Page for Reference Rate₁: []

(For example, Reuters EURIBOR 01)
 - Reference Rate₂: [[] month [EURIBOR]]/[CMS Reference Rate/CMS Formula Rate]

(The following is applicable in relation to CMS Range Accrual Notes)

Reference Currency: [Euro/Sterling/United States dollar/]

Designated Maturity: []

(The following is applicable in relation to CMS Formula Rate)

Reference Currency₁: [Euro/Sterling/United States dollar]

Designated Maturity₁: []

Reference Currency₂: [Euro/Sterling/United States dollar]

Designated Maturity₂: []
 - Relevant Screen Page Reference Rate₂: []

(For example, Reuters EURIBOR 01)
 - Range Accrual Reference Rate Determination Date(s): [Observation Date/specify other period]
 - Rate Cut-Off Date: [] / [Not Applicable]
- (z) Calculation Agent: [give name]

- (aa) Autoswitch: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs)
- (i) Target Rate: []%
- (ii) Switch Rate: []%

PROVISIONS RELATING TO REDEMPTION

20. Index Linked Redemption Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Index/Indices: []
(If more than one, refer to as Index₁, Index₂ etc.)
- (b) Screen Page: *(Specify if applicable, or give the sources of observation for each index)*
- (c) Component Transactions: []
- (d) Formula: [Autocall *[In the case of Autocall specify **Autocall Trigger Level:** []% of the Initial Price, **Percentage Multiplier:** []% for Observation Date₍₁₎, []% for Observation Date₍₂₎ etc. **Lower Threshold Level:** []% of the Initial Price, **Lower Threshold Multiplier:** []%, **Threshold Level:** []% of the Initial Price, **Threshold Multiplier:** []% and **Final Percentage Multiplier:** []%]/[Autocall with Spread *[In the case of Autocall with Spread specify: **Autocall Trigger Level:** []% of the Initial Price, **Multiplier:** []% and **Final Percentage Multiplier:** []%]/[Lookback *[In the case of Lookback specify **Multiplier:** []%, **Floor Level:** [] and **x:** []]* [Short-term Lookback *[In the case of Short-term Lookback specify **Multiplier:** []%, **Short-term Lookback Multiplier:** []%, **Cap Level:** [], **Floor Level:** [] and **x:**[]]* [Double Win *[In the case of Double Win specify. **Barrier Level Multiplier:** []%, **Cap Level:** []%, **Floor Level:** [] and **Final Valuation Date:** []]* [Triple Index *[In the case of Triple Index specify **Multiplier:** []%* [Asian Call *[In the case of Asian Call specify **Multiplier:** []%, **Cap Level:** []% and **Floor Level:** []%]*][Not Applicable]**

- (e) Calculation Agent responsible for calculating the redemption amount due: [] (N.B. Specify name)
- (f) Settlement Price: []
Index Currency: []
- (g) Relevant Level: [The official closing level for the Index/Indices] [the official fixing eventually calculated and/or published by the Index Sponsor] [the Valuation Method]
- (h) Valuation Date: []
- (i) Valuation Method: [Highest]/[Average Highest]/[Market Value]
- (j) Quotation Method: [Bid]/[Mid]/[Ask]
- (k) Quotation Amount: []/[As set out in Condition 21]
- (l) Averaging: Averaging [applies/does not apply] to the Notes.
[The Averaging Dates are []].
[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
[Modified Postponement is applicable]
(only applicable if Modified Postponement is applicable as an Averaging election)
[Specified Maximum Days of Disruption will be equal to: []/[eight]]
(if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)
- (m) Observation Date(s): [Observation Date₍₁₎: [], Observation Date₍₂₎: [] etc.] [Not Applicable].] [In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
- (n) Early Redemption Date(s) corresponding to Observation Date(s): [Early Redemption Date₍₁₎: [], Early Redemption Date₍₂₎: [] etc./Not Applicable]
- (o) Observation Period: [Specify/Not Applicable]
- (p) Exchange Business Day: [Single Index Basis/All Indices Basis/Per Index Basis/As per Conditions]

- (q) Scheduled Trading Day: [Single Index Basis/All Indices Basis/Per Index Basis/As per Conditions]
(must match election made for Exchange Business Day)
- (r) Exchange(s) and Index Sponsor: (i) the relevant Exchange[s] [is/are] [] and
(ii) the relevant Index Sponsor is [].
- (s) Related Exchange: [*Specify*/Each exchange or quotation system on which option contracts or futures contracts relating such Index is traded/All Exchanges]
- (t) Relevant Time: [Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.] [The relevant time is [], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.]
(N.B. if no Relevant Time is specified, the Valuation Time will be the Scheduled Closing Time).
- (u) Additional Disruption Events: [(i)] The following Additional Disruption Events apply to the Notes:
(Specify each of the following which applies.)
[Change of Law]
[Hedging Disruption]
[Increased Cost of Hedging]
[Increased Cost of Stock Borrow]
[Loss of Stock Borrow]
[(ii)] [The Trade Date is []. *[If no Trade Date is specified, Issue Date will be the Trade Date]*
(N.B. only applicable if Change of Law and/or Increased Cost of Hedging is applicable)]
[(iii)] [The Maximum Stock Loan Rate in respect of [*specify in relation to each security/commodity comprised in an Index*] is [].
(N.B. only applicable if Loss of Stock Borrow is applicable)]
[(iv)] [The Initial Stock Loan rate in respect of [*specify in relation to each*

security/commodity comprised in an Index
is [].

(N.B. only applicable if Increased Cost of Stock Borrow is applicable)]

(v) Market Disruption: Specified Maximum Days of Disruption will be equal to []/[eight]

(if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)

(w) Knock-in Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Level]]

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

[In the event that a Knock-in Determination Day is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply.]

(i) SPS Knock-in Valuation [Applicable/Not applicable]

[If applicable insert relevant provisions from Conditions]

(ii) Knock-in Level: [*Specify*]

(iii) Knock-in Determination Day(s): [*Specify*]/Each Scheduled Trading Day in the Knock-in Determination Period]

(iv) Knock-in Period Beginning Date: [Not Applicable/*specify*]

(v) Knock-in Period Ending Date: [Not Applicable/*specify*]

(vi) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]

(x) Knock-out Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]

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

[In the event that a Knock-out Determination Day is a Disrupted Day,

[Omission/Postponement/Modified Postponement] will apply]

- (i) Knock-out Level: [Specify]
- (ii) Knock-out Determination Day(s): [Specify/Each Scheduled Trading Day in the Knock-out Determination Period]
- (iii) Knock-out Period Beginning Date: [Not Applicable/specify]
- (iv) Knock-out Period Ending Date: [Not Applicable/specify]
- (v) Knock-out Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-out Determination Day]
- (y) Automatic Early Redemption Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Level]/[SPS Automatic Early Redemption Payout in paragraph 23 below applies]

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

- (i) Automatic Early Redemption Amount: [Specify/See definition in Condition 20]
- (ii) Automatic Early Redemption Date(s): [Specify] [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] specify any applicable Additional Business Centre (s)/not adjusted]
- (iii) Automatic Early Redemption Level: [Specify]
- (iv) Automatic Early Redemption Rate: [Specify]
- (v) Automatic Early Redemption Valuation Date(s): [Specify]
[In the event that Automatic Early Redemption Date is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply]

21. Equity Linked Redemption Note Provisions: [Applicable/Not Applicable]

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

- (a) Share(s): []
- (b) ISIN of Share(s): []
- (c) Strike: []% of the Initial Price

- (d) Settlement Price: [] [As set out in Condition 21]
[Exchange Rate: []]
- (e) Calculation Agent responsible for calculating any amount due under the Notes: [] (*N.B. Specify name and address*)
- (f) Valuation Date: []
- (g) Averaging: Averaging [applies/does not apply] to the Notes.
[The Averaging Dates are []]

[In the event that an Averaging Date is a Disrupted Day [Omission/ Postponement/ Modified Postponement] will apply]

[Modified Postponement is applicable]

(only applicable if Modified Postponement is applicable as an Averaging election)

[Specified Maximum Days of Disruption will be equal to: []/[eight]]

(if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)
- (h) Observation Date(s): [The Observation Date(s) is/are []/Not Applicable]. [In the event that an Observation Date is a Disrupted Date [Omission/Postponement/Modified Postponement] will apply]
- (i) Observation Period: [] [Not Applicable]
- (j) Exchange Business Day: [Single Share Basis/All Shares Basis/Per Share Basis/As per Conditions]
- (k) Scheduled Trading Day: [Single Share Basis/All Shares Basis/Per Share Basis/As per Conditions]

(must match election made for Exchange Business Day)
- (l) Exchange(s): The relevant Exchange[s] [is/are] []
- (m) Related Exchange(s): []/[Each exchange or quotation system on which option contracts or futures contracts relating to such Share are traded/All Exchanges]
- (n) Relevant Time: [Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.] [The relevant time is [], being the time

specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.]

(N.B. if no Relevant Time is specified, the Valuation Time will be the Scheduled Closing Time).

- (o) Additional Disruption Events:
- [(i)] The following Additional Disruption Events apply to the Notes:
(Specify each of the following which applies.)
[Change of Law]
[Hedging Disruption]
[Insolvency Filing]
[Failure to Deliver]
[Increased Cost of Hedging]
[Increased Cost of Stock Borrow]
[Loss of Stock Borrow]
 - [(ii)] [The Trade Date is []].

(N.B. only applicable if Change of Law and/or Increased Cost of Hedging is applicable)]
 - [(iii)] [The Maximum Stock Loan Rate in respect of *[specify in relation to each relevant Share]* is []].

(N.B. only applicable if Loss of Stock Borrow is applicable)]
 - [(iv)] [The Initial Stock Loan rate in respect of *[specify in relation to each relevant Share]* is []].

(N.B. only applicable if Increased Cost of Stock Borrow is applicable)]
- (p) Market Disruption: Specified Maximum Days of Disruption will be equal to []/[eight]:

(if no Specific Maximum Days of Disruption is stated, Specified Maximum Days of Disruption will be equal to eight)
- (q) Knock-in Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Level]]

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

[In the event that a Knock-in Determination Day is a Disrupted Day,

- [Omission/Postponement/Modified Postponement will apply.]
- (i) SPS Knock-in Valuation [Applicable/Not applicable]
- [If applicable insert relevant provisions from Conditions]
- (ii) Knock-in Level: [Specify]
- (iii) Knock-in Determination Day(s): [Specify/Each Scheduled Trading Day in the Knock-in Determination Period]
- (iv) Knock-in Period Beginning Date: [Not Applicable/specify]
- (v) Knock-in Period Ending Date: [Not Applicable/specify]
- (vi) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]
- (r) Knock-out Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]
- [If not applicable, delete the remaining subparagraphs of this paragraph]
- [In the event that a Knock-out Determination Day is a Disrupted Day,
- [Omission/Postponement/Modified Postponement will apply]
- (i) Knock-out Level: [Specify]
- (ii) Knock-out Determination Day(s): [Specify/Each Scheduled Trading Day in the Knock-out Determination Period]
- (iii) Knock-out Period Beginning Date: [Not Applicable/specify]
- (iv) Knock-out Period Ending Date: [Not Applicable/specify]
- (v) Knock-out Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-out Determination Day]
- (s) Automatic Early Redemption Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Level]/[SPS Automatic Early Redemption Payout in paragraph 23 below applies]

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

- (i) Automatic Redemption Amount: Early [Specify/See definition in Condition 21]
- (ii) Automatic Redemption Date(s): Early [Specify] [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] specify any applicable Additional Business Centre (s)/not adjusted]
- (iii) Automatic Redemption Level: Early [Specify]
- (iv) Automatic Redemption Rate: Early [Specify]
- (v) Automatic Redemption Date(s): Early Valuation [Specify]
[In the event that Automatic Early Redemption Date is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply]
- (t) Delayed Redemption on Occurrence of Extraordinary Events: [Applicable/Not Applicable]
(if not applicable, delete the remaining subparagraph of this paragraph)
[Rate for accrual of interest []/as specified in Condition 21.2(c)(iii)]
- (u) Delayed Redemption on Occurrence of Additional Disruption Event: [Applicable/Not Applicable]
(if not applicable, delete the remaining subparagraph of this paragraph)
[Rate for accrual of interest []/as specified in Condition 21.5(a)(iii)]
- 22. Notice periods for Condition 6.2: Minimum period: [[30] days]
Maximum period: [[60] days]
- 23. SPS Payout: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- 24. SPS Final Payout: [Applicable/Not Applicable]

[SPS Final Payout - Reverse Convertible Notes

[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions]]

[SPS Final Payout – Vanilla Call Notes

[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions]]

[Autocall Notes

[Insert related provisions from SPS Payout Conditions]]

25. **[SPS Automatic Early Redemption Payout:** [Applicable/Not Applicable]

[Insert related provisions from SPS Payout Conditions]]

Automatic Early Redemption Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Level]

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

Automatic Early Redemption Amount: [Specify]

Automatic Early Redemption Date(s): [Specify] [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] specify any applicable Additional Business Centre (s)/not adjusted]

Automatic Early Redemption Level: [Specify]

AER Redemption Percentage: [Specify]

AER Rate(i): [Specify]

Automatic Early Redemption Valuation Date(s): [Specify]

[In the event that Automatic Early Redemption Date is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply]]

26. Issuer Call: [Applicable/Not Applicable]

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

(a) Optional Redemption Date(s): []

(b) Optional Redemption Amount: [] per Calculation Amount

(N.B: If the Optional Redemption Amount is other than a specified amount per Calculation Amount, the Notes will need to be Exempt Notes)

- (c) If redeemable in part: [Not Applicable]
- (i) Minimum Redemption Amount: []
- (ii) Maximum Redemption Amount: []
- (d) Notice periods: Minimum period: [[15] days]
Maximum period: [[30] days]
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of five clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
27. Investor Put: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (N.B. Not applicable to MREL Eligible Senior Preferred Notes, Senior Non Preferred Notes and Subordinated Notes)*
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount: [] per Calculation Amount
- (N.B: If the Optional Redemption Amount is other than a specified amount per Calculation Amount, the Notes will need to be Exempt Notes)*
- (c) Notice periods: Minimum period: [[15] days] [Not Applicable]
Maximum period: [[30] days] [Not Applicable]
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
28. Redemption upon a MREL Disqualification Event [Applicable/Not Applicable]
- (N.B. Only applicable in case of MREL Eligible Senior Preferred Notes and/or Senior Non Preferred Notes)*

29. Final Redemption Amount: [[see paragraph [20/21/23] above] [] per Calculation Amount]
30. Early Redemption Amount payable on redemption for taxation reasons or on event of default or as otherwise specified: [An amount determined by the Calculation Agent in accordance with the Conditions / [] per Calculation Amount/Fair Market Value minus Costs per Calculation Amount]
- (N.B. If the Notes are to be held in a manner which would allow Eurosystem eligibility, then the Early Redemption Amount shall be no less than par)*

PROVISIONS RELATING TO CREDIT LINKED NOTES

31. Credit Linked Notes: [Applicable/Not Applicable]
- (i) Final Redemption Amount: [[] per Calculation Amount/See paragraph []]
- (ii) Settlement Method: [Auction Settlement/Cash Settlement/Physical Settlement/Not Applicable]
- (N.b. if the Notes are Portfolio Credit Linked Notes specify "Not Applicable")*
- (iii) Calculation Agent City: [London]/[]
- (iv) Portfolio Credit Linked Notes [Applicable and [Zero Recovery/Market Recovery] applies/Not Applicable]
- (v) Reference Entit[y][ies] [and relevant Weighting Percentages]: [] [*Specify. If applicable set out in a Table which may be annexed to these Final Terms and for this item and subsequent items in this paragraph 30 where relevant state: "See the Table annexed to these Final Terms"*]
- [If the Notes are Portfolio Credit Linked Notes linked to a credit index, insert and complete as applicable:*
- The Reference Entities and their relevant weighting percentages comprising the Index as at the Trade Date
- Index** means, []
- Index Publisher** means, []
- Index Sponsor** means, []
- Annex Date** means []
- (vi) Reference Obligations: [Standard Reference Obligation: [Applicable][Not Applicable]]

[If Standard Reference Obligation is specified as "Applicable" and "Additional Provisions for Senior Non-Preferred Reference Obligations" is not applicable, insert and complete as applicable: Seniority Level: [Senior Level][Subordinated Level]]

[If the Notes are Portfolio Credit Linked Notes and if applicable insert:

Standard Reference Obligation: Applicable if specified in the [Index/Table] for a Reference Entity only

[Seniority Level: As specified in the [Index/Table] for a Reference Entity]

(N.b. "Seniority Level" should not be included if the "Additional Provisions for Senior Non-Preferred Reference Obligations" are applicable to all Reference Entities. If the "Additional Provisions for Senior Non-Preferred Reference Obligations" are applicable to some only of the Reference Entities, in the Table this should be specified as "As set out in the Credit Linked Conditions" for those Reference Entities)

[If the Notes are Portfolio Credit Linked Notes and if applicable insert:

Reference Obligation: The Reference Obligation, if any, set out opposite the relevant Reference Entity in the [Index Annex/Table]

[The obligations identified as [] follows:

Primary Obligor: []

Guarantor: []

Maturity: []

Coupon: []

CUSIP/ISIN: []]

(vii) All Guarantees: [Applicable/Not Applicable/See Physical Settlement Matrix]

(viii) Credit Events: [See Physical Settlement Matrix]

[Bankruptcy]

[Failure to Pay]

[Grace Period Extension: [Applicable/Not Applicable/See Physical Settlement Matrix]

[If Applicable insert:

Grace Period: [[]]]

[Obligation Default]

[Obligation Acceleration]

[Repudiation/Moratorium]

[Restructuring]

Provisions relating to Restructuring Credit Event: Credit Linked Condition 14 [Applicable/Not Applicable]

Provisions relating to Multiple Holder Obligation: Credit Linked Condition 15 [Applicable/Not Applicable]

[Mod R [Applicable/Not Applicable]]

[Mod Mod R [Applicable/Not Applicable]]

[Governmental Intervention]

Default Requirement: []

Payment Requirement: []

Credit Event Backstop Date [Applicable/Not Applicable]
Amendment:

(ix) Notice of Publicly Available Information: [Applicable/Not Applicable]

[If Applicable insert:

Public Source(s): [As defined in Credit Linked Condition 13]/[specify other]

Specified Number: [2]/[specify other]

(x) Obligation(s):

Obligation Category: [See Physical Settlement Matrix]

(select one only) [Payment]

- [Borrowed Money]
- [Reference Obligation Only]
- [Bond]
- [Loan]
- [Bond or Loan]
- [None]
- Obligation Characteristics: [See Physical Settlement Matrix]
- (select all of which apply) [Not Subordinated]
- [Credit Linked Specified Currency:
- [specify currency] [Standard Specified Currencies]]
- [Not Sovereign Lender]
- [Not Domestic Currency]
- [Domestic Currency means: [specify currency]]
- [Not Domestic Law]
- [Listed]
- [Not Domestic Issuance]
- Additional Obligation(s): [None]/[specify other]
- (xi) Excluded Obligation(s): [None]/[specify other]
- (xii) Accrual of Interest upon Credit Event: [Applicable/Not Applicable]
- (N.B "Not Applicable" should be specified for Portfolio Credit Linked Notes)*
- (xiii) Merger Event: Credit Linked Condition 12 [Applicable/Not Applicable]
- [If Applicable insert:*
- [Merger Event Redemption Amount:[]]
- Merger Event Redemption Date: []]
- (xiv) Unwind Costs: [Standard Associated Costs/other/Not Applicable]

- (xv) Credit Event Redemption Amount: [[] per Calculation Amount]/[Credit Linked Condition 13 applies]
- (xvi) Credit Event Redemption Date: [Subject to Credit Linked Condition 11 (Settlement Suspension), [[] Business Days following the latest of] [the date falling [] Business Days following the latest of] [(i) the Auction Settlement Date or the date on which the Final Price is determined if Cash Settlement applies or is applicable as the Fallback Settlement Method and (ii) the Credit Event Determination Date]
- (N.b. Credit Event Redemption Amount and Credit Event Redemption Date above are only applicable where the Auction Settlement and/or Cash Settlement may apply. Other terms relating to valuation below will be relevant to consider in any circumstances where a Final Price is required to be calculated)*
- (xvii) Valuation Date: [Applicable/Not Applicable]
- [Single Valuation Date:
- [] Business Days]
- [Multiple Valuation Dates:
- [] Business Days; and each [] Business Day thereafter
- Number of Valuation Dates: []]
- (xviii) Valuation Time: [11 a.m. London time]/[]/[Not Applicable]
- (xix) Indicative Quotations: [Applicable/Not Applicable]
- (xx) Quotation Method: [Bid/Offer/Mid-market]/[Not Applicable]
- (xxi) Quotation Amount: [[]/Representative Amount]/[Not Applicable]
- (xxii) Minimum Quotation Amount: []/[Not Applicable]
- (xxiii) Quotation Dealers: []/[Not Applicable]
- (xxiv) Accrued Interest: [Include Accrued Interest/Exclude Accrued Interest/Not Applicable] [Credit Linked Condition 13 applies]
- (xxv) Valuation Method: [Market/Highest/Weighted Highest]
- [Average Market/Highest/Average Highest]
- [Not Applicable]

(N.b. "Not Applicable" should be specified for Zero Recovery Portfolio Credit Linked Notes)

Additional terms relating to Auction Settlement

(xxvi) Fallback Settlement Method: [Cash Settlement]/[Physical Settlement]/[Not Applicable]

Terms relating to Deliverable Obligations

(xxvii) Deliverable Obligations

The following are relevant to determining Valuation Obligations and do not imply that Physical Settlement will occur under the Notes which are cash settled or credit linked interest only:

Deliverable Obligation Category: [See Physical Settlement Matrix]
[Payment]

(select one only) [Borrowed Money]
[Reference Obligation Only]
[Bond]
[Loan]
[Bond or Loan]

Deliverable Obligation Characteristics: [See Physical Settlement Matrix]
[Not Subordinated]

(select all of which apply) [Credit Linked Specified Currency:
[specify currency] [Standard Specified Currencies]]
[Not Sovereign Lender]
[Not Domestic Currency]
[Domestic Currency means: [specify currency]]
[Not Domestic Law]
[Listed]
[Not Domestic Issuance]

[Assignable Loan]

[Consent Required Loan]

[Direct Loan Participation]

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

[Transferable]

[Maximum Maturity: []]

[Accelerated or Matured]

[Not Bearer]

[Sovereign No Asset Package Delivery:
[Applicable/Not Applicable/See Physical
Settlement Matrix]

Additional Deliverable []
Obligation(s):

(xxviii) Excluded Deliverable Obligation(s): []

Other terms

(xxix) Physical Settlement Matrix: [Applicable/Not Applicable]

[If the Physical Settlement Matrix applies insert:

Date of Physical Settlement Matrix: *[specify date]*

Transaction Type: [Standard North American
Corporate/Standard European Corporate/Standard
European Financial Corporate/Standard European
CoCo Financial Corporate/Standard Subordinated
European Insurance Corporate /Standard Emerging
European Corporate/Standard Latin America
Corporate B/Standard Latin America Corporate BL/
Standard Australia Corporate/Standard Australia
Financial Corporate/Standard New Zealand
Corporate/Standard New Zealand Financial
Corporate/Standard Japan Corporate/Standard
Japan Financial Corporate/Standard Singapore
Corporate/Standard Singapore Financial
Corporate/Standard Asia Corporate/Standard Asia
Financial Corporate/Standard Sukuk
Corporate/Standard Western European
Sovereign/Standard Latin America
Sovereign/Standard Emerging European & Middle
Eastern Sovereign/Standard Australia
Sovereign/Standard New Zealand

Sovereign/Standard Japan Sovereign/Standard
Singapore Sovereign/Standard Asia
Sovereign/Standard Sukuk Sovereign/Standard
U.S. Municipal Full Faith and Credit/Standard U.S.
Municipal General Fund/Standard U.S. Municipal
Revenue/Standard European Senior Non-Preferred
Financial Corporate] (*Specify per Reference
Entity*)]

*[If the Notes are Portfolio Credit Linked Notes
insert:*

For the purposes of the Reference Entities listed in
the Index Annex, the Transaction Type under the
Physical Settlement Matrix is as specified in the
Index. As at the Trade Date the Reference Entities
comprising the Index are [*specify each relevant
Transaction Type from the list above*]

*(N.b. depending on the date of the Physical
Settlement Matrix consider whether a supplement is
required to amend the Credit Linked Conditions
and/or pro forma Final Terms to reflect any
amendments to the Physical Settlement Matrix
reflected in that new version)*

(xxx) Subordinated European Insurance [Applicable/Not Applicable/See Physical
Terms: Settlement Matrix]

(xxxii) Financial Reference Entity Terms: [Applicable/Not Applicable/See Physical
Settlement Matrix]

(xxxiii) Reference Obligation Only [[]/Not Applicable]
Termination Amount:

*(N.b. to be specified for the purposes of Credit
Linked Condition 18 for Reference Obligation Only
Notes relating to a single Reference Entity)*

(xxxiiii) Provisions relating to CoCo Credit Linked Condition 22 [Applicable/Not
Reference Entities: Applicable/See Physical Settlement Matrix]

[If Applicable, insert if required:

Trigger Percentage: []]

*(N.b. If applicable this should be specified for each
Reference Entity)*

(xxxv) Credit Linked Business Day [Following/Modified Following/Preceding]
Convention:

(xxxvi) Provisions relating to Senior Non- Credit Linked Condition 23: [Applicable [for all
Preferred Reference Obligations: Reference Entities]/Not Applicable [for all
Reference Entities]/See Physical Settlement Matrix

[for each Transaction Type as specified in the Index] /See the Table annexed to these Final Terms]

(N.b. Only specify "See the Table annexed to these Final Terms" if the "Additional Provisions for Senior Non-Preferred Reference Obligations" are applicable to some only of the Reference Entities. If a table is specified, the table should then include a column specifying to which Reference Entities these provisions apply)

(xxxvi) 2019 Narrowly Tailored Credit Event Provisions: Credit Linked Condition 24: [Applicable/Not Applicable/See Physical Settlement Matrix [for each Transaction Type as specified in the Index]]

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

[Fallback Discounting: [Applicable/Not Applicable/See Physical Settlement Matrix]]

Credit Deterioration Requirement: [Applicable/Not Applicable/See Physical Settlement Matrix [for each Transaction Type as specified in the Index]]

(xxxvii)Limited Recourse Provisions: [Applicable/Not Applicable/See Physical Settlement Matrix]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

32. Provisions applicable to Physical Delivery: [Applicable/Not Applicable/Physical Delivery Option [1/2/3]]

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

(a) Entitlement in relation to each Note: [The Entitlement Amount in relation to each Note is:

[Delivery of Worst-Performing Underlying applicable:

[Insert formula from SPS Payout Conditions]

[Calculation Amount: [●]]

Redemption Payout: [●]

SPS Valuation Date: [●]]

[Delivery of Best-Performing Underlying applicable:

[Insert formula from SPS Payout Conditions]

[Calculation Amount: [●]]

Redemption Payout: [●]

SPS Valuation Date: [●]]

[Delivery of the Underlying applicable:

[Insert formula from SPS Payout Conditions]

[Calculation Amount: [●]]

Redemption Payout: [●]

SPS Valuation Date: [●]]

(b) Asset Amount: []

(c) Relevant Asset(s): [As specified above]/The relevant asset[s] to which the Notes relate [is/are] []

(d) Settlement Business Day(s): []

33. Variation of Settlement: [Applicable/Not Applicable]

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

(a) Issuer's option to vary settlement: The Issuer [has/does not have] the option to vary settlement in respect of the Notes

(b) Variation of Settlement of Physical Delivery Notes: [Notwithstanding the fact that the Notes are Physical Delivery Notes, the Issuer may make payment of the Redemption Amount on the Maturity Date/The Issuer will procure delivery of the Asset Amount in respect of the Notes]

34. Form of Notes:

(a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes upon an Exchange Event]]

[Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]

[Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event]]

(N.B. The option for an issue of Notes to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 5 includes

language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].")

- (b) New Global Note: [Yes] [No]
35. Additional Financial Centre(s): [Not Applicable/give details]
- (Note that this paragraph relates to the date of payment and not Interest Period End Dates to which subparagraphs 14(c) and 17(e) relate)*
36. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

[THIRD PARTY INFORMATION]

[Relevant third party information] has been extracted from *[specify source]*. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by *[specify source]*, no facts have been omitted which would render the reproduced information inaccurate or misleading.]]

Signed on behalf of **Banque et Caisse d'Epargne de l'Etat, Luxembourg:**

By: _____
Name: _____
Title: _____

PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING** [Application has been made by the Issuer (or on its behalf) for the Notes to be [admitted to trading on *[specify relevant regulated market (for example, the Bourse de Luxembourg and, if relevant, listing on an official list of the Luxembourg Stock Exchange)]*][listed on the Securities Official List of the Luxembourg Stock Exchange without admission to trading] with effect from [].]

[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be [admitted to trading on *[specify relevant regulated market (for example, the Bourse de Luxembourg and, if relevant, listing on an official list of the Luxembourg Stock Exchange)]*][listed on the Securities Official List of the Luxembourg Stock Exchange without admission to trading] with effect from [].] [Not Applicable]

2. **[EU Benchmark Regulation: EU Benchmarks Regulation: Article 29(2) statement on benchmarks:** [Applicable: Amounts payable under the Securities are calculated by reference to *[insert name[s] of Benchmark[s]*/the [relevant] Benchmark], which [is/are] provided by *[insert name[s] of the Administrator[s]*/the [relevant] Administrator[, as specified in the table below] (*if more than one, specify in relation to each relevant Benchmark*)].

[As at the date of these Final Terms, *[insert name[s] of the Administrator[s]*/the [relevant] Administrator[s]][[is/are] not included]/[[is/are] included][, as the case may be] specified in the table below [is/are] [not] included in the register of Administrators and Benchmarks established and maintained by the European Securities and Markets Authority [(ESMA)] pursuant to article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) [(the **BMR**)], as specified in the table below].

[As far as the Issuer is aware, *[[insert name of Benchmark[s]*/the [relevant] Benchmark] [does/do] not fall within the scope of the BMR by virtue of Article 2 of the BMR.]/[the transitional provisions in Article 51 of the BMR apply, such that the [relevant] Administrator is not currently required to obtain authorisation/registration[, as specified in the table below].] [*repeat as necessary or insert necessary information in a table below*]]

[Benchmark	Administrator	Register	Other Information
[●]	[●]	[●]	[●]

[Not Applicable]

3. RATINGS

Ratings:

[Not Applicable]/[The Notes to be issued [[have been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:

[insert details] by *[insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms]*.

[defined terms] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such *[defined terms]* is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. **[OR** *[defined terms]* is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**).]

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

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

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for the fees [of *[insert relevant fee disclosure]*] payable to the Manager(s)/Dealer(s), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest including any conflicting interest material to the issue. The [Manager(s)/Dealer(s)] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business – *Amend as appropriate if there are other interests*]

[(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 23 of the Prospectus Regulation.)]

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

(a) [Reasons for the offer: [See ["Use of Proceeds"] in the Prospectus/*Give details*]] [The Notes are intended to be issued as Green Bonds, *[further particulars to be provided]*.]

(See "Use of Proceeds" wording in Prospectus – if reasons for offer different from what is disclosed in the Prospectus, give details)]

(b) 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.)

(c) Estimated total expenses: [].

(Expenses are required to be broken down into each principal intended "use" and presented in order of priority of such "uses")

6. YIELD (*Fixed Rate Notes only*)

Indication of yield: [] [Not Applicable]

7. PERFORMANCE OF RATES (*Floating Rate Notes only*)

[Not Applicable]/[Details of performance of [EURIBOR/ SARON/SONIA/SOFR/€STR/CMS Reference Rate/HICP] rates can be obtained, [but not] free of charge, from [Reuters/Bloomberg/give details of electronic means of obtaining the details of performance].]

8. PERFORMANCE OF INDEX/SHARE AND OTHER INFORMATION CONCERNING THE UNDERLYING

[Not Applicable]/

[Need to include details of where past and future performance and volatility of the index/share can be obtained.]

[Name of the Issuer of the underlying security: []

[N.B. this shall not be the Issuer or an entity belonging to the Issuer's group]

ISIN: []

Index name: []

Relevant weightings of each underlying in the basket: []

Source of information relating to the []
[index/indices/share]:

Place where information to the [index/indices/share] []
can be obtained:

In respect of Credit Linked Notes, (A) set out where information on past and future performance and volatility of each Reference Entity can be obtained by electronic means and whether or not it can be obtained free of charge and (B) where no Reference Obligation or Reference Entity represents 20% or more of the basket or index of Reference Entities either (i) set out in a table (a) the names of the reference entities and (if different) issuers of the Reference Obligation; and (b) the ISIN of the Reference Obligation or (ii) where such information is already included in item 31 of the Final Terms, include a cross reference thereto or (iii) in respect of all other Credit Linked Notes insert:

Certain information in relation to [the][each] Reference Entity and [[Non-]Standard Reference Obligation] (if any) as at the Issue Date is set out below.

Name:

Address:

Country of incorporation:

Industry or industries of operation: (For example financials, energy, insurance, manufacturing, construction, transport, media determined on the basis of available information on the Reference Entity)

Market[(s)] on which securities are admitted to trading:

[[Non-]Standard Reference Obligation] [Not Applicable]
Securities Code:

(The information above should be completed so far as the Issuer is aware and/or able to ascertain from information published by the relevant Reference Entity and should be repeated for each Reference Entity. Country of incorporation, industry and address will be "Not Applicable" for a Sovereign Reference entity and Securities Code (eg. ISIN/CUSIP) will be "Not Applicable" if there is no Reference Obligation or it has no securities code. Note permissible markets for a Reference Entity's securities to be admitted to trading on are regulated markets, equivalent third country markets and SME Growth Markets, each as described in Regulation EU No 2019/980, Annex 17, item 2.2.2 (a)(ii). Where such requirement cannot be satisfied, a supplement or drawdown prospectus must be prepared that includes the required information to be addressed under Annex 17, item 2.2.2 (a)(i).)

As at the Issue Date information in relation to the past and future performance of [[the] [each] Reference Entity] *[[insert Reference Entity name]]* is available [free of charge/at a charge] from *[[insert electronically displayed sources such as Bloomberg]]*. (Repeat for each Reference Entity as applicable)

9. UNDERLYING DISCLAIMER¹²

[[For use in connection with Indices (including Inflation Indices)]]

[[Not Applicable]]

[The issue of this series of Notes (in this paragraph, the **Transaction**) is not sponsored, endorsed, sold, or promoted by *[[NAME OF INDEX]]* (the **Index**) or *[[NAME OF INDEX SPONSOR]]* (the **Index**)

¹²

Include for Index Linked Redemption Notes and Inflation Linked Interest Notes.

Sponsor) and the Index Sponsor does not make any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. No Index or Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Index. No Index Sponsor is making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with entering into any Transaction / *insert index disclaimer as per the relevant agreement with the respective Index Sponsor*. [The Issuer shall not have any liability for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Except as disclosed prior to the Issue Date, neither the Issuer nor its affiliates have any affiliation with or control over the Index or Index Sponsor.]

10. OPERATIONAL INFORMATION

- (a) ISIN: []
- (b) Common Code: []
- (c) CFI: *[[include code]*¹³, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (d) FISN *[[include code]*¹⁴, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (e) Any clearing system(s) other than Euroclear and Clearstream Luxembourg, the relevant identification number(s) and address(es): [Not Applicable/*give name(s) and number(s)*] [Address]
- (f) Names and addresses of additional Paying Agent(s) (if any): [] [Not Applicable]
- (g) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

¹³ The actual code should only be included where the issuer is comfortable that it is correct.

¹⁴ The actual code should only be included where the issuer is comfortable that it is correct.

¹⁵ This formulation to be used if the Issuer has not made a determination regarding whether the Notes are Specified Notes as of the date of the Final Terms.

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

11. DISTRIBUTION

- (a) Method of distribution: [Syndicated/Non-syndicated]
- (b) If syndicated, names and addresses of Managers and underwriting commitments/quotas (material features): [Not Applicable/give names and addresses and underwriting commitments]
- (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of entities agreeing to place the issue without a firm commitment or on a best efforts basis if such entities are not the same as the Managers.)*
- (c) Date of Subscription Agreement: []
- (d) Stabilisation Manager(s) (if any): [Not Applicable/give name(s)]
- (e) If non-syndicated, name and address of relevant Dealer: [Not applicable/give name and address]
- (f) Total commission and concession: []% of the Aggregate Nominal Amount
- (g) U.S. Selling Restrictions: [Reg. S Category 2; TEFRA D/TEFRA C/TEFRA not applicable]
- (h) Non-exempt Offer: [Applicable] [Not Applicable] *(if not applicable, delete the remaining placeholders of this paragraph (h) and also paragraph 12 below).*
- (i) Offer Period: [Specify date] until [specify date or a description of the date such as "the Issue Date" or "the date which falls [●] Business Days thereafter"]
- (j) Financial intermediaries granted specific consent to use the [Insert names and addresses of financial intermediaries receiving consent (specific consent)]

Prospectus in accordance with the Conditions in it:

- (k) General Consent: [Applicable] [Not Applicable]
- (l) Other Authorised Offeror Terms: [Not Applicable][*Add here any other Authorised Offeror Terms*].

(Authorised Offeror Terms should only be included here where General Consent is applicable.)

(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a non-exempt offer in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the prospectus (and any supplement) has been notified/passported)

- (m) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]

(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared in the EEA, "Applicable" should be specified.)

- (n) Prohibition of Sales to UK Retail Investors [Applicable/Not Applicable]

(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared in the UK, "Applicable" should be specified.)

12. TERMS AND CONDITIONS OF THE OFFER

Offer Price: [Issue Price][Not applicable][Specify]

[Conditions to which the offer is subject:] [Not applicable/give details]

[Description of the application process:] [Not applicable/give details]

[Details of the minimum and/or maximum amount of the application:] [Not applicable/give details]

[Description of possibility to reduce subscriptions and manner for refunding amounts paid in excess by applicants:] [Not applicable/give details]

[Details of the method and time limits for paying up and delivering the Notes:] [Not applicable/*give details*]

[Manner in and date on which results of the offer are to be made public:] [Not applicable/*give details*]

[Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:] [Not applicable/*give details*]

[Whether tranche(s) has/have been reserved for certain countries:] [Not applicable/*give details*]

[Process for notifying applicants of the amount allotted and an indication whether dealing may begin before notification is made:] [Not applicable/*give details*]

[Amount of any expenses and taxes charged to the subscriber or purchaser:] [Not applicable/*give details*]

(If the Issuer is subject to MiFID II and/or PRIIPs such that it is required to disclose information relating to costs and charges, also include that information)

[Name(s)] and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:] [The Authorised Offerors identified in paragraph 11 above]

[Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment:] [None/*give details*]

13. U.S. FEDERAL INCOME TAX CONSIDERATIONS

[The Notes are [not] Specified Notes for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986. [Additional information regarding the application of Section 871(m) to the Notes will be available from [*give name(s) and address(es) of Issuer contact*].] [As at the date of these Final Terms, the Issuer has not determined whether the Notes are Specified Notes for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986; however, indicatively it considers that they will [not] be Specified Notes for these purposes. This is indicative information only, subject to change, and if the Issuer's final determination is different then it will give notice of such determination. [Please contact [*give name(s) and address(es) of Issuer contact*] for further information regarding the application of Section 871(m) to the Notes.]]¹⁵ *(The Notes will not be Specified Notes if they (i) are issued prior to January 1, 2025 and are not "delta-one" for U.S. tax purposes or (ii) do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Notes reference a*

¹⁵

This formulation to be used if the Issuer has not made a determination regarding whether the Notes are Specified Notes as of the date of the Final Terms.

U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities and (i) are issued prior to January 1, 2025 and provide a return that does not differ significantly from the return on an investment in the underlying, or (ii) are issued after January 1, 2025, further analysis would be required. If the Notes are Specified Notes, include the "Additional information" sentence and provide the appropriate contact information at the Issuer.])

14. PROVISIONS RELATING TO GREEN BONDS

- (a) Green Bonds [Yes/No]
- (b) [Reviewer(s):] [Name of sustainability rating agency(ies) [and name of third party assurance agent] and [give details of compliance opinion(s) and availability]]
- (c) [Date of third party opinion(s):] [Not Applicable/give details]

ANNEX 1
SUMMARY
[]

APPLICABLE FINAL TERMS (WHOLESALE)

NOTES WITH A DENOMINATION OF €100,000 (OR ITS EQUIVALENT IN ANY OTHER CURRENCY) OR MORE, OTHER THAN EXEMPT NOTES

Set out below is the form of Final Terms which will be completed for each Tranche of Notes which are not Exempt Notes and which have a denomination of at least EUR 100,000 (or its equivalent in any other currency) or more issued under the Programme.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or [more/both] of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended or superseded, **MiFID II**); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**) where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II[/; or (iii) not a qualified investor as defined in the Prospectus Regulation]. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]¹

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or [more/both] of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA[/; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA]. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]²

[³MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, **MiFID II**)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

¹ Legend to be included on front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared or the issuer wishes to prohibit offers to EEA or UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

² Legend to be included on the front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared in the UK or the issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

³ Legend to be included on front of the Final Terms if following the ICMA 1 "all bonds to all professionals" target market approach.

⁴[**UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

OR

⁵ [**MiFID II product governance / Retail investors, professional investors and ECPs** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, "MiFID II")][MiFID II]; **EITHER**⁶ [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] **OR**⁷ [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]⁸.]

⁹[**UK MiFIR product governance / Retail investors, professional investors and ECPs target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**), and eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (**UK MiFIR**); **EITHER** [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] **OR** [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor’s suitability and appropriateness obligations under COBS, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own

⁴ Legend to be included on front of the Final Terms if following the ICMA 1 "all bonds to all professionals" target market approach (UK).

⁵ Legend to be included on front of the Final Terms if following the ICMA 2 approach.

⁶ Include for bonds that are not ESMA complex.

⁷ Include for certain ESMA complex bonds. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

⁸ If the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II. If there are advised sales, a determination of suitability will be necessary.

⁹ Legend to be included on front of the Final Terms if following the ICMA 2 approach (UK).

target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable].]

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the **SFA**) - [To insert notice if classification of the Notes is not "prescribed capital markets products" pursuant to Section 309B of the SFA or Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)].]¹⁰

[In respect of any tranche of Notes issued in Singapore Dollars with a denomination of less than S\$200,000, the following information is provided pursuant to Regulation 6 of the Banking Regulations made under the Banking Act 1970 of Singapore:

- (a) *the place of booking of the Notes is [●];*
- (b) *the branch or office of the Issuer at which the tranche of the Notes is booked is not subject to regulation or supervision in Singapore;*
- (c) *the tranche of Notes is [not secured by any means] OR [secured by [please describe the nature of the security, the name of the mortgagor, chargor or guarantor and whether such person is regulated by the Monetary Authority of Singapore]].]*

[Date]

BANQUE ET CAISSE D'EPARGNE DE L'ETAT, LUXEMBOURG

Legal Entity Identifier (LEI): **R7CQUF1DQM73HUTV1078**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the U.S.\$8,000,000,000
Euro Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the notes (the **Conditions**) set forth in the Prospectus dated 30 June 2023 [and the supplement[s] to the Prospectus dated [date[s]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Prospectus**). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Prospectus [as so supplemented] in order to obtain all the relevant information. The Prospectus is available on the website of the Luxembourg Stock Exchange (www.luxse.com) and copies may be obtained from the Issuer's registered office at 1-2 place de Metz, L-2954 Luxembourg and from Citibank, N.A., London Branch at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.]

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

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the notes (the **Conditions**) set forth in the Prospectus dated [22 August 2022]/[17 December 2021]/[1 July 2021]/[1 July 2020]/[28 June 2019]/[30 June 2016]/[30 June 2015]/[30 June 2014] which are incorporated by reference in the Prospectus dated 30 June 2023. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the

¹⁰ Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

Prospectus dated 30 June 2023 [and the supplement[s] to the Prospectus dated [date[s]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Prospectus**) in order to obtain all the relevant information. The Prospectus is available on the website of the Luxembourg Stock Exchange (www.luxse.com) and copies may be obtained from the Issuer's registered office at 1-2 place de Metz, L-2954 Luxembourg and from Citibank, N.A., London Branch at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.]

[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]

[When adding any other final 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 Prospectus under Article 23 of the Prospectus Regulation.]

1. (a) Series Number: []
- (b) Tranche Number: []
- (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 32 below, which is expected to occur on or about []][Not Applicable]
2. Specified Currency or Currencies: []
3. Aggregate Nominal Amount:
 - (a) Series: []
 - (b) Tranche: []
 - (c) Units: [] Units (being the equivalent of [*insert currency*]; [*insert amount*]) [Not Applicable]
4. Issue Price: []% of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
5. []
 - (a) Specified Denominations:
 - (b) Calculation Amount (in relation to calculation of interest in global form see Conditions): []

(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)

6. []
- (a) Issue Date:
- (b) Interest Commencement Date: [specify/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
7. Maturity Date: [Fixed Rate Note – specify date/Floating Rate Note or any other Note where the Interest Period end date(s) are adjusted – Interest Payment Date falling in or nearest to [specify month]/[(the Scheduled Maturity Date) subject to adjustment as provided in the Credit Linked Conditions]]
8. Interest Basis: [[]% Fixed Rate] [subject to interest rate step-up as specified in subparagraph 13(h) below] [[[] month [EURIBOR]]/[CMS Reference Rate] +/- []% Floating Rate]]
 [SARON Compounded]
 [Compounded Daily SONIA]
 [Compounded Daily SOFR]
 [Weighted Average SOFR]
 [Compounded Daily €STR]
 [Zero Coupon]
 [[]% Fixed Rate] [[] month [EURIBOR] +/- [] per cent. Floating Rate] Range
 Accrual/Dual Range Accrual
 [Inflation Linked Interest]
- (see paragraph [14/15/16/18/19] below)
9. SPS Coupon Rate (include one or more of the following if applicable): [Applicable/Not Applicable]
- [SPS Digital Coupon applicable]
- [SPS Snowball Digital Coupon applicable]
- (see paragraph [17] below)
10. Redemption/Payment Basis: [Subject to any purchase and cancellation or early redemption, the Notes may be redeemed on the Maturity Date at []% of their nominal amount]
 [Index Linked Redemption]
 [Equity Linked Redemption]
 [Credit Linked Redemption]
 [SPS Payout]

11. Change of Interest Basis or Redemption/Payment Basis: [Specify the date when any e.g. fixed to floating rate change occurs or cross refer to paragraphs 14 and 15 below and identify there] [Not applicable]
12. Put/Call Options:
 [Investor Put]
 (N.B. Not applicable to MREL Eligible Senior Preferred Notes, Senior Non Preferred Notes and Subordinated Notes)
 [Issuer Call]
 [(see paragraph 25/26 below)]
 [Not Applicable]
13. [Senior [Preferred/Non Preferred]/Subordinated]
- (a) Status of the Notes:
 (issues of Subordinated Notes are subject to the prior written consent of the Ministry of Treasury of Luxembourg)
- (b) MREL Notes: [Applicable/Non Applicable]
 (In case of an issuance of Notes which are debt instruments with an embedded derivative, MREL eligibility will be subject to further conditions under the SRMR, including that either (i) the principal amount of the Notes being known at the time of issue, being fixed or increasing and not being affected by an embedded derivative feature and the bank having the ability to perform a daily valuation of the liability in line with Article 12c(2)(a) SRMR even in stressed market conditions; or (ii) the debt instrument includes a contractual term in line with Article 12c(2)(b) SRMR).
- (c) Date [Board] approval for issuance of Notes obtained: [[] [and []], respectively]] [Not Applicable]
 (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions: [Applicable/Not Applicable]
 (If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Rate(s) of Interest: []% [per annum] payable in arrear on each Interest Payment Date
 [For interest step-up Notes: []% per annum commencing on (and including) the Interest Commencement Date until (but not including) [date]

- []% [per annum] commencing on (and including) [date] until (but not including) [date]¹¹
- []% [per annum] commencing on (and including) [date] until (but not including) the Maturity Date]]
- (b) Interest Payment Date(s): [[] in each year up to and including the Maturity Date/[specify dates]]
- (Amend appropriately in the case of irregular coupons)*
- (c) Interest Period End Date(s): [] in each year [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] specify any applicable Additional Business Centre(s) for the definition of Business Day]/[not adjusted]
- (d) Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [] per Calculation Amount
- (e) [Initial/Final] Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions): [[] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []/[Not applicable]
- (f) Fixed Day Count Fraction: [Actual/360, 30/360, 360/360, Bond Basis, 30E/360, Eurobond Basis, Actual/365 (Fixed), Actual/Actual (ICMA)] [Not Applicable] *(Note that if interest is not payable on a regular basis (for example, if there are Broken Amounts specified) Actual/Actual (ICMA) will not be a suitable Fixed Day Count Fraction)*
- (g) Determination Date(s): [[] in each year] [Not Applicable]
- (Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)*
- (h) Interest rate step-up: [Applicable, for further details see paragraph 14(a) above/Not Applicable]
15. Floating Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*

¹¹ Further periods to be inserted as necessary.

- (a) Interest Period End Dates: [] in each year [adjusted in accordance with [FRN Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/not adjusted]
- (b) Interest Payment Dates: []
- (c) Additional Business Centre(s):
- (i) For fixing: [] [Not Applicable]
- (ii) For Interest Period End Dates: [] [Not Applicable]
- (d) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [] (the **Calculation Agent**)
- (e) Screen Rate Determination:
- (i) Reference Rate: [SARON Compounded]
[Compounded Daily SONIA]
[Compounded Daily SOFR]
[Weighted Average SOFR]
[Compounded Daily €STR]

[[] month [EURIBOR]/CMS Reference Rate]
- (ii) Term Rate: [Applicable/Not Applicable]
- (iii) Specified Time: [[11.00 a.m./[]] in the Relevant Financial Centre]

[Not Applicable]
- (iv) Relevant Financial Centre: [Zurich/London/New York/Brussels/[]]

[Not Applicable]
- (v) Overnight Rate: [Applicable/Not Applicable]
- (vi) Index Determination: [Applicable/Not Applicable]
- (vii) Relevant Number: [5/[]] [[London Banking Days]/[U.S. Government Securities Business Days][TARGET Business Days] / [Not Applicable]

(If “Index Determination” is “Not Applicable”, delete “Relevant Number” and complete the remaining paragraphs below)

(If “Index Determination” is “Applicable”, insert number of days (expected to be five or greater) as the Relevant Number, and the remaining paragraphs below will each be “Not Applicable”)

(If the Reference Rate is SARON Compounded delete this paragraph)

(viii) D: [30/365/[]] / [Not Applicable]

(If the Reference Rate is SARON Compounded delete this paragraph)

(ix) Observation Period: [Lag/Lock-out/Observation Shift/Not Applicable]

(If the Reference Rate is SARON Compounded delete this paragraph)

(x) Lag Period: [5/[] [London Banking Days] [U.S. Government Securities Business Days] [TARGET Business Days] [[City] Banking Days] / [Not Applicable]

(If the Reference Rate is SARON Compounded delete this paragraph)

(xi) Observation Shift Period: [5/[] [London Banking Days] [U.S. Government Securities Business Days] [TARGET Business Days] [[City] Banking Days] / [Not Applicable]

(NB: A minimum of 5 relevant business/banking days should be specified for the Lag Period or Observation Shift Period unless otherwise agreed with the Calculation Agent)

(If the Reference Rate is SARON Compounded delete this paragraph)

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

(Second day on which T2 is open prior to the start of each Interest Period if EURIBOR)

(xiii) Relevant Screen Page: []

(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)

(f) CMS Rate Determination: [Applicable/Not Applicable]

(i) CMS Screen Page: [Condition 4.2(b)(iii) applies/[]]

(ii) Interest Determination [Condition 4.2(b)(iii) applies/[]]
Date:

(iii) Reference Currency: [Euro/Sterling/United States dollar]

(iv) Designated Maturity: [[]]

- (v) Calculation Agent: [Agent/named Manager/other]
- (g) Linear Interpolation: [Not Applicable/Applicable – the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (h) Margin(s): [+/-] []% per annum
- (i) Minimum Rate of Interest: [[]% per annum] [Not Applicable]
- (j) Maximum Rate of Interest: [[]% per annum] [Not Applicable]
- (k) Day Count Fraction: [Actual/Actual]
[Actual/Actual (ICMA)]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/360]
[30/360]
[360/360]
[Bond Basis]
[30E/360]
[Eurobond Basis]
[30E/360 (ISDA)]
16. Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Accrual Yield: []% per annum
- (b) Reference Price: []
- (c) Any other formula/basis of determining amount payable: []
- (d) Day Count Fraction in relation to Early Redemption Amounts: [30/360]
[Actual/360]
[Actual/365]
[Actual/Actual (ICMA)]
17. SPS Coupon Rate (*include one or more of the following if applicable*): [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- [SPS Digital Coupon applicable:

[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions.]]
[SPS Snowball Digital Coupon applicable:

[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions.]]]

- (a) Interest Valuation Date(s): []
- (b) Interest Payment Date(s): [] in each year up to and including the Maturity Date]
- (c) Interest Period End Date(s): [] in each year [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] *specify any applicable Additional Business Centre(s) for the definition of Business Day*]/[not adjusted]
- (d) Day Count Fraction: [Applicable/Not Applicable]
[30/360]
[Actual/360]
[Actual/365]
[Actual/Actual (ICMA)]
18. Inflation Linked Interest Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Screen Page: []
- (b) Cap Level: []%
- (c) Floor Level: []%
- (d) Multiplier: []%
- (e) Calculation Agent responsible for calculating the interest due: []
- (f) Interest Period End Dates: [] in each year [adjusted in accordance with [FRN Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/not adjusted]
- (g) Interest Payment Dates: []
- (h) Interest Determination Date(s): []
- (i) Additional Business Centre(s): []
- (j) Minimum Rate of Interest: []% per annum]/[Not Applicable]
- (k) Maximum Rate of Interest: []% per annum]/[Not Applicable]
- (l) Day Count Fraction: [Actual/Actual]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]

- [Actual/Actual (ICMA)]
- [Actual/360]
- [30/360]
- [360/360]
- [Bond Basis]
- [30E/360]
- [Eurobond Basis]
- [30E/360 (ISDA)]
- (m) Cut-Off Date: []/[Not Applicable]
- (n) Related Bond: []/[Fall Back Bond]
- (o) Issuer of Related Bond: []/[Not Applicable]
- (p) Fall Back Bond: [Applicable/Not Applicable]
- (q) Index Sponsor: []
- (r) Related Bond Redemption Event: [Applicable/Not Applicable]
- (s) Scheduled Trading Day: []
19. Range Accrual Note Provisions: [Fixed Rate Range Accrual Note]
- [Floating Rate Range Accrual Note]
- [Fixed Rate Dual Range Accrual Note]
- [Floating Rate Dual Range Accrual Note]
- [CMS Range Accrual Note]
- [Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*

(The following is applicable in relation to Fixed Rate Range Accrual Notes, Fixed Rate Dual Range Accrual Notes or CMS Range Accrual Notes that bear fixed rate interest)

- (a) Fixed Rate: []% per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [] in each year up to and including the Maturity Date [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day

Convention] specify any applicable Additional Business Centre(s) for the definition of Business Day]/[not adjusted]

(Amend appropriately in the case of irregular coupons)

- (c) Interest Period End Date(s): [] in each year [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] specify any applicable Additional Business Centre (s)/not adjusted]
- (d) Day Count Fraction: [Actual/360, 30/360, Bond Basis, 30E/360, Eurobond Basis, Actual/365 (Fixed), Actual/Actual (ICMA)]
- (e) Determination Dates: [[] in each year] [Not Applicable] *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*

(The following is applicable in relation to Floating Rate Range Accrual Notes, Floating Rate Dual Range Accrual Notes or CMS Range Accrual Notes that bear floating rate interest)

- (f) Interest Period End Dates: [] in each year [adjusted in accordance with [FRN Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[not adjusted]
- (g) Interest Payment Dates: []
- (h) Additional Business Centre(s): []
- (i) For fixing: [] [Not Applicable]
- (ii) For Interest Period End Dates: [] [Not Applicable]
- (i) Screen Rate Determination:
- (i) Reference Rate: [] month [EURIBOR][CMS Reference Rate]
- (ii) Interest Determination Date(s): []
- (Second day on which T2 is open prior to the start of each Interest Period if EURIBOR)*
- (iii) Relevant Screen Page: []

(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a

composite rate or amend the fallback provisions appropriately)

- (iv) Rate Cut-Off Date: [] / [Not Applicable]
- (j) Margin(s): [+/-][]% per annum
- (k) Minimum Rate of Interest: []% per annum
- (l) Maximum Rate of Interest: []% per annum
- (m) Day Count Fraction: [Actual/Actual]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/Actual (ICMA)]
[Actual/360]
[30/360]
[360/360]
[Bond Basis]
[30E/360]
[Eurobond Basis]
[30E/360 (ISDA)]

(The following must be completed in relation to all Range Accrual Notes (other than Dual Range Accrual Notes))

- (n) Additional Business Centre(s): [] [Not Applicable]
- (o) Upper Range: []%

(If the Upper Range adjusts with various periods use the table below)

From including	and	To excluding	but	Upper Range
[]		[]		[]%

- (p) Lower Range: []%

(If the Lower Range adjusts with various periods use the table below)

From including	and	To excluding	but	Lower Range
[]		[]		[]%

- (q) Range Accrual Reference Rate: [Screen Rate Determination]

Screen Rate Determination:

- Reference Rate: [[] month [EURIBOR]]/[CMS Reference Rate]

(The following is applicable only in relation to CMS Range Accrual Notes)

Reference Currency: [Euro/Sterling/United States dollar]

Designated Maturity: []

- Relevant Screen Page: []

(For example, Reuters EURIBOR 01)

- Range Accrual Reference Rate Determination Date(s): [Observation Date/specify other period]

- Rate Cut-Off Date: [] / [Not Applicable]

(r) Calculation Agent: [give name]

(s) Autoswitch: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs)

(i) Target Rate: []%

(ii) Switch Rate: []%

(The following must be completed in relation to Dual Range Accrual Notes)

(t) Upper Range₁: []%

(If the Upper Range₁ adjusts with various periods use the table below)

From including and To excluding but Upper Range₁

[] [] []%

(u) Lower Range₁: []%

(If the Lower Range₁ adjusts with various periods use the table below)

From including and To excluding but Lower Range₁

[] [] []%

(v) Upper Range₂: []%

(If the Upper Range₂ adjusts with various periods use the table below)

(w) Lower Range₂: From including [] and To excluding [] but Upper Range₂ []%
 []%

(If the Lower Range₂ adjusts with various periods use the table below)

(x) Range Accrual Reference Rate: From including [] and To excluding [] but Lower Range₂ []%

Screen Rate Determination: [Screen Rate Determination]

Screen Rate Determination:

- Reference Rate₁: [[] month [EURIBOR]]/[CMS Reference Rate]

(The following is applicable in relation to CMS Range Accrual Notes)

Reference Currency: [Euro/Sterling/United States dollar]

Designated Maturity: []

- Relevant Screen Page for Reference Rate₁: []

(For example, Reuters EURIBOR 01)

- Reference Rate₂: [[] month [EURIBOR]]/[CMS Reference Rate/CMS Formula Rate]

(The following is applicable in relation to CMS Range Accrual Notes)

Reference Currency: [Euro/Sterling/United States dollar]

Designated Maturity: []

(The following is applicable in relation to CMS Formula Rate)

Reference Currency₁: [Euro/Sterling/United States dollar]

Designated Maturity₁: []

Reference Currency₂: [Euro/Sterling/United States dollar]

- Designated Maturity₂: []
- Relevant Screen Page Reference Rate₂: []
(For example, Reuters EURIBOR 01)
 - Range Accrual Reference Rate Determination Date(s): [Observation Date/specify other period]
 - Rate Cut-Off Date: [] / [Not Applicable]
- (y) Calculation Agent: [give name]
- (z) Autoswitch: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs)
- (i) Target Rate: []%
 - (ii) Switch Rate: []%

PROVISIONS RELATING TO REDEMPTION

20. Index Linked Redemption Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Index/Indices: []
(If more than one, refer to as Index₁, Index₂ etc.)
 - (b) Screen Page: (Specify if applicable, or give the sources of observation for each index)
 - (c) Component Transactions: []
 - (d) Formula: [Autocall [In the case of Autocall specify **Autocall Trigger Level**: []% of the Initial Price, **Percentage Multiplier**: []% for Observation Date (1), []% for Observation Date (2) etc. **Lower Threshold Level**: []% of the Initial Price, **Lower Threshold Multiplier**: []%, **Threshold Level**: []% of the Initial Price, **Threshold Multiplier**: []% and **Final Percentage Multiplier**: []%.]/[Autocall with Spread [In the case of Autocall with Spread specify: **Autocall Trigger Level**: []% of the Initial Price, **Multiplier**: []% and **Final Percentage Multiplier**: []%/[Lookback [In the case of Lookback specify **Multiplier**: []%, **Floor Level**: [] and **x**: []][Short-term Lookback [In the case of Short-term Lookback specify

Multiplier: []%, **Short-term Lookback Multiplier:** []%, **Cap Level:** [], **Floor Level:** [] and **x:**[] [Double Win [In the case of Double Win specify. **Barrier Level Multiplier:** []%, **Cap Level:** []%, **Floor Level:** [] and **Final Valuation Date:** []] [Triple Index [In the case of Triple Index specify **Multiplier:** []%] [Asian Call [In the case of Asian Call specify **Multiplier:** []%, **Cap Level:** []% and **Floor Level:** []%] [Not Applicable]

- (e) Calculation Agent responsible for calculating the redemption amount due: []
- (f) Settlement Price: []
- (g) Relevant Level: Index Currency: [] [The official closing level for the Index/Indices] [the official fixing eventually calculated and/or published by the Index Sponsor] [the Valuation Method]
- (h) Valuation Date: []
- (i) Valuation Method: [Highest]/[Average Highest]/[Market Value]
- (j) Quotation Method: [Bid]/[Mid]/[Ask]
- (k) Quotation Amount: []/[As set out in Condition 21]
- (l) Averaging: Averaging [applies/does not apply] to the Notes.
 [The Averaging Dates are []]
 [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply]
 [Modified Postponement is applicable]
(only applicable if Modified Postponement is applicable as an Averaging election)
 [Specified Maximum Days of Disruption will be equal to: []/[eight]]
(if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)
- (m) Observation Date(s): [Observation Date₍₁₎: [], Observation Date₍₂₎: [] etc.] [Not Applicable].] [In the event that an Observation Date is a Disrupted Day

- [Omission/Postponement/Modified Postponement will apply.]
- (n) Early Redemption Date(s) corresponding to Observation Date(s): [Early Redemption Date ⁽¹⁾: [], Early Redemption Date ⁽²⁾: [] *etc./Not Applicable*]
- (o) Observation Period: [*Specify/Not Applicable*]
- (p) Exchange Business Day: [Single Index Basis/All Indices Basis/Per Index Basis/As per Conditions]
- (q) Scheduled Trading Day: [Single Index Basis/All Indices Basis/Per Index Basis/As per Conditions]
- (*must match election made for Exchange Business Day*)
- (r) Exchange(s) and Index Sponsor: (i) the relevant Exchange[s] [is/are] [] and (ii) the relevant Index Sponsor is [].
- (s) Related Exchange: [*Specify/Each exchange or quotation system on which option contracts or futures contracts relating such Index is traded/All Exchanges*]
- (t) Relevant Time: [Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.] [The relevant time is [], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] (*N.B. if no Relevant Time is specified, the Valuation Time will be the Scheduled Closing Time*).
- (u) Additional Disruption Events: [(i)] The following Additional Disruption Events apply to the Notes:
- (*Specify each of the following which applies.*)
- [Change of Law]
- [Hedging Disruption]
- [Increased Cost of Hedging]
- [Increased Cost of Stock Borrow]
- [Loss of Stock Borrow]
- [(ii)] [The Trade Date is []. [*If no Trade Date is specified, Issue Date will be the Trade Date*]
- (*N.B. only applicable if Change of Law and/or Increased Cost of Hedging is applicable*)]
- [(iii)] [The Maximum Stock Loan Rate in respect of [*specify in relation to each*]

security/commodity comprised in an Index
is [].

(N.B. only applicable if Loss of Stock Borrow is applicable)]

[(iv)] [The Initial Stock Loan rate in respect of
[specify in relation to each
security/commodity comprised in an Index]
is [].

*(N.B. only applicable if Increased Cost of
Stock Borrow is applicable)]*

(v) Market Disruption: Specified Maximum Days of Disruption will be
equal to []/[eight]

*(if no Specific Maximum Days of Disruption are
stated, Specified Maximum Days of Disruption will
be equal to eight)*

(w) Knock-in Event: [Not Applicable/[]/["greater than"/"greater than
or equal to"/"less than"/"less than or equal to"
Knock-in Level]]

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

[In the event that a Knock-in Determination Day is
a Disrupted Day,
[Omission/Postponement/Modified Postponement]
will apply.]

(i) SPS Knock-in Valuation [Applicable/Not applicable]

*[If applicable insert relevant provisions from
Conditions]*

(ii) Knock-in Level: [Specify]

(iii) Knock-in Determination [Specify/Each Scheduled Trading Day in the
Day(s): Knock-in Determination Period]

(iv) Knock-in Period Beginning [Not Applicable/specify]
Date:

(v) Knock-in Period Ending [Not Applicable/specify]
Date:

(vi) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in
Determination Day.]

(x) Knock-out Event: [Not Applicable/[]/["greater than"/"greater
than or equal to"/"less than"/"less than or equal to"
Knock-out Level]]

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

- (a) Share(s): []
- (b) ISIN of Share(s): []
- (c) Strike: []% of the Initial Price
- (d) Settlement Price: [] [As set out in Condition 21]
[Exchange Rate: []]
- (e) Calculation Agent responsible for calculating any amount due under the Notes: [] *(N.B. Specify name and address)*
- (f) Valuation Date: []
- (g) Averaging: Averaging [applies/does not apply] to the Notes.
[The Averaging Dates are []]

[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply]

[Modified Postponement is applicable]

(only applicable if Modified Postponement is applicable as an Averaging election)

[Specified Maximum Days of Disruption will be equal to: []/[eight]]

(if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)
- (h) Observation Date(s): [The Observation Date(s) is/are []/Not Applicable] [In the event that an Observation Date is a Disrupted Date [Omission/Postponement/Modified Postponement] will apply]
- (i) Observation Period: [] [Not Applicable]
- (j) Exchange Business Day: [Single Share Basis/All Shares Basis/Per Share Basis/As per Conditions]
- (k) Scheduled Trading Day: [Single Share Basis/All Shares Basis/Per Share Basis/As per Conditions]

(must match election made for Exchange Business Day)

- (l) Exchange(s): The relevant Exchange[s] [is/are] []
- (m) Related Exchange(s): []/[Each exchange or quotation system on which option contracts or futures contracts relating to such Share(s) are traded/All Exchanges]
- (n) Relevant Time: [Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.] [The relevant time is [], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.]
- (N.B. if no Relevant Time is specified, the Valuation Time will be the Scheduled Closing Time).*
- (o) Additional Disruption Events:
- [(i) The following Additional Disruption Events apply to the Notes:
(Specify each of the following which applies.)
 [Change of Law]
 [Hedging Disruption]
 [Insolvency Filing]
 [Failure to Deliver]
 [Increased Cost of Hedging]
 [Increased Cost of Stock Borrow]
 [Loss of Stock Borrow]
- [(ii) [The Trade Date is []].
- (N.B. only applicable if Change of Law and/or Increased Cost of Hedging is applicable)]*
- [(iii) [The Maximum Stock Loan Rate in respect of [specify in relation to each relevant Share] is []].
- (N.B. only applicable if Loss of Stock Borrow is applicable)]*
- [(iv) [The Initial Stock Loan rate in respect of [specify in relation to each relevant Share] is []].
- (N.B. only applicable if Increased Cost of Stock Borrow is applicable)]*
- (p) Market Disruption: Specified Maximum Days of Disruption will be equal to []/[eight]
- (if no Specific Maximum Days of Disruption is stated, Specified Maximum Days of Disruption will be equal to eight)*

- (q) Knock-in Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Level]]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- [In the event that a Knock-in Determination Day is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply.]
- (i) SPS Knock-in Valuation [Applicable/Not applicable]
- [If applicable insert relevant provisions from Conditions]*
- (ii) Knock-in Level: [*Specify*]
- (iii) Knock-in Determination Day(s): [*Specify*/Each Scheduled Trading Day in the Knock-in Determination Period]
- (iv) Knock-in Period Beginning Date: [Not Applicable/*specify*]
- (v) Knock-in Period Ending Date: [Not Applicable/*specify*]
- (vi) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]
- (r) Knock-out Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- [In the event that a Knock-out Determination Day is a Disrupted Day,
- [Omission/Postponement/Modified Postponement] will apply]
- (i) Knock-out Level: [*Specify*]
- (ii) Knock-out Determination Day(s): [*Specify*/Each Scheduled Trading Day in the Knock-out Determination Period]
- (iii) Knock-out Period Beginning Date: [Not Applicable/*specify*]
- (iv) Knock-out Period Ending Date: [Not Applicable/*specify*]

- (v) Knock-out Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-out Determination Day]
- (s) Automatic Early Redemption Event: [Not Applicable/[]/"greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Level]/[SPS Automatic Early Redemption Payout in paragraph 23 below applies]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Automatic Early Redemption Amount: [Specify/See definition in Condition 21]
- (ii) Automatic Early Redemption Date(s): [Specify] [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] specify any applicable Additional Business Centre (s)/not adjusted]
- (iii) Automatic Early Redemption Level: [Specify]
- (iv) Automatic Early Redemption Rate: [Specify]
- (v) Automatic Early Redemption Valuation Date(s): [Specify]
- [In the event that Automatic Early Redemption Date is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply]
- (t) Delayed Redemption on Occurrence of Extraordinary Events: [Applicable/Not Applicable]
- (if not applicable, delete the remaining subparagraph of this paragraph)*
- [Rate for accrual of interest []/as specified in Condition 21.2(c)(iii)]
- (u) Delayed Redemption on Occurrence of Additional Disruption Event: [Applicable/Not Applicable]
- (if not applicable, delete the remaining subparagraph of this paragraph)*
- [Rate for accrual of interest []/as specified in Condition 21.5(a)(iii)]
22. Notice periods for Condition 6.2: Minimum period: [30] days
Maximum period: [60] days
23. SPS Final Payout: [Applicable/Not Applicable]

(if not applicable, delete the remaining subparagraph of this paragraph)

[SPS Final Payout - Reverse Convertible Notes

[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions]

[SPS Final Payout – Vanilla Call Notes

[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions]

[Autocall Notes

[Insert related provisions from SPS Payout Conditions]

24. **[SPS Automatic Early Redemption Payout** *[Insert related provisions from SPS Payout Conditions]*

Automatic Early Redemption Event: *[Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Level]*

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

Automatic Early Redemption Amount: *[Specify]*

Automatic Early Redemption Date(s): *[Specify] [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] specify any applicable Additional Business Centre (s)/not adjusted]*

Automatic Early Redemption Level: *[Specify]*

AER Redemption Percentage: *[Specify]*

AER Rate(i): *[Specify]*

Automatic Early Redemption Valuation Date(s): *[Specify]*

[In the event that Automatic Early Redemption Date is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply]

25. Issuer Call: *[Applicable/Not Applicable]*

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

(a) Optional Redemption Date(s): *[]*

(b) Optional Redemption Amount: [] per Calculation Amount

(N.B: If the Optional Redemption Amount is other than a specified amount per Calculation Amount, the Notes will need to be Exempt Notes)

(c) If redeemable in part:

(i) Minimum Redemption [] [Not Applicable]
Amount:

(ii) Maximum Redemption [] [Not Applicable]
Amount:

(d) Notice Periods: Minimum period: [15] days
Maximum period: [30] days

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of five clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)

26. Investor Put: [Applicable/Not Applicable]

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

(N.B. Not applicable to MREL Eligible Senior Preferred Notes, Senior Non Preferred Notes and Subordinated Notes)

(a) Optional Redemption Date(s): []

(b) Optional Redemption Amount: [] per Calculation Amount

(N.B: If the Optional Redemption Amount is other than a specified amount per Calculation Amount, the Notes will need to be Exempt Notes)

(c) Notice Periods: Minimum period: [15] days

Maximum period: [30] days

(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a call) and custodians, as well as any other notice requirements)

which may apply, for example, as between the Issuer and the Agent)

27. Redemption upon a MREL Disqualification Event [Applicable/Not Applicable]
- (N.B. Only applicable in case of MREL Eligible Senior Preferred Notes and/or Senior Non Preferred Notes)*
28. Final Redemption Amount: [[see paragraph [20/21/23] above] [] per Calculation Amount]
29. Early Redemption Amount payable on redemption for taxation reasons or on event of default or as otherwise specified: [An amount determined by the Calculation Agent in accordance with the Conditions []/per Calculation Amount/Fair Market Value minus Costs per Calculation Amount]
- (N.B. If the Notes are intended to be held in a manner which would allow Eurosystem eligibility, then the Early Redemption Amount shall be no less than par)*

PROVISIONS RELATING TO CREDIT LINKED NOTES

30. Credit Linked Notes: [Applicable/Not Applicable]
- (i) Final Redemption Amount: [[] per Calculation Amount/See paragraph []]
- (ii) Settlement Method: [Auction Settlement/Cash Settlement/Physical Settlement/Not Applicable]
- (N.b. if the Notes are Portfolio Credit Linked Notes specify "Not Applicable")*
- (iii) Calculation Agent City: [London]/[]
- (iv) Portfolio Credit Linked Notes [Applicable and [Zero Recovery/Market Recovery] applies/Not Applicable]
- (v) Reference Entit[y][ies] [and relevant Weighting Percentages]: [] [*Specify. If applicable set out in a Table which may be annexed to these Final Terms and for this item and subsequent items in this paragraph 30 where relevant state: "See the Table annexed to these Final Terms"*]
- [If the Notes are Portfolio Credit Linked Notes linked to a credit index, insert and complete as applicable:*
- The Reference Entities and their relevant weighting percentages comprising the Index as at the Trade Date

Index means, []

Index Publisher means, []

Index Sponsor means, []

Annex Date means []]

(vi) Reference Obligations: [Standard Reference Obligation: [Applicable][Not Applicable]]

[If Standard Reference Obligation is specified as "Applicable" and "Additional Provisions for Senior Non-Preferred Reference Obligations" is not applicable, insert and complete as applicable: Seniority Level: [Senior Level][Subordinated Level]]

[If the Notes are Portfolio Credit Linked Notes and if applicable insert:

Standard Reference Obligation: Applicable if specified in the [Index/Table] for a Reference Entity only

[Seniority Level: As specified in the [Index/Table] for a Reference Entity]

(N.b. "Seniority Level" should not be included if the "Additional Provisions for Senior Non-Preferred Reference Obligations" are applicable to all Reference Entities. If the "Additional Provisions for Senior Non-Preferred Reference Obligations" are applicable to some only of the Reference Entities, in the Table this should be specified as "As set out in the Credit Linked Conditions" for those Reference Entities)

[If the Notes are Portfolio Credit Linked Notes and if applicable insert:

Reference Obligation: The Reference Obligation, if any, set out opposite the relevant Reference Entity in the [Index Annex/Table]

[The obligations identified as [] follows:

Primary Obligor: []

Guarantor: []

Maturity: []

Coupon: []

CUSIP/ISIN: []]

(vii) All Guarantees: [Applicable/Not Applicable/See Physical Settlement Matrix]

(viii) Credit Events: [See Physical Settlement Matrix]

[Bankruptcy]

[Failure to Pay]

[Grace Period Extension: [Applicable/Not Applicable/See Physical Settlement Matrix]]

[If Applicable insert:

Grace Period: [[]]]

[Obligation Default]

[Obligation Acceleration]

[Repudiation/Moratorium]

[Restructuring]

Provisions relating to Restructuring Credit Event: Credit Linked Condition 14 [Applicable/Not Applicable]

Provisions relating to Multiple Holder Obligation: Credit Linked Condition 15 [Applicable/Not Applicable]

[Mod R [Applicable/Not Applicable]]

[Mod Mod R [Applicable/Not Applicable]]

[Governmental Intervention]

Default Requirement: []

Payment Requirement: []

Credit Event Backstop Date [Applicable/Not Applicable]
Amendment:

(ix) Notice of Publicly Available Information: [Applicable/Not Applicable]

[If Applicable insert:

Public Source(s): [As defined in Credit Linked Condition 13]/[specify other]

- Specified Number: [2]/[specify other]
- (x) Obligation(s):
- Obligation Category: [See Physical Settlement Matrix]
- (select one only) [Payment]
- [Borrowed Money]
- [Reference Obligation Only]
- [Bond]
- [Loan]
- [Bond or Loan]
- [None]
- Obligation Characteristics: [See Physical Settlement Matrix]
- (select all of which apply) [Not Subordinated]
- [Credit Linked Specified Currency:
- [specify currency] [Standard Specified Currencies]]
- [Not Sovereign Lender]
- [Not Domestic Currency]
- [Domestic Currency means: [specify currency]]
- [Not Domestic Law]
- [Listed]
- [Not Domestic Issuance]
- Additional Obligation(s): [None]/[specify other]
- (xi) Excluded Obligation(s): [None]/[specify other]
- (xii) Accrual of Interest upon Credit Event: [Applicable/Not Applicable]
- (N.B "Not Applicable" should be specified for Portfolio Credit Linked Notes)
- (xiii) Merger Event: Credit Linked Condition 12 [Applicable/Not Applicable]
- [If Applicable insert:

- [Merger Event Redemption Amount:[]]
- Merger Event Redemption Date:[]]
- (xiv) Unwind Costs: [Standard Associated Costs/other/Not Applicable]
- (xv) Credit Event Redemption Amount: [[] per Calculation Amount]/[Credit Linked Condition 13 applies]
- (xvi) Credit Event Redemption Date: [Subject to Credit Linked Condition 11 (Settlement Suspension), [[] Business Days following the latest of] [the date falling [] Business Days following the latest of] [(i) the Auction Settlement Date or the date on which the Final Price is determined if Cash Settlement applies or is applicable as the Fallback Settlement Method and (ii) the Credit Event Determination Date]
- (N.b. Credit Event Redemption Amount and Credit Event Redemption Date above are only applicable where the Auction Settlement and/or Cash Settlement may apply. Other terms relating to valuation below will be relevant to consider in any circumstances where a Final Price is required to be calculated)*
- (xvii) Valuation Date: [Applicable/Not Applicable]
- [Single Valuation Date:
- [] Business Days]
- [Multiple Valuation Dates:
- [] Business Days; and each [] Business Day thereafter
- Number of Valuation Dates: []]
- (xviii) Valuation Time: [11 a.m. London time]/[]/[Not Applicable]
- (xix) Indicative Quotations: [Applicable/Not Applicable]
- (xx) Quotation Method: [Bid/Offer/Mid-market]/[Not Applicable]
- (xxi) Quotation Amount: [[]/Representative Amount]/[Not Applicable]
- (xxii) Minimum Quotation Amount: []/[Not Applicable]
- (xxiii) Quotation Dealers: []/[Not Applicable]
- (xxiv) Accrued Interest: [Include Accrued Interest/Exclude Accrued Interest/Not Applicable] [Credit Linked Condition 13 applies]

(xxv) Valuation Method: [Market/Highest/Weighted Highest]
 [Average Market/Highest/Average Highest]
 [Not Applicable]
 (N.b. "Not Applicable" should be specified for Zero Recovery Portfolio Credit Linked Notes)

Additional terms relating to Auction Settlement

(xxvi) Fallback Settlement Method: [Cash Settlement]/[Physical Settlement]/[Not Applicable]

Terms relating to Deliverable Obligations

(xxvii) Deliverable Obligations

The following are relevant to determining Valuation Obligations and do not imply that Physical Settlement will occur under the Notes which are cash settled or credit linked interest only:

Deliverable Obligation Category: [See Physical Settlement Matrix]

[Payment]

(select one only)

[Borrowed Money]

[Reference Obligation Only]

[Bond]

[Loan]

[Bond or Loan]

Deliverable Obligation Characteristics: [See Physical Settlement Matrix]

[Not Subordinated]

(select all of which apply)

[Credit Linked Specified Currency:

[specify currency] [Standard Specified Currencies]]

[Not Sovereign Lender]

[Not Domestic Currency]

[Domestic Currency means: [specify currency]]

[Not Domestic Law]

[Listed]

[Not Domestic Issuance]

[Assignable Loan]

[Consent Required Loan]

[Direct Loan Participation]

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

[Transferable]

[Maximum Maturity: []]

[Accelerated or Matured]

[Not Bearer]

[Sovereign No Asset Package Delivery:
[Applicable/Not Applicable/See Physical
Settlement Matrix]

Additional Deliverable []
Obligation(s):

(xxviii) Excluded Deliverable Obligation(s): []

Other terms

(xxix) Physical Settlement Matrix: [Applicable/Not Applicable]

[If the Physical Settlement Matrix applies insert:

Date of Physical Settlement Matrix: *[specify date]*

Transaction Type: [Standard North American
Corporate/Standard European Corporate/Standard
European Financial Corporate/Standard European
CoCo Financial Corporate/Standard Subordinated
European Insurance Corporate /Standard Emerging
European Corporate/Standard Latin America
Corporate B/Standard Latin America Corporate BL/
Standard Australia Corporate/Standard Australia
Financial Corporate/Standard New Zealand
Corporate/Standard New Zealand Financial
Corporate/Standard Japan Corporate/Standard
Japan Financial Corporate/Standard Singapore
Corporate/Standard Singapore Financial
Corporate/Standard Asia Corporate/Standard Asia
Financial Corporate/Standard Sukuk

Corporate/Standard Western European
 Sovereign/Standard Latin America
 Sovereign/Standard Emerging European & Middle
 Eastern Sovereign/Standard Australia
 Sovereign/Standard New Zealand
 Sovereign/Standard Japan Sovereign/Standard
 Singapore Sovereign/Standard Asia
 Sovereign/Standard Sukuk Sovereign/Standard
 U.S. Municipal Full Faith and Credit/Standard U.S.
 Municipal General Fund/Standard U.S. Municipal
 Revenue/Standard European Senior Non-Preferred
 Financial Corporate] (*Specify per Reference
 Entity*)

*[If the Notes are Portfolio Credit Linked Notes
 insert:*

For the purposes of the Reference Entities listed in
 the Index Annex, the Transaction Type under the
 Physical Settlement Matrix is as specified in the
 Index. As at the Trade Date the Reference Entities
 comprising the Index are [*specify each relevant
 Transaction Type from the list above*]

*(N.b. depending on the date of the Physical
 Settlement Matrix consider whether a supplement is
 required to amend the Credit Linked Conditions
 and/or pro forma Final Terms to reflect any
 amendments to the Physical Settlement Matrix
 reflected in that new version)*

- (xxx) Subordinated European Insurance [Applicable/Not Applicable/See Physical
 Terms: Settlement Matrix]
- (xxxii) Financial Reference Entity Terms: [Applicable/Not Applicable/See Physical
 Settlement Matrix]
- (xxxiii) Reference Obligation Only [[]/Not Applicable]
 Termination Amount:
*(N.b. to be specified for the purposes of Credit
 Linked Condition 18 for Reference Obligation Only
 Notes relating to a single Reference Entity)*
- (xxxiiii) Provisions relating to CoCo Credit Linked Condition 22 [Applicable/Not
 Reference Entities: Applicable/See Physical Settlement Matrix]
[If Applicable, insert if required:
 Trigger Percentage: []]
*(N.b. If applicable this should be specified for each
 Reference Entity)*
- (xxxv) Credit Linked Business Day [Following/Modified Following/Preceding]
 Convention:

(xxxv) Provisions relating to Senior Non-Preferred Reference Obligations: Credit Linked Condition 23: [Applicable [for all Reference Entities]/Not Applicable [for all Reference Entities]/See Physical Settlement Matrix [for each Transaction Type as specified in the Index] /See the Table annexed to these Final Terms]

(N.b. Only specify "See the Table annexed to these Final Terms" if the "Additional Provisions for Senior Non-Preferred Reference Obligations" are applicable to some only of the Reference Entities. If a table is specified, the table should then include a column specifying to which Reference Entities these provisions apply)

(xxxvi) 2019 Narrowly Tailored Credit Event Provisions: Credit Linked Condition 24: [Applicable/Not Applicable/See Physical Settlement Matrix [for each Transaction Type as specified in the Index]]

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

[Fallback Discounting: [Applicable/Not Applicable/See Physical Settlement Matrix]]

Credit Deterioration Requirement: [Applicable/Not Applicable/See Physical Settlement Matrix [for each Transaction Type as specified in the Index]]

(xxxvii)Limited Recourse Provisions: [Applicable/Not Applicable/See Physical Settlement Matrix]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

31. Provisions applicable to Physical Delivery: [Applicable/Not Applicable/Physical Delivery Option [1/2/3]]

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

(a) Entitlement in relation to each Note: [The Entitlement Amount in relation to each Note is:

[Delivery of Worst-Performing Underlying applicable:

[Insert formula from SPS Payout Conditions]

[Calculation Amount: [●]]

Redemption Payout: [●]

SPS Valuation Date: [●]]

[Delivery of Best-Performing Underlying applicable:

[Insert formula from SPS Payout Conditions]

[Calculation Amount: [●]]

Redemption Payout: [●]

SPS Valuation Date: [●]

[Delivery of the Underlying applicable:

[Insert formula from SPS Payout Conditions]

[Calculation Amount: [●]]

Redemption Payout: [●]

SPS Valuation Date: [●]

- (b) Asset Amount []
- (c) Relevant Asset(s): [As specified above]/The relevant asset[s] to which the Notes relate [is/are] []
- (d) Settlement Business Day(s): []
32. Variation of Settlement: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Issuer's option to vary settlement: The Issuer [has/does not have] the option to vary settlement in respect of the Notes
- (b) Variation of Settlement of Physical Delivery Notes: [Notwithstanding the fact that the Notes are Physical Delivery Notes, the Issuer may make payment of the Redemption Amount on the Maturity Date/The Issuer will procure delivery of the Asset Amount in respect of the Notes]
33. Form of Notes:
- (a) Form: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes upon an Exchange Event]]
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]
- [Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event]
- (N.B. The option for an issue of Notes to be represented on issue by a Temporary Global Note*

exchangeable for Definitive Notes should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 5 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].")

- (b) New Global Note: [Yes][No]
34. Additional Financial Centre(s): [Not Applicable/give details]
- (Note that this paragraph relates to the date of payment and not Interest Period end dates to which subparagraphs 14(c) and 17(e) relate)*
35. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

THIRD PARTY INFORMATION

[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of **Banque et Caisse d'Epargne de l'Etat, Luxembourg**:

By: _____
Name:
Title:

PART B – OTHER INFORMATION

1. LISTING [AND ADMISSION TO TRADING]

- (a) Listing [and Admission to trading] [Application has been made by the Issuer (or on its behalf) for the Notes to be [admitted to trading on [specify relevant regulated market (for example, the Bourse de Luxembourg and, if relevant, listing on an official list of the Luxembourg Stock Exchange)]]/[listed on the Securities Official List of the Luxembourg Stock Exchange without admission to trading] with effect from [].]

[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be [admitted to trading on [specify relevant regulated market (for example, the Bourse de Luxembourg and, if relevant, listing on an official list of the Luxembourg Stock Exchange)]]/[listed on the Securities Official List of the Luxembourg Stock Exchange without admission to trading] with effect from [].] [Not Applicable]

- (b) Estimate of total expenses related to admission to trading []

2. [EU Benchmark Regulation: EU Benchmarks Regulation: Article 29(2) statement on benchmarks:

[Applicable: Amounts payable under the Securities are calculated by reference to [insert name[s] of Benchmark[s]/the [relevant] Benchmark], which [is/are] provided by [insert name[s] of the Administrator[s]/the [relevant] Administrator[, as specified in the table below] (if more than one, specify in relation to each relevant Benchmark)].

[As at the date of these Final Terms, [insert name[s] of the Administrator[s]/the [relevant] Administrator[s]][[is/are] not included]/[[is/are] included][, as the case may be] specified in the table below] [is/are] [not] included in the register of Administrators and Benchmarks established and maintained by the European Securities and Markets Authority [(ESMA)] pursuant to article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) [(the BMR)][, as specified in the table below].

[As far as the Issuer is aware, [[insert name of Benchmark[s]/the [relevant] Benchmark] [does/do] not fall within the scope of the BMR by virtue of Article 2 of the BMR.]/[the transitional provisions in Article 51 of the BMR apply, such that the [relevant] Administrator is not currently required to obtain authorisation/registration[, as specified in the table below].] [repeat as necessary or insert necessary information in a table below]]

[Benchmark]	Administrator	Register	Other Information
[●]	[●]	[●]	[●]

[Not Applicable]

3. RATINGS

Ratings:

[Not Applicable] [The Notes to be issued [[have been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:

[insert details]] by [insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms].

[defined terms] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such *[defined terms]* is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. [OR *[defined terms]* is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**).]

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

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

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for the fees [of *[insert relevant fee disclosure]* payable to the [Manager(s)/Dealer(s)], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest including any conflicting interest material to the issue. The [Manager(s)/Dealer(s)] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business – *Amend as appropriate if there are other interests]*

[(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 23 of the Prospectus Regulation.)]

5. USE OF PROCEEDS AND ESTIMATED NET PROCEEDS

(a) Use of proceeds: [See ["*Use of Proceeds*"] in the Prospectus.] [The Notes are intended to be issued as Green Bonds, [*further particulars to be provided*].]

(b) [Estimated net proceeds: []]

6. YIELD (*Fixed Rate Notes only*)

Indication of yield: [] [Not Applicable]

7. PERFORMANCE OF INDEX/SHARE AND OTHER INFORMATION CONCERNING THE UNDERLYING

[Not Applicable]/

[*Need to include details of where past and future performance and volatility of the index/share can be obtained.*]

[Name of the Issuer of the underlying security: []]

[*N.B. this shall not be the Issuer or an entity belonging to the Issuer's group*]

ISIN: []

Index Name: []

Relevant weightings of each underlying in the basket: []

Source of information relating to the [] [index/indices/share]:

Place where information to the [] [index/indices/share] can be obtained:

In respect of Credit Linked Notes, (A) set out where information on past and future performance and volatility of each Reference Entity can be obtained by electronic means and whether or not it can be obtained free of charge and (B) where no Reference Obligation or Reference Entity represents 20% or more of the basket or index of Reference Entities either (i) set out in a table (a) the names of the reference entities and (if different) issuers of the Reference Obligation; and (b) the ISIN of the Reference Obligation or (ii) where such information is already included in item 30 of the Final Terms, include a cross reference thereto or (iii) in respect of all other Credit Linked Notes insert:

Certain information in relation to [the][each] Reference Entity and [[Non-]Standard Reference Obligation] (if any) as at the Issue Date is set out below.

Name: [●]

Address: [●]

Country of incorporation: [●]

Industry or industries of operation: [●] *(For example financials, energy, insurance, manufacturing, construction, transport, media determined on the basis of available information on the Reference Entity)*

Market[(s)] on which securities are admitted to trading: [●]

[[Non-]Standard Reference Obligation] [●][Not Applicable]
Securities Code:

(The information above should be completed so far as the Issuer is aware and/or able to ascertain from information published by the relevant Reference Entity and should be repeated for each Reference Entity. Country of incorporation, industry and address will be "Not Applicable" for a Sovereign Reference entity and Securities Code (eg. ISIN/CUSIP) will be "Not Applicable" if there is no Reference Obligation or it has no securities code. Note permissible markets for a Reference Entity's securities to be admitted to trading on are regulated markets, equivalent third country markets and SME Growth Markets, each as described in Regulation EU No 2019/980, Annex 17, item 2.2.2 (a)(ii). Where such requirement cannot be satisfied, a supplement or drawdown prospectus must be prepared that includes the required information to be addressed under Annex 17, item 2.2.2 (a)(i).)

As at the Issue Date information in relation to the past and future performance of [[the] [each] Reference Entity] [[insert Reference Entity name]] is available [free of charge/at a charge] from [insert electronically displayed sources such as Bloomberg]. *(Repeat for each Reference Entity as applicable)*

8. UNDERLYING DISCLAIMER¹²

[For use in connection with Indices (including Inflation Indices)]

[Not Applicable]

[The issue of this series of Notes (in this paragraph, the **Transaction**) is not sponsored, endorsed, sold, or promoted by [NAME OF INDEX] (the **Index**) or [NAME OF INDEX SPONSOR] (the **Index Sponsor**) and the Index Sponsor does not make any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. No Index or Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Index. No Index Sponsor is making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with entering into any Transaction. / *insert index disclaimer as per the relevant agreement with the respective Index Sponsor*] [The Issuer shall not have any liability for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Except as disclosed prior to the Issue Date, neither the Issuer nor its affiliates have any affiliation with or control over the Index or Index Sponsor.]

9. OPERATIONAL INFORMATION

(a) ISIN: []

¹² Include for Index Linked Redemption Notes and Inflation Linked Interest Notes.

- (b) Common Code: []
- (c) CFI: *[[include code]*¹³, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (d) FISN: *[[include code]*¹⁴, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available/
- (e) Any clearing system(s) other than Euroclear and Clearstream Luxembourg, the relevant identification number(s) and address(es): [Not Applicable/give *name(s) and number(s)*] [Address]
- (f) Names and addresses of additional Paying Agent(s) (if any): [] [Not Applicable]
- (g) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that the Eurosystem eligibility criteria have been met].
- [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

10. DISTRIBUTION

- (a) Method of distribution: [Syndicated/Non-syndicated]

¹³ The actual code should only be included where the issuer is comfortable that it is correct.

¹⁴ The actual code should only be included where the issuer is comfortable that it is correct.¹⁵ This formulation to be used if the Issuer has not made a determination regarding whether the Notes are Specified Notes as of the date of the Final Terms.

- (b) If syndicated, names of [Not Applicable/give names] Managers:
- (c) Stabilisation Manager(s) (if [Not Applicable/give name(s)] any):
- (d) If non-syndicated, name of [Not Applicable/give name] relevant Dealer:
- (e) U.S. Selling Restrictions: [Reg. S Category 2; TEFRA D/TEFRA C/TEFRA not applicable]
- (f) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Notes may constitute 'packaged' products and no key information document will be prepared in the EEA, "Applicable" should be specified.)
- (g) Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Notes may constitute 'packaged' products and no key information document will be prepared in the UK, "Applicable" should be specified.)

11. U.S. FEDERAL INCOME TAX CONSIDERATIONS

[The Notes are [not] Specified Notes for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986. [Additional information regarding the application of Section 871(m) to the Notes will be available from [give name(s) and address(es) of Issuer contact].] [As at the date of these Final Terms, the Issuer has not determined whether the Notes are Specified Notes for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986; however, indicatively it considers that they will [not] be Specified Notes for these purposes. This is indicative information only, subject to change, and if the Issuer's final determination is different then it will give notice of such determination. [Please contact [give name(s) and address(es) of Issuer contact] for further information regarding the application of Section 871(m) to the Notes.]]¹⁵ *(The Notes will not be Specified Notes if they do (i) are issued prior to January 1, 2025 and are not "delta-one" for U.S. tax purposes or (ii) not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Notes reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities and (i) are issued prior to January 1, 2025 and provide a return that does not differ significantly from the return on an investment in the underlying, or (ii) are issued after January 1, 2025, further analysis would be required. If the Notes are Specified Notes, include the "Additional information" sentence and provide the appropriate contact information at the Issuer.)*

¹⁵

This formulation to be used if the Issuer has not made a determination regarding whether the Notes are Specified Notes as of the date of the Final Terms.

12. PROVISIONS RELATING TO GREEN BONDS

Green Bonds

[Yes/No]

[Reviewer(s):]

[Name of sustainability rating agency(ies) [and name of third party assurance agent] and [give details of compliance opinion(s) and availability]]

[Date of third party opinion(s):]

[Not Applicable/*give details*]

APPLICABLE PRICING SUPPLEMENT

EXEMPT NOTES OF ANY DENOMINATION

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes, whatever the denomination of those Notes, issued under the Programme.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (**EEA**). For these purposes, a retail investor means a person who is one (or [more/both]) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended or superseded, **MiFID II**); (ii) or a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II[/; or (iii) not a qualified investor as defined in the Prospectus Regulation]. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]¹

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or [more/both]) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA[/; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA]. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]²

[MIFID II product governance / target market] [UK MIFIR product governance / target market] – – [appropriate target market legend to be included]]

[Date]

BANQUE ET CAISSE D'EPARGNE DE L'ETAT, LUXEMBOURG

Legal Identity Identifier (LEI): **R7CQUF1DQM73HUTV1078**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the U.S.\$8,000,000,000
Euro Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

¹ Legend to be included on front of the Pricing Supplement if the Notes potentially constitute "packaged" products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

² Legend to be included on the front of the Final Terms if the Notes potentially constitute "packaged" products and no key information document will be prepared in the UK or the issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or to supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer.

This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the Prospectus dated 30 June 2023 [as supplemented by the supplement[s] dated [date/s]] (the **Prospectus**). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Prospectus. Copies of the Prospectus may be obtained from the Issuer's registered office at, 1-2 Place de Metz, L-2954 Luxembourg and from Citibank, N.A., London Branch at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Prospectus [[30 June 2023]/[22 August 2022]/[17 December 2021]/[1 July 2021]/[1 July 2020]/[28 June 2019]/[dated 30 June 2016]/[dated 30 June 2015]/[30 June 2014] which are incorporated by reference in the Prospectus].³

[Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the **SFA**) - [To insert notice if classification of the Notes is not "prescribed capital markets products" pursuant to Section 309B of the SFA or Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)].⁴

[In respect of any tranche of Notes issued in Singapore Dollars with a denomination of less than S\$200,000, the following information is provided pursuant to Regulation 6 of the Banking Regulations made under the Banking Act 1970 of Singapore:

- (a) *the place of booking of the Notes is [●];*
- (b) *the branch or office of the Issuer at which the tranche of the Notes is booked is not subject to regulation or supervision in Singapore;*
- (c) *the tranche of Notes is [not secured by any means] **OR** [secured by [please describe the nature of the security, the name of the mortgagor, chargor or guarantor and whether such person is regulated by the Monetary Authority of Singapore]].]*

[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Pricing Supplement.]

- 1. Issuer: Banque et Caisse d'Epargne de l'Etat, Luxembourg
- 2. []
 - (a) Series Number:
 - (b) Tranche Number: []

³ Only include this language where it is a fungible issue and the original Tranche was issued under a Prospectus with a different date.

⁴ Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)

- (c) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [identify earlier Tranches] on [the Issue Date/the date that is 40 days after the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 31 below, which is expected to occur on or about [date]][Not Applicable]
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount:
- (a) Series: []
- (b) Tranche: []
- (c) Units: [] Units (being the equivalent of [*insert currency*]; [*insert amount*]) [Not Applicable]
5. Issue Price: []% of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
6. []
- (a) Specified Denominations:
- (b) Calculation Amount (in relation to calculation of interest in global form see Conditions): []
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
7. []
- (a) Issue Date:
- (b) Interest Commencement Date: [*specify/Issue Date/Not Applicable*]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
8. Maturity Date: [*Fixed Rate Note – specify date/Floating Rate Note or any other Note where the Interest Period end date(s) are adjusted – Interest Payment Date falling in or nearest to [specify month]/[(the Scheduled Maturity*

Date) subject to adjustment as provided in the Credit Linked Conditions]]

9. Interest Basis: [[]% Fixed Rate] [Subject to interest rate step-up as specified below]
[[EURIBOR]/[CMS Reference Rate] +/- []% Floating Rate]
[SARON Compounded]
[Compounded Daily SONIA]
[Compounded Daily SOFR]
[Weighted Average SOFR]
[Compounded Daily €STR]
[Zero Coupon]
[[]% Fixed Rate] [[] month [EURIBOR] [+/- [] per cent. Floating Rate] Range Accrual/Dual Range Accrual]
[Index Linked Interest]
[Inflation Linked Interest]
[specify other]

(further particulars specified below)
10. SPS Coupon Rate (include one or more of the following if applicable): [Applicable/Not Applicable]
[SPS Digital Coupon applicable]
[SPS Snowball Digital Coupon applicable]
(further particulars specified below)
11. Redemption/Payment Basis: [Redemption at par]
[Index Linked Redemption]
[Equity Linked Redemption]
[SPS Payout]
[Partly Paid]
[Instalment]
[specify other]
12. Change of Interest Basis or Redemption/Payment Basis: [Specify details of e.g. any provision for change of Notes into another Interest Basis or Redemption/Payment Basis] [Not Applicable]
13. Put/Call Options: [Investor Put]

(N.B. Not applicable to MREL Eligible Senior Preferred Notes, Senior Non Preferred Notes and Subordinated Notes)
[Issuer Call]
[(further particulars specified below)]
[Not Applicable]
14. (a) Status of the Notes: [Senior [Preferred/Non Preferred]/Subordinated]

(issues of Subordinated Notes are subject to the prior written consent of the Ministry of Treasury of Luxembourg)

(b) MREL Notes: [Applicable/Not Applicable]

(In case of an issuance of Notes which are debt instruments with an embedded derivative, MREL eligibility will be subject to further conditions under the SRMR, including that either (i) the principal amount of the Notes being known at the time of issue, being fixed or increasing and not being affected by an embedded derivative feature and the bank having the ability to perform a daily valuation of the liability in line with Article 12c(2)(a) SRMR even in stressed market conditions; or (ii) the debt instrument includes a contractual term in line with Article 12c(2)(b) SRMR).

(c) Date [Board] approval for [] [and [], respectively]] [Not Applicable]
issuance of Notes obtained:

(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions: [Applicable/Not Applicable]

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

(a) Rate(s) of Interest: []% [per annum] payable in arrear on each Interest Payment Date

(If payable other than annually, consider amending Condition 4)

[For interest step-up Notes: []% per annum commencing on (and including) the Interest Commencement Date until (but not including) [date]

[]% [per annum] commencing on (and including) [date] until (but not including) [date]⁵

[]% [per annum] commencing on (and including) [date] until (but not including) the Maturity Date]]

(b) Interest Payment Date(s): [[]] in each year up to and including the Maturity Date/[specify dates]]

(N.B. Amend appropriately in the case of irregular coupons)

⁵ Further periods to be inserted as necessary.

- (c) Interest Period End Date(s): [] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Additional Business Centre(s)/not adjusted]
- (d) Fixed Coupon Amount(s) for Notes in definitive forms (and in relation to Notes in global form see Conditions): [] per Calculation Amount
- (e) [Initial/Final] Broken Amount(s) for Notes in definitive forms (and in relation to Notes in global form see Conditions): [] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []
- (f) Fixed Day Count Fraction: [Actual/360, 30/360, 360/360, Bond Basis, 30E/360, Eurobond Basis, Actual/365 (Fixed), Actual/Actual (ICMA) [Not Applicable] or [specify other]]
- (g) Determination Date(s): [[] in each year] [Not Applicable]
(Only relevant where Day Count Fraction is Actual/Actual (ICMA) In such case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)
- (h) Interest rate step-up/Step-down: [Applicable/Not Applicable]
(If applicable, delete the remaining subparagraphs of this paragraph)]
- (i) Other terms relating to the method of calculating interest for Fixed Rate Notes which are Exempt Note: [None/Give details]
16. Floating Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Interest Period End Dates: [] in each year [adjusted in accordance with [specify Business Day Convention]/not adjusted]
- (b) Interest Payment Dates: []
- (c) Additional Business Centre(s):
- (i) For fixing: []
- (ii) For Interest Period End Dates: []
- (d) Manner in which the Rate of Interest and Interest Amount is to [Specify]

be determined, if different from the Conditions:

(Where different interest provisions are specified, consider adjusting or disapplying the Screen Rate Determination provisions in Condition 4.2(b) and including replacement provisions describing the manner in which the Rate of Interest and Interest Amount is to be determined)

(e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):

[] (the **Calculation Agent**)

(f) Screen Rate Determination:

(i) Reference Rate:

[SARON Compounded]
[Compounded Daily SONIA]
[Compounded Daily SOFR]
[Weighted Average SOFR]
[Compounded Daily €STR]
[[] month [EURIBOR] *specify other Reference Rate*]

(ii) Term Rate:

[Applicable/Not Applicable]

(iii) Specified Time:

[[11.00 a.m./[]] in the Relevant Financial Centre]

[Not Applicable]

(iv) Relevant Financial Centre:

[Zurich/London/New York/Brussels/[]] / [Not Applicable]

(v) Overnight Rate:

[Applicable/Not Applicable]

(vi) Index Determination:

[Applicable/Not Applicable]

(vii) Relevant Number:

[5/[]] [[London Banking Days]/[U.S. Government Securities Business Days][TARGET Business Days] / [Not Applicable]

(If “Index Determination” is “Not Applicable”, delete “Relevant Number” and complete the remaining paragraphs below)

(If “Index Determination” is “Applicable”, insert number of days (expected to be five or greater) as the Relevant Number, and the remaining paragraphs below will each be “Not Applicable”)

(If the Reference Rate is SARON Compounded delete this paragraph)

(viii) D:

[30/365/[]] / [Not Applicable]

(If the Reference Rate is SARON Compounded delete this paragraph)

- (ix) Observation Period: [Lag/Lock-out/Observation Shift/Not Applicable]
(If the Reference Rate is SARON Compounded delete this paragraph)
- (x) Lag Period: [5/[] [London Banking Days] [U.S. Government Securities Business Days] [TARGET Business Days] [[City] Banking Days] / [Not Applicable]
(If the Reference Rate is SARON Compounded delete this paragraph)
- (xi) Observation Shift Period: [5/[] [London Banking Days] [U.S. Government Securities Business Days] [TARGET Business Days] [[City] Banking Days] / [Not Applicable]
(NB: A minimum of 5 relevant business/banking days should be specified for the Lag Period or Observation Shift Period unless otherwise agreed with the Calculation Agent)
(If the Reference Rate is SARON Compounded delete this paragraph)
- (xii) Interest Determination Date(s): []
(Second day on which T2 is open prior to the start of each Interest Period EURIBOR)
- (xiii) Relevant Screen Page: [] [Not Applicable]
(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows composite rate or amend the fallback provision appropriately)
- (g) CMS Rate Determination: [Applicable/Not Applicable]
- (i) CMS Screen Page: [Condition 4.2(b)(iii) applies/[]]
- (ii) Interest Determination Date: [Condition 4.2(b)(iii) applies/[]/]
- (iii) Reference Currency: [Euro/Sterling/United States dollar]
- (iv) Designated Maturity: [[]]
- (v) Calculation Agent: [Agent/named Manager/other]
- (h) Linear Interpolation: [Not Applicable/Applicable – the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (i) Relevant Financial Centre: []

- (j) Margin(s): [+/-] []% per annum
- (k) Minimum Rate of Interest: []% per annum
- (l) Maximum Rate of Interest: []% per annum
- (m) Day Count Fraction: [Actual/Actual]
 [Actual/Actual (ISDA)]
 [Actual/Actual (ICMA)]
 [Actual/365 (Fixed)]
 [Actual/360]
 [30/360]
 [360/360]
 [Bond Basis]
 [30E/360]
 [Eurobond Basis]
 [30E/360 (ISDA)]
 [Other]
 (See Condition 4 for alternatives)]
- (n) Interest rate step-up/Step-down: [Applicable/Not Applicable]
 (If applicable, delete the remaining subparagraphs of this paragraph)]
- (o) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes which are Exempt Note, if different from those set out in the Conditions: []
17. Zero Coupon Note Provisions: [Applicable/Not Applicable]
 (If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Accrual Yield: []% per annum
- (b) Reference Price: []
- (c) Any other formula/basis of determining amount payable for Zero Coupon Notes which are Exempt Notes: []
- (d) Day Count Fraction in relation to Early Redemption Amounts and late payment: [30/360]
 [Actual/360]
 [Actual/365]
 [Actual/Actual (ICMA)]
18. SPS Coupon Rate (include one or more of the following if applicable): [Applicable/Not Applicable]

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

[SPS Digital Coupon applicable:

[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions.]]

[SPS Snowball Digital Coupon applicable:

[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions.]]]

- (a) Interest Valuation Date(s): []
- (b) Interest Payment Date(s): [] in each year up to and including the Maturity Date]
- (c) Interest Period End Date(s): [] in each year [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] *specify any applicable Additional Business Centre(s) for the definition of Business Day*]/[not adjusted]
- (d) Day Count Fraction: [Applicable/Not Applicable]
[30/360]
[Actual/360]
[Actual/365]
[Actual/Actual (ICMA)]
19. Inflation Linked Interest Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Index/Indices: []
- (b) Screen Page/Exchange Code: []
- (c) Formula: see Annex 1 – Part 3
Cap Level: []%
Floor Level: []%
Multiplier: []%
- (d) Calculation Agent responsible for calculating the interest due: []
- (e) Interest Period End Dates: [] in each year [adjusted in accordance with [FRN Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/not adjusted]

- (f) Interest Payment Dates: []
- (g) Interest Determination Date(s): []
- (h) Additional Business Centre(s): []
- (i) Minimum Rate of Interest: []% per annum]/[Not Applicable]
- (j) Maximum Rate of Interest: []% per annum]/[Not Applicable]
- (k) Day Count Fraction: [Actual/Actual]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]
[Actual/Actual (ICMA)]
[Actual/360]
[30/360]
[360/360]
[Bond Basis]
[30E/360]
[Eurobond Basis]
[30E/360 (ISDA)]
- (l) Cut-Off Date: []/[Not Applicable]
- (m) Related Bond: []/Fall Back Bond
- (n) Issuer of Related Bond: []/[Not Applicable]
- (o) Fall Back Bond: [Applicable/Not Applicable]
- (p) Index Sponsor: []
- (q) Related Bond Redemption Event: [Applicable/Not Applicable]
- (r) Scheduled Trading Day: []
20. Index Linked Interest Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Index/Formula: [give or annex details]
- (b) Calculation Agent: [give name]
- (c) Party responsible for calculating the Rate of Interest (if not the Calculation Agent and (Interest Amount (if not the Agent))): []
- (d) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: [need to include a description of market disruption or settlement disruption events and adjustment provisions]

- (e) Interest Period End Dates: [] in each year [adjusted in accordance with *specify Business Day Convention*]/not adjusted]
- (f) Interest Payment Dates: []
- (g) Additional Business Centre(s):
 - (i) For Fixing: []
 - (ii) For Interest Period End Dates: []
- (h) Minimum Rate of Interest: []% per annum
- (i) Maximum Rate of Interest: []% per annum
- (j) Day Count Fraction: []

21. Range Accrual Note Provisions: [Fixed Rate Range Accrual Note]
 [Floating Rate Range Accrual Note]
 [Fixed Rate Dual Range Accrual Note]
 [Floating Rate Dual Range Accrual Note]
 [CMS Range Accrual Note]
 [Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

(The following is applicable in relation to Fixed Rate Range Accrual Notes, Fixed Rate Dual Range Accrual Notes or CMS Range Accrual Notes that bear fixed rate interest)

- (a) Fixed Rate: []% per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [] in each year up to and including the Maturity Date [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] *specify any applicable Additional Business Centre(s) for the definition of Business Day*]/[not adjusted]
(Amend appropriately in the case of irregular coupons)
- (c) Interest Period End Date(s): [] in each year [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] *specify any applicable Additional Business Centre (s)*]/not adjusted]

- (d) Day Count Fraction: [Actual/360, 30/360, 360/360, Bond Basis, 30E/360, Eurobond Basis, Actual/365 (Fixed), Actual/Actual (ICMA) or *[specify other]*]
- (e) Determination Dates: [[] in each year] [Not Applicable] *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*

(The following is applicable in relation to Floating Rate Range Accrual Notes, Floating Rate Dual Range Accrual Notes or CMS Range Accrual Notes that bear floating rate interest)

- (f) Interest Period End Dates: [] in each year [adjusted in accordance with [FRN Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]/[not adjusted]]
- (g) Interest Payment Dates: []
- (h) Additional Business Centre(s): []
- (i) For fixing: [] [Not Applicable]
- (ii) For Interest Period End Dates: [] [Not Applicable]
- (i) Screen Rate Determination:
- (i) Reference Rate: [] month [EURIBOR] [CMS Reference Rate]
- (ii) Interest Determination Date(s): []

(Second day on which T2 is open prior to the start of each Interest Period if EURIBOR)

- (iii) Relevant Screen Page: []
- (In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- (iv) Rate Cut-Off Date: [] / [Not Applicable]
- (j) Margin(s): [+/-][]% per annum
- (k) Minimum Rate of Interest: []% per annum
- (l) Maximum Rate of Interest: []% per annum
- (m) Day Count Fraction: [Actual/Actual]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]

[Actual/Actual (ICMA)]
 [Actual/360]
 [30/360]
 [360/360]
 [Bond Basis]
 [30E/360]
 [Eurobond Basis]
 [30E/360 (ISDA)]

(The following must be completed in relation to all Range Accrual Notes (other than Dual Range Accrual Notes))

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

(o) Upper Range []%

(If the Upper Range adjusts with various periods use the table below)

From and including	To but excluding	Upper range
[]	[]	[]%

(p) Lower Range []%

(If the Lower Range adjusts with various periods use the table below)

From and including	To but excluding	Lower range
[]	[]	[]%

(q) Range Accrual Reference Rate: [Screen Rate Determination]

Screen Rate Determination:

- Reference Rate: [[] month [EURIBOR]]/[CMS Reference Rate/Specify other]

(The following is applicable in relation to CMS Range Accrual Notes)

Reference Currency: [Euro/Sterling/United States dollar]

Designated Maturity: []

- Relevant Screen Page: []

(For example, Reuters EURIBOR 01)

- Range Accrual Reference Rate Determination Date(s): [Observation Date/specify other period]

• Rate Cut-Off Date: [] / [Not Applicable]

(r) Calculation Agent: [give name]

(s) Autoswitch: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs)

(i) Target Rate: [] %

(ii) Switch Rate: [] %

(The following must be completed in relation to Dual Range Accrual Notes)

(t) Upper Range₁: [] %

(If the Upper Range₁ adjusts with various periods use the table below)

From and including	To but excluding	Upper Range ₁
[]	[]	[] %

(u) Lower Range₁: [] %

(If the Lower Range₁ adjusts with various periods use the table below)

From and including	To but excluding	Lower Range ₁
[]	[]	[] %

(v) Upper Range₂: [] %

(If the Upper Range₂ adjusts with various periods use the table below)

From including	and To excluding	but Upper Range ₂
[]	[]	[] %

(w) Lower Range₂: [] %

(If the Lower Range₂ adjusts with various periods use the table below)

From including	and To excluding	but Lower Range ₂
[]	[]	[] %

- (x) Range Accrual Reference Rate: [Screen Rate Determination]
- Screen Rate Determination:
- Reference Rate₁: [[] month [EURIBOR]]/[CMS Reference Rate]
(The following is applicable in relation to CMS Range Accrual Notes)
Reference Currency: [Euro/Sterling/United States dollar]
Designated Maturity: []
 - Relevant Screen Page for Reference Rate₁: []
(For example, Reuters EURIBOR 01)
 - Reference Rate₂: [[] month [EURIBOR]]/[CMS Reference Rate/CMS Formula Rate]
(The following is applicable in relation to CMS Range Accrual Notes)
Reference Currency: [Euro/Sterling/United States dollar]
Designated Maturity: []
(The following is applicable in relation to CMS Formula Rate)
Reference Currency₁: [Euro/Sterling/United States dollar]
Designated Maturity₁: []
Reference Currency₂: [Euro/Sterling/United States dollar]
Designated Maturity₂: []
 - Relevant Screen Page Reference Rate₂: []
(For example, Reuters EURIBOR 01)
 - Range Accrual Reference Rate Determination Date(s): [Observation Date/specify other period]
 - Rate Cut-Off Date: [] / [Not Applicable]
- (y) Calculation Agent: [give name]
- (z) Autoswitch: [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs)

(i) Target Rate: []%

(ii) Switch Rate: []%

PROVISIONS RELATING TO REDEMPTION

22. Index Linked Redemption Note Provisions: [Applicable/Not Applicable]

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

(a) Index/Indices: []

[If more than one, refer to as Index₁, Index₂ etc.]

(b) Screen Page: [Specify if applicable, or give the sources of observation for each index]

(c) Component Transactions: []

(d) Formula: [Autocall [In the case of Autocall specify **Autocall Trigger Level:** []% of the Initial Price, **Percentage Multiplier:** []% for Observation Date ⁽¹⁾, []% for Observation Date ⁽²⁾ etc. **Lower Threshold Level:** []% of the Initial Price, **Lower Threshold Multiplier:** []%, **Threshold Level:** []% of the Initial Price, **Threshold Multiplier:** []% and **Final Percentage Multiplier:** []%.]/[Autocall with Spread [In the case of Autocall with Spread specify: **Autocall Trigger Level:** []% of the Initial Price, **Multiplier:** []% and **Final Percentage Multiplier:** []%/[Lookback [In the case of Lookback specify **Multiplier:** []%, **Floor Level:** [] and **x:** []] [Short-term Lookback [In the case of Short-term Lookback specify **Multiplier:** []%, **Short-term Lookback Multiplier:** []%, **Cap Level:** [], **Floor Level:** [] and **x:**[]] [Double Win [In the case of Double Win specify. **Barrier Level Multiplier:** []%, **Cap Level:** []%, **Floor Level:** [] and **Final Valuation Date:** []] [Triple Index [In the case of Triple Index specify **Multiplier:** []%] [Asian Call [In the case of Asian Call specify **Multiplier:** []%, **Cap Level:** []% and **Floor Level:** []%] [Not Applicable]

[Reverse Convertible [In the case of Reverse Convertible specify the Strike:[]% of the Initial price]/

- (e) Calculation Agent responsible for calculating the redemption amount due: [give name]
- (f) Settlement Price: []
- (g) Relevant Level: Index Currency: []
 [The official closing level for the Index/Indices] [the official fixing eventually calculated and/or published by the Index Sponsor] [the Valuation Method]
- (h) Valuation Date: []
- (i) Valuation Method: [insert calculation method]/[As set out in the Conditions]
 N/B: If as set out in the conditions, specify: [Highest]/[Average Highest]/[Market Value]
- (j) Quotation Method: [Bid]/[Mid]/[Ask]
- (k) Quotation Amount: []/[As set out in the Conditions]
- (l) Averaging: Averaging [applies/does not apply] to the Notes.
 [The Averaging Dates are []].
 [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
 [Modified Postponement is applicable]
 (only applicable if Modified Postponement is applicable as an Averaging election)
 [Specified Maximum Days of Disruption will be equal to: []/[eight]]
 (if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)
- (m) Observation Date(s): [Observation Date₍₁₎: [] Observation Date₍₂₎: [] etc.] [Not Applicable]. [In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
- (n) Early Redemption Date(s) corresponding to Observation Date(s): [Early Redemption Date₍₁₎, Early Redemption Date₍₂₎ etc.] [Not Applicable]
- (o) Observation Period: [Specify/Not Applicable]

- (p) Exchange Business Day: [Single Index Basis/All Indices Basis/Per Index Basis/As per Conditions]
- (q) Scheduled Trading Day: [Single Index Basis/All Indices Basis/Per Index Basis/As per Conditions]
(must match election made for Exchange Business Day)
- (r) Exchange(s) and Index Sponsor: the relevant Exchange[s] [is/are] [] and the relevant Index Sponsor is [].
- (s) Related Exchange: [*Specify*/Each exchange or quotation system on which option contracts or futures contracts relating such Index is traded/All Exchanges]
- (t) Relevant Time: [Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.] [The relevant time is [], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] (*N.B. if no Relevant Time is specified, the Valuation Time will be the Scheduled Closing Time*).
- (u) Additional Disruption Events: [(i)] The following Additional Disruption Events apply to the Notes:
(Specify each of the following which applies.)
[Change of Law]
[Hedging Disruption]
[Increased Cost of Hedging]
[Increased Cost of Stock Borrow]
[Loss of Stock Borrow]
- [(ii)] [The Trade Date is []. *[If no Trade Date is specified, Issue Date will be the Trade Date]*

(N.B. only applicable if Change of Law and/or Increased Cost of Hedging is applicable)]
- [(iii)] [The Maximum Stock Loan Rate in respect of [*specify in relation to each security/commodity comprised in an Index*] is [].

(N.B. only applicable if Loss of Stock Borrow is applicable)]
- [(iv)] [The Initial Stock Loan rate in respect of [*specify in relation to each security/commodity comprised in an Index*] is [].

(N.B. only applicable if Increased Cost of Stock Borrow is applicable)]

- (v) Market Disruption: Specified Maximum Days of Disruption will be equal to []/[eight]
- (if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight)*
- (w) Knock-in Event: [Not Applicable/specify/["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- [In the event that a Knock-in Determination Day is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply.]
- (i) SPS Knock-in Valuation [Applicable/Not applicable]
- [If applicable insert relevant provisions from Conditions]*
- (ii) Knock-in Level: [*Specify*]
- (iii) Knock-in Determination Day(s): [*Specify*/Each Scheduled Trading Day in the Knock-in Determination Period]
- (iv) Knock-in Period Beginning Date: [Not Applicable/*specify*]
- (v) Knock-in Period Ending Date: [Not Applicable/*specify*]
- (vi) Knock-in Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]
- (x) Knock-out Event: [Not Applicable/*specify*/["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- [In the event that a Knock-out Determination Day is a Disrupted Day,
- [Omission/Postponement/Modified Postponement] will apply]
- (i) Knock-out Level: [*Specify*]

- (ii) Knock-out Determination Day(s): [*Specify*/Each Scheduled Trading Day in the Knock-out Determination Period]
- (iii) Knock-out Period Beginning Date: [Not Applicable/*specify*]
- (iv) Knock-out Period Ending Date: [Not Applicable/*specify*]
- (v) Knock-out Valuation Time: [Scheduled Closing Time]/[Any time on a Knock-out Determination Day]
- (y) Automatic Early Redemption Event: [Not Applicable/*specify*/"greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Level]/[SPS Automatic Early Redemption Payout in paragraph 24 below applies]

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

- (i) Automatic Early Redemption Amount: [*Specify*/See definition in Condition 20]
- (ii) Automatic Early Redemption Date(s): [*Specify*] [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] *specify any applicable Additional Business Centre (s)*/not adjusted]
- (iii) Automatic Early Redemption Level: [*Specify*]
- (iv) Automatic Early Redemption Rate: [*Specify*] [Not Applicable]
- (v) Automatic Early Redemption Valuation Date(s): [*Specify*]
[In the event that Automatic Early Redemption Date is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply.]

23. Equity Linked Redemption Note Provisions: [Applicable/Not Applicable]

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

- (a) Share(s): []
- (b) ISIN of Share(s): [*Specify*]
- (c) Screen Page/Exchange Code: [*Specify*]

- (d) Strike: []% of the Initial Price
- (e) Formula: [Reverse Convertible]
- (f) Settlement Price: The Settlement Price will be calculated [*insert calculation method*] [As set out in the Conditions]
 [Exchange Rate: []]
- (g) Calculation Agent responsible for calculating any amount due under the Notes: [] (*N.B. Specify name and address*)
- (h) Valuation Date: []
- (i) Averaging: Averaging [applies/does not apply] to the Notes. [The Averaging Dates are []].
 [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
 [Modified Postponement is applicable]
 (*only applicable if Modified Postponement is applicable as an Averaging election*).
 [Specified Maximum Days of Disruption will be equal to: []/[eight]]
 (*if no Specific Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to eight*)
- (j) Observation Date(s): [The Observation Date(s) is/are []/Not Applicable] [In the event that an Observation Date is a Disrupted Date [Omission/Postponement/Modified Postponement] will apply]
- (k) Observation Period: [*Specify/Not Applicable*]
- (l) Exchange Business Day: [Single Share Basis/All Shares Basis/Per Share Basis/As per Conditions]
- (m) Scheduled Trading Day: [Single Share Basis/All Shares Basis/Per Share Basis/As per Conditions]
 (*must match election made for Exchange Business Day*)
- (n) Exchange(s): The relevant Exchange[s] [is/are] []
- (o) Related Exchange(s): [*Specify/Each exchange or quotation system on which option contracts or futures contracts relating to such Share(s) are traded/All Exchanges*]

- (p) Relevant Time: [Scheduled Closing Time/Any time [on the Valuation Date/during the Observation Period.] [The relevant time is [], being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price.] (N.B. if no Relevant Time is specified, the Valuation Time will be the Scheduled Closing Time).
- (q) Additional Disruption Events: [(i)] The following Additional Disruption Events apply to the Notes:
(Specify each of the following which applies.)
[Change of Law]
[Hedging Disruption]
[Insolvency Filing]
[Failure to Deliver]
[Increased Cost of Hedging]
[Increased Cost of Stock Borrow]
[Loss of Stock Borrow]
- [(ii)] [The Trade Date is []]

(N.B. only applicable if Change of Law and/or Increased Cost of Hedging is applicable)]
- [(iii)] [The Maximum Stock Loan Rate in respect of [specify in relation to each relevant Share] is []].

(N.B. only applicable if Loss of Stock Borrow is applicable)]
- [(iv)] [The Initial Stock Loan rate in respect of [specify in relation to each relevant Share] is []].

(N.B. only applicable if Increased Cost of Stock Borrow is applicable)]
- (r) Market Disruption: Specified Maximum Days of Disruption will be equal to []/[eight]

(if no Specific Maximum Days of Disruption is stated, Specified Maximum Days of Disruption will be equal to eight)
- (s) Knock-in Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-in Level]]

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

[In the event that a Knock-in Determination Day is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply.]

- (i) SPS Knock-in Valuation [Applicable/Not applicable]
[If applicable insert relevant provisions from Conditions]
- (ii) Knock-in Level: *[Specify]*
- (iii) Knock-in Determination Day(s): *[Specify/Each Scheduled Trading Day in the Knock-in Determination Period]*
- (iv) Knock-in Period Beginning Date: *[Not Applicable/specify]*
- (v) Knock-in Period Ending Date: *[Not Applicable/specify]*
- (vi) Knock-in Valuation Time: *[Scheduled Closing Time]/[Any time on a Knock-in Determination Day.]*
- (t) Knock-out Event: *[Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to" Knock-out Level]]*
(If not applicable, delete the remaining subparagraphs of this paragraph)

[In the event that a Knock-out Determination Day is a Disrupted Day,
[Omission/Postponement/Modified Postponement] will apply]
- (i) Knock-out Level: *[Specify]*
- (ii) Knock-out Determination Day(s): *[Specify/Each Scheduled Trading Day in the Knock-out Determination Period]*
- (iii) Knock-out Period Beginning Date: *[Not Applicable/specify]*
- (iv) Knock-out Period Ending Date: *[Not Applicable/specify]*
- (v) Knock-out Valuation Time: *[Scheduled Closing Time]/[Any time on a Knock-out Determination Day]*
- (u) Automatic Early Redemption Event: *[Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Level]/[SPS Automatic Early Redemption Payout in paragraph 24 below applies]*

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

- (i) Automatic Early Redemption Amount: [Specify/See definition in Condition 21]
- (ii) Automatic Early Redemption Date(s): [Specify] [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] specify any applicable Additional Business Centre (s)/not adjusted]
- (iii) Automatic Early Redemption Level: [Specify]
- (iv) Automatic Early Redemption Rate: [Specify]
- (v) Automatic Early Redemption Valuation Date(s): [Specify]
[In the event that Automatic Early Redemption Date is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply]
- (v) Delayed Redemption on Occurrence of Extraordinary Events: [Applicable/Not Applicable]
(if not applicable, delete the remaining subparagraph of this paragraph)
[Rate for accrual of interest []/as specified in the Terms and Conditions]
- (w) Delayed Redemption on Occurrence of Additional Disruption Event: [Applicable/Not Applicable]
(if not applicable, delete the remaining subparagraph of this paragraph)
[Rate for accrual of interest []/as specified in the Terms and Conditions]

24. SPS Final Payout:

[Applicable/Not Applicable]

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

[SPS Final Payout - Reverse Convertible Notes

[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions]]

[SPS Final Payout – Vanilla Call Notes

[Insert formula, relevant value(s) and other related provisions from SPS Payout Conditions]]

[Autocall Notes

[Insert related provisions from SPS Payout Conditions]]

25. **[SPS Automatic Early Redemption Payout** *[Insert related provisions from SPS Payout Conditions]]*

Automatic Early Redemption Event: [Not Applicable/[]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"] Automatic Early Redemption Level]

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

Automatic Early Redemption Amount: *[Specify]*

Automatic Early Redemption Date(s): *[Specify]* [adjusted in accordance with [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] *specify any applicable Additional Business Centre (s)/not adjusted]*

Automatic Early Redemption Level: *[Specify]*

AER Redemption percentage: *[Specify]*

AER Rate(i): *[Specify]*

Automatic Early Redemption Valuation Date(s): *[Specify]*

[In the event that Automatic Early Redemption Date is a Disrupted Day, [Omission/Postponement/Modified Postponement] will apply]]

26. Notice periods for Condition 6.2: Minimum period: [30] days
Maximum period: [60] days

27. Issuer Call: [Applicable/Not Applicable]

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

(a) Optional Redemption Date(s): []

(b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[] per Calculation Amount/specify other/see Appendix]

(c) If redeemable in part:

(i) Minimum Redemption Amount: []

- (ii) Maximum Redemption []
Amount:
- (d) Notice periods: Minimum period: [15] days
Maximum period: [30] days
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
28. Investor Put: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (N.B. Not applicable to MREL Eligible Senior Preferred Notes, Senior Non Preferred Notes and Subordinated Notes)*
- (a) Optional Redemption Date(s): []
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [[] per Calculation Amount/specify other/see Appendix]
- (c) Notice periods: Minimum period: [15] days
Maximum period: [30] days
- (N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
29. Redemption upon a MREL Disqualification Event [Applicable/Not Applicable]
- (N.B. Only applicable in case of MREL Eligible Senior Preferred Notes and/or Senior Non Preferred Notes)*
30. Final Redemption Amount: [[] per Calculation Amount/specify other/see Appendix]
31. Early Redemption Amount payable on redemption for taxation reasons or on event [An amount determined by the Calculation Agent in accordance with the Conditions /[[] per Calculation Amount/Fair Market Value minus

of default or as otherwise specified and/or the method of calculating the same: Costs per Calculation Amount/specify other/see Appendix]

(N.B. If the Notes are intended to be held in a manner which would allow Eurosystem eligibility, then the Early Redemption Amount shall be no less than par)

PROVISIONS RELATING TO CREDIT LINKED NOTES

32. Credit Linked Notes: [Applicable/Not Applicable]
- (i) Final Redemption Amount: [[] per Calculation Amount/See paragraph []]
- (ii) Settlement Method: [Auction Settlement/Cash Settlement/Physical Settlement/Not Applicable]
- (N.b. if the Notes are Portfolio Credit Linked Notes specify "Not Applicable")*
- (iii) Calculation Agent City: [London]/[]
- (iv) Portfolio Credit Linked Notes [Applicable and [Zero Recovery/Market Recovery] applies/Not Applicable]
- (v) Reference Entit[y][ies] [and relevant Weighting Percentages]: [] [*Specify. If applicable set out in a Table which may be annexed to these Final Terms and for this item and subsequent items in this paragraph 30 where relevant state: "See the Table annexed to these Final Terms"*]
- [If the Notes are Portfolio Credit Linked Notes linked to a credit index, insert and complete as applicable:*
- The Reference Entities and their relevant weighting percentages comprising the Index as at the Trade Date
- Index** means, []
- Index Publisher** means, []
- Index Sponsor** means, []
- Annex Date** means []
- (vi) Reference Obligations: [Standard Reference Obligation: [Applicable][Not Applicable]]
- [If Standard Reference Obligation is specified as "Applicable" and "Additional Provisions for Senior Non-Preferred Reference Obligations" is not applicable, insert and complete as applicable:*

Seniority Level: [Senior Level][Subordinated Level]]

[If the Notes are Portfolio Credit Linked Notes and if applicable insert:

Standard Reference Obligation: Applicable if specified in the [Index/Table] for a Reference Entity only

[Seniority Level: As specified in the [Index/Table] for a Reference Entity]

(N.b. "Seniority Level" should not be included if the "Additional Provisions for Senior Non-Preferred Reference Obligations" are applicable to all Reference Entities. If the "Additional Provisions for Senior Non-Preferred Reference Obligations" are applicable to some only of the Reference Entities, in the Table this should be specified as "As set out in the Credit Linked Conditions" for those Reference Entities)

[If the Notes are Portfolio Credit Linked Notes and if applicable insert:

Reference Obligation: The Reference Obligation, if any, set out opposite the relevant Reference Entity in the [Index Annex/Table]

[The obligations identified as [] follows:

Primary Obligor: []

Guarantor: []

Maturity: []

Coupon: []

CUSIP/ISIN: []]

(vii) All Guarantees: [Applicable/Not Applicable/See Physical Settlement Matrix]

(viii) Credit Events: [See Physical Settlement Matrix]

[Bankruptcy]

[Failure to Pay]

[Grace Period Extension: [Applicable/Not Applicable/See Physical Settlement Matrix]

[If Applicable insert:

Grace Period: [[]]]]

[Obligation Default]

[Obligation Acceleration]

[Repudiation/Moratorium]

[Restructuring]

Provisions relating to Restructuring Credit Event: Credit Linked Condition 14 [Applicable/Not Applicable]

Provisions relating to Multiple Holder Obligation: Credit Linked Condition 15 [Applicable/Not Applicable]

[Mod R [Applicable/Not Applicable]]

[Mod Mod R [Applicable/Not Applicable]]

[Governmental Intervention]

Default Requirement: []

Payment Requirement: []

Credit Event Backstop Date Amendment: [Applicable/Not Applicable]

(ix) Notice of Publicly Available Information: [Applicable/Not Applicable]

[If Applicable insert:

Public Source(s): [As defined in Credit Linked Condition 13]/[specify other]

Specified Number: [2]/[specify other]

(x) Obligation(s):

Obligation Category: [See Physical Settlement Matrix]

(select one only) [Payment]

[Borrowed Money]

- [Reference Obligation Only]
- [Bond]
- [Loan]
- [Bond or Loan]
- [None]
- Obligation Characteristics: [See Physical Settlement Matrix]
- (select all of which apply) [Not Subordinated]
- [Credit Linked Specified Currency:
- [specify currency] [Standard Specified Currencies]]
- [Not Sovereign Lender]
- [Not Domestic Currency]
- [Domestic Currency means: [specify currency]]
- [Not Domestic Law]
- [Listed]
- [Not Domestic Issuance]
- Additional Obligation(s): [None]/[specify other]
- (xi) Excluded Obligation(s): [None]/[specify other]
- (xii) Accrual of Interest upon Credit Event: [Applicable/Not Applicable]
- (N.B "Not Applicable" should be specified for Portfolio Credit Linked Notes)
- (xiii) Merger Event: Credit Linked Condition 12 [Applicable/Not Applicable]
- [If Applicable insert:
- [Merger Event Redemption Amount:[]]
- Merger Event Redemption Date:[]]
- (xiv) Unwind Costs: [Standard Associated Costs/other/Not Applicable]
- (xv) Credit Event Redemption Amount: [[] per Calculation Amount]/[Credit Linked Condition 13 applies]

- (xvi) Credit Event Redemption Date: [Subject to Credit Linked Condition 11 (Settlement Suspension), [[] Business Days following the latest of] [the date falling [] Business Days following the latest of] [(i) the Auction Settlement Date or the date on which the Final Price is determined if Cash Settlement applies or is applicable as the Fallback Settlement Method and (ii) the Credit Event Determination Date]
- (N.b. Credit Event Redemption Amount and Credit Event Redemption Date above are only applicable where the Auction Settlement and/or Cash Settlement may apply. Other terms relating to valuation below will be relevant to consider in any circumstances where a Final Price is required to be calculated)*
- (xvii) Valuation Date: [Applicable/Not Applicable]
- [Single Valuation Date:
[] Business Days]
- [Multiple Valuation Dates:
[] Business Days; and each [] Business Day thereafter
Number of Valuation Dates: []]
- (xviii) Valuation Time: [11 a.m. London time]/[]/[Not Applicable]
- (xix) Indicative Quotations: [Applicable/Not Applicable]
- (xx) Quotation Method: [Bid/Offer/Mid-market]/[Not Applicable]
- (xxi) Quotation Amount: [[]/Representative Amount]/[Not Applicable]
- (xxii) Minimum Quotation Amount: []/[Not Applicable]
- (xxiii) Quotation Dealers: []/[Not Applicable]
- (xxiv) Accrued Interest: [Include Accrued Interest/Exclude Accrued Interest/Not Applicable] [Credit Linked Condition 13 applies]
- (xxv) Valuation Method: [Market/Highest/Weighted Highest]
[Average Market/Highest/Average Highest]
[Not Applicable]
- (N.b. "Not Applicable" should be specified for Zero Recovery Portfolio Credit Linked Notes)*

Additional terms relating to Auction Settlement

(xxvi) Fallback Settlement Method: [Cash Settlement]/[Physical Settlement]/[Not Applicable]

Terms relating to Deliverable Obligations

(xxvii) Deliverable Obligations

The following are relevant to determining Valuation Obligations and do not imply that Physical Settlement will occur under the Notes which are cash settled or credit linked interest only:

Deliverable Obligation Category: [See Physical Settlement Matrix]

[Payment]

(select one only)

[Borrowed Money]

[Reference Obligation Only]

[Bond]

[Loan]

[Bond or Loan]

Deliverable Obligation [See Physical Settlement Matrix]

Characteristics:

[Not Subordinated]

(select all of which apply)

[Credit Linked Specified Currency:

[specify currency] [Standard Specified Currencies]]

[Not Sovereign Lender]

[Not Domestic Currency]

[Domestic Currency means: [specify currency]]

[Not Domestic Law]

[Listed]

[Not Domestic Issuance]

[Assignable Loan]

[Consent Required Loan]

[Direct Loan Participation]

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

[Transferable]

[Maximum Maturity: []]

[Accelerated or Matured]

[Not Bearer]

[Sovereign No Asset Package Delivery:
[Applicable/Not Applicable/See Physical
Settlement Matrix]

Additional Deliverable []
Obligation(s):

(xxviii) Excluded Deliverable Obligation(s): []

Other terms

(xxix) Physical Settlement Matrix: [Applicable/Not Applicable]

[If the Physical Settlement Matrix applies insert:

Date of Physical Settlement Matrix: *[specify date]*

Transaction Type: [Standard North American
Corporate/Standard European Corporate/Standard
European Financial Corporate/Standard European
CoCo Financial Corporate/Standard Subordinated
European Insurance Corporate /Standard Emerging
European Corporate/Standard Latin America
Corporate B/Standard Latin America Corporate BL/
Standard Australia Corporate/Standard Australia
Financial Corporate/Standard New Zealand
Corporate/Standard New Zealand Financial
Corporate/Standard Japan Corporate/Standard
Japan Financial Corporate/Standard Singapore
Corporate/Standard Singapore Financial
Corporate/Standard Asia Corporate/Standard Asia
Financial Corporate/Standard Sukuk
Corporate/Standard Western European
Sovereign/Standard Latin America
Sovereign/Standard Emerging European & Middle
Eastern Sovereign/Standard Australia
Sovereign/Standard New Zealand
Sovereign/Standard Japan Sovereign/Standard
Singapore Sovereign/Standard Asia

Sovereign/Standard Sukuk Sovereign/Standard U.S. Municipal Full Faith and Credit/Standard U.S. Municipal General Fund/Standard U.S. Municipal Revenue/Standard European Senior Non-Preferred Financial Corporate] (*Specify per Reference Entity*)

[If the Notes are Portfolio Credit Linked Notes insert:

For the purposes of the Reference Entities listed in the Index Annex, the Transaction Type under the Physical Settlement Matrix is as specified in the Index. As at the Trade Date the Reference Entities comprising the Index are *[specify each relevant Transaction Type from the list above]*

(N.b. depending on the date of the Physical Settlement Matrix consider whether a supplement is required to amend the Credit Linked Conditions and/or pro forma Final Terms to reflect any amendments to the Physical Settlement Matrix reflected in that new version)

(xxx) Subordinated European Insurance Terms: [Applicable/Not Applicable/See Physical Settlement Matrix]

(xxxii) Financial Reference Entity Terms: [Applicable/Not Applicable/See Physical Settlement Matrix]

(xxxiii) Reference Obligation Only Termination Amount: [[]/Not Applicable]

(N.b. to be specified for the purposes of Credit Linked Condition 18 for Reference Obligation Only Notes relating to a single Reference Entity)

(xxxiv) Provisions relating to CoCo Reference Entities: Credit Linked Condition 22 [Applicable/Not Applicable/See Physical Settlement Matrix]

[If Applicable, insert if required:

Trigger Percentage: []

(N.b. If applicable this should be specified for each Reference Entity)

(xxxv) Credit Linked Business Day Convention: [Following/Modified Following/Preceding]

(xxxvi) Provisions relating to Senior Non-Preferred Reference Obligations: Credit Linked Condition 23: [Applicable [for all Reference Entities]/Not Applicable [for all Reference Entities]/See Physical Settlement Matrix [for each Transaction Type as specified in the Index] /See the Table annexed to these Final Terms]

(N.b. Only specify "See the Table annexed to these Final Terms" if the "Additional Provisions for Senior Non-Preferred Reference Obligations" are applicable to some only of the Reference Entities. If a table is specified, the table should then include a column specifying to which Reference Entities these provisions apply)

(xxxvi) 2019 Narrowly Tailored Credit Event Provisions: Credit Linked Condition 24: [Applicable/Not Applicable/See Physical Settlement Matrix [for each Transaction Type as specified in the Index]]

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

[Fallback Discounting: [Applicable/Not Applicable/See Physical Settlement Matrix]]

Credit Deterioration Requirement: [Applicable/Not Applicable/See Physical Settlement Matrix [for each Transaction Type as specified in the Index]]

(xxxvii) Limited Recourse Provisions: [Applicable/Not Applicable/See Physical Settlement Matrix]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

33. Provisions applicable to Physical Delivery: [Applicable/Not Applicable/Physical Delivery Option [1/2/3]]

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

(a) Entitlement in relation to each Note: [The Entitlement Amount in relation to each Note is:

[Delivery of Worst-Performing Underlying applicable:

[Insert formula from SPS Payout Conditions]

[Calculation Amount: [●]]

Redemption Payout: [●]

SPS Valuation Date: [●]]

[Delivery of Best-Performing Underlying applicable:

[Insert formula from SPS Payout Conditions]

[Calculation Amount: [●]]

Redemption Payout: [●]

SPS Valuation Date: [●]

[Delivery of the Underlying applicable:

[Insert formula from SPS Payout Conditions]

[Calculation Amount: [●]]

Redemption Payout: [●]

SPS Valuation Date: [●]

- (b) Asset Amount in relation to each Note: *[Specify]*
- (c) [Relevant Asset(s): *[As specified above]/The relevant asset[s] to which the Notes relate [is/are] [specify].*
- (d) [Settlement Business Day(s): *[Specify]*
34. Variation of Settlement: *[Applicable / Not Applicable]*
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Issuer's option to vary settlement: The Issuer [has/does not have] the option to vary settlement in respect of the Notes.
- (b) Variation of Settlement of Physical Delivery Notes: *[Notwithstanding the fact that the Notes are Physical Delivery Notes, the Issuer may make payment of the Redemption Amount on the Maturity Date./The Issuer will procure delivery of the Asset Amount in respect of the Notes.]*
35. Form of Notes:
- (a) Form: *[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes upon an Exchange Event]]*
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date]*
- [Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event]*
- (b) New Global Note: *[Yes][No]*
36. Additional Financial Centre(s): *[Not Applicable/give details]*
- (Note that this paragraph relates to the date of payment and not Interest Period end dates to which subparagraphs 15(c) and 19(e) relate)*

37. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]
38. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details. *N.B. A new form of Temporary Global Note and/or Permanent Global Note may be required for Partly Paid issues*]
39. Details relating to Instalment Notes: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (a) Instalment Amount(s): [give details]
- (b) Instalment Date(s): [give details]
40. Other terms or special conditions: [Not Applicable/give details]
41. In case the Notes are issued in a form not contemplated by the Terms and Conditions: [*Specify variations to the Terms and Conditions (N.B.: Where Exempt Notes are to be admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange or listed on the Luxembourg Stock Exchange's Securities Official List, these variations shall be limited to the features of the interest and redemption basis.)*]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

[*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of **Banque et Caisse d'Epargne de l'Etat, Luxembourg**:

By: Name:

Title:

PART B – OTHER INFORMATION

1. LISTING [AND ADMISSION TO TRADING]

Listing

[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be listed on [the official list of the Luxembourg Stock Exchange][the Securities Official List of the Luxembourg Stock Exchange without admission to trading][*specify other market – note this must not be a regulated market*] with effect from []]. [Not Applicable]

Admission to trading

[Application has been made for the Notes to be admitted to trading on [Euro MTF market of the Luxembourg Stock Exchange] [*or specify other market*] with effect from []]. [Not Applicable]

2. [EU Benchmark Regulation: EU Benchmarks Regulation: Article 29(2) statement on benchmarks:

[Applicable: Amounts payable under the Securities are calculated by reference to [*insert name[s] of Benchmark[s]*]/the [relevant] Benchmark], which [is/are] provided by [*insert name[s] of the Administrator[s]*]/the [relevant] Administrator[, as specified in the table below] (*if more than one, specify in relation to each relevant Benchmark*)].

[As at the date of these Final Terms, [*insert name[s] of the Administrator[s]*]/the [relevant] Administrator[s]][[is/are] not included]/[[is/are] included][, as the case may be] specified in the table below] [is/are] [not] included in the register of Administrators and Benchmarks established and maintained by the European Securities and Markets Authority [(ESMA)] pursuant to article 36 of the Benchmarks Regulation (Regulation (EU) 2016/1011) [(the BMR)][, as specified in the table below].

[As far as the Issuer is aware, [[*insert name of Benchmark[s]*]/the [relevant] Benchmark] [does/do] not fall within the scope of the BMR by virtue of Article 2 of the BMR.]/[the transitional provisions in Article 51 of the BMR apply, such that the [relevant] Administrator is not currently required to obtain authorisation/registration[, as specified in the table below].] [*repeat as necessary or insert necessary information in a table below*]]

[Benchmark]	Administrator	Register	Other Information
[●]	[●]	[●]	[●]

[Not Applicable]

3. RATINGS

Ratings:

[Not Applicable] [The Notes to be issued [[have been]/[are expected to be]] rated [insert details] by [insert the legal name of the relevant credit rating agency entity(ies)].]

(The above disclosure is only required if the ratings of the Notes are different to those stated in the Prospectus)

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for the fees [of [insert relevant fee disclosure]] payable to the [Manager(s)/Dealer(s)], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest including any conflicting interest material to the issue. The Manager(s)/Dealer(s) and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business – *Amend as appropriate if there are other interests*]

5. REASONS FOR THE OFFER

[Include “use of proceeds” wording if the proceeds of the Notes will specifically be used for projects and/or activities that promote climate-friendly and other environmental purposes (green projects)]

6. PERFORMANCE OF INDEX/SHARE AND OTHER INFORMATION CONCERNING THE UNDERLYING⁶

[Not Applicable]/

[Need to include details of where past and future performance and volatility of the index/share can be obtained.]

[Name of the Issuer of the underlying security: []]

[N.B. this shall not be the Issuer or an entity belonging to the Issuer's group]

ISIN: []

Index name: []

Relevant weightings of each underlying in the basket: []

Source of information relating to the [] [index/indices/share]:

Place where information to the [] [index/indices/share] can be obtained:

⁶ Include for Notes to be admitted to trading on the Euro MTF.

In respect of Credit Linked Notes, (A) set out where information on past and future performance and volatility of each Reference Entity can be obtained by electronic means and whether or not it can be obtained free of charge and (B) where no Reference Obligation or Reference Entity represents 20% or more of the basket or index of Reference Entities either (i) set out in a table (a) the names of the reference entities and (if different) issuers of the Reference Obligation; and (b) the ISIN of the Reference Obligation or (ii) where such information is already included in item 31 of the Final Terms, include a cross reference thereto or (iii) in respect of all other Credit Linked Notes insert:

Certain information in relation to [the][each] Reference Entity and [[Non-]Standard Reference Obligation] (if any) as at the Issue Date is set out below.

Name:

Address:

Country of incorporation:

Industry or industries of operation: (For example financials, energy, insurance, manufacturing, construction, transport, media determined on the basis of available information on the Reference Entity)

Market[s] on which securities are admitted to trading:

[[Non-]Standard Reference Obligation] [Not Applicable]
Securities Code:

(The information above should be completed so far as the Issuer is aware and/or able to ascertain from information published by the relevant Reference Entity and should be repeated for each Reference Entity. Country of incorporation, industry and address will be "Not Applicable" for a Sovereign Reference entity and Securities Code (eg. ISIN/CUSIP) will be "Not Applicable" if there is no Reference Obligation or it has no securities code.)

As at the Issue Date information in relation to the past and future performance of [[the] [each] Reference Entity] *[[insert Reference Entity name]]* is available [free of charge/at a charge] from *[[insert electronically displayed sources such as Bloomberg]]*. (Repeat for each Reference Entity as applicable)

7. UNDERLYING DISCLAIMER⁷

[[For use in connection with Indices (including Inflation Indices)]]

[[Not Applicable]]

[The issue of this series of Notes (in this paragraph, the **Transaction**) is not sponsored, endorsed, sold, or promoted by *[[NAME OF INDEX]]* (the **Index**) or *[[NAME OF INDEX SPONSOR]]* (the **Index Sponsor**) and the Index Sponsor does not make any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. No Index or Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Index. No Index Sponsor is making any representation whatsoever, whether express or implied, as to the

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Include for Index Linked Redemption Notes and Inflation Linked Interest Notes.

advisability of purchasing or assuming any risk in connection with entering into any Transaction./ *insert index disclaimer as per the relevant agreement with the respective Index Sponsor*] [The Issuer shall not have any liability for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Except as disclosed prior to the Issue Date, neither the Issuer nor its affiliates have any affiliation with or control over the Index or Index Sponsor.]

8. OPERATIONAL INFORMATION

- (a) ISIN: []
- (b) Common Code: []
- (c) CFI: [[See/[[*include code*]]⁸, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (d) FISN: [[See/[[*include code*]]⁹, as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (e) Any clearing system(s) other than Euroclear and Clearstream Luxembourg and the relevant identification number(s): [Not Applicable/give *name(s) and number(s)*]
- (f) Delivery: Delivery [against/free of] payment
- (g) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that the Eurosystem eligibility criteria have been met]
- [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem

⁸ The actual code should only be included where the issuer is comfortable that it is correct.

⁹ The actual code should only be included where the issuer is comfortable that it is correct.

¹⁰ This formulation to be used if the Issuer has not made a determination regarding whether the Notes are Specified Notes as of the date of the Pricing Supplement.

monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

9. DISTRIBUTION

- (a) Method of distribution: [Syndicated/Non-syndicated]
- (b) If syndicated, names of Managers: [Not Applicable/give names and addresses]
- (c) Date of Subscription Agreement: []
- (d) Stabilisation Manager(s) (if any): [Not Applicable/give name]
- (e) If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
- (f) U.S. Selling Restrictions: [Reg. S Category 2; TEFRA D/TEFRA C/TEFRA not applicable]
- (g) Additional selling restrictions: [Not Applicable/give details]
- (h) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared in the EEA, "Applicable" should be specified.)
- (i) Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute "packaged" products or the Notes do constitute "packaged" products and a key information document will be prepared, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared in the UK, "Applicable" should be specified.)

10. U.S. FEDERAL INCOME TAX CONSIDERATIONS

[The Notes are [not] Specified Notes for the purposes of Section 871(m).] [*The Notes will not be Specified Notes if they do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Notes reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities, further analysis would be required.*] [Additional information regarding the application of Section 871(m) to the Notes will be available [*provide appropriate contact details or location of such information*].] [As at the date of this Pricing Supplement, the Issuer has not determined whether the Notes are Specified Notes for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986; however, indicatively it considers that they will [not] be

Specified Notes for these purposes. This is indicative information only, subject to change, and if the Issuer's final determination is different then it will give notice of such determination. [Further information regarding the application of Section 871(m) to the Notes will be available [provide appropriate contact details or location of such information].]¹⁰ (The Notes will not be Specified Notes if they (i) are issued prior to January 1, 2025 and are not "delta-one" for U.S. tax purposes or (ii) do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Notes reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities and (i) are issued prior to January 1, 2025 and provide a return that does not differ significantly from the return on an investment in the underlying, or (ii) are issued on or after January 1, 2025, further analysis would be required. If the Notes are Specified Notes, include the "Additional information" sentence and provide the appropriate contact information at the Issuer.)]

11. PROVISIONS RELATING TO GREEN BONDS

Green Bonds	[Yes/No]
[Reviewer(s):]	[Name of sustainability rating agency(ies) [and name of third party assurance agent] and [give details of compliance opinion(s) and availability]]
[Date of third party opinion(s):]	[Not Applicable/give details]

¹⁰ This formulation to be used if the Issuer has not made a determination regarding whether the Notes are Specified Notes as of the date of the Pricing Supplement.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes to be issued by the Issuer which will include the additional terms and conditions for payouts of Notes contained in Annex 1, the additional provisions applicable to Index Linked Redemption Notes, Equity Linked Redemption Notes and Index Linked Interest Notes contained in Annex 2 and the additional provisions applicable to Credit Linked Notes contained in Annex 3 and which, subject to completion in accordance with the provisions of the applicable Final Terms, will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the rules of the relevant stock exchange (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed upon or attached thereto such Terms and Conditions. The applicable Pricing Supplement in relation to any Tranche of Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be incorporated in, or attached to, each Global Note and definitive Note. Reference should be made to "applicable Final Terms" above for a description of the content of Final Terms which will include the definitions of certain terms used in the following Terms and Conditions or specify which of such terms are to apply in relation to the relevant Notes.

References to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (b) definitive Notes issued in exchange for a Global Note; and
- (c) any Global Note.

The Notes, the Receipts (as defined below) and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement (such Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 30 June 2023 made between the Issuer, Banque et Caisse d'Epargne de l'Etat, Luxembourg, as principal paying agent and agent bank (the **Agent**, which expression shall include any successor as agent) the other paying agents named therein (together with the Agent, the **Paying Agents**, which expression shall include any additional or successor paying agents) and the Issuing Agent (the **Issuing Agent**, which expression shall include any successor Issuing Agent).

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which supplement these Terms and Conditions (the **Conditions**) or, if this Note is a Note which is neither admitted to trading on a regulated market in the European Economic Area (**EEA**) nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation (an **Exempt Note**), the final terms (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Note. Any reference in the Conditions to **applicable Final Terms** shall be deemed to include a reference to **applicable Pricing Supplement** where relevant. The expression **Prospectus Regulation** means (EU) 2017/1129. References to the **applicable Final Terms** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

Interest bearing definitive Notes have interest coupons (**Coupons**) and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Exempt Notes in definitive form which are repayable in instalments have receipts (**Receipts**) for the payment of the instalments of principal (other than the final instalment) attached on issue.

Any reference to **Noteholders** or **holders**, shall mean the holders of the Notes and shall, in relation to any Notes represented by a global Note, be construed as provided below. Any reference to **Receiptholders** shall mean the holders of the Receipts and any reference to **Couponholders** shall mean the holders of any Coupons and shall, unless the context otherwise requires, include the holders of any Talons.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Owners of interests in a global Note governed by Luxembourg law will, subject to proof of ownership of such interest, be entitled to proceed directly against the Issuer either individually or, following the appointment of a Noteholder's representative, collectively through such representative, pursuant to articles 470-3 to 470-19 of the Companies Act 1915.

A copy of the Agency Agreement is available for inspection free of charge during normal business hours at the specified office of each of the Agent and the other Paying Agents or may be provided by email to a Noteholder following their prior written request to the Agent or any Paying Agent and provision of proof of holding and identity (in a form satisfactory to the Agent or the relevant Paying Agent). If the Notes are to be admitted to trading on the regulated market of the Luxembourg Stock Exchange, the applicable Final Terms will be published on the website of the Luxembourg Stock Exchange (www.luxse.com). If this Note is an Exempt Note, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of such Notes and identity. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms which are binding on them.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

1. Form, Denomination and Title

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denomination (the **Specified Denomination(s)**) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note is a Senior Note, and in case of a Senior Note, either a Senior Preferred Note or a Senior Non Preferred Note (each as defined below), or a Subordinated Note, as indicated in the applicable Final Terms.

Unless this Note is an Exempt Note, this note may be, to the extent specified in the applicable Final Terms, a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a Note linked to the underlying reference asset(s) (an **Underlying Reference(s)**) specified in the applicable Final Terms such as an Inflation Linked Interest Note, a Range Accrual Note, a Dual Range Accrual Note, an Index Linked Redemption Note, an Equity Linked Redemption Note, a Credit Linked Note or any appropriate combination thereof.

If this Note is an Exempt Note, this Note may also be an Index Linked Interest Note, an Instalment Note, a Partly Paid Note or a combination of any of the foregoing, depending on the Redemption/Payment Basis shown in the applicable Pricing Supplement.

Notes in definitive form are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

In the case of any Equity Linked Redemption Notes and any Credit Linked Notes the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes) will specify whether the Notes are Cash Settled Notes or Physical Delivery Notes. Save as otherwise specified in the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes), **Cash Settled Notes** will be redeemed by the payment to the Noteholders of such amount as is specified in the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes) and **Physical Delivery Notes** will be redeemed by the delivery of the Relevant Asset(s) specified in the applicable Final Terms (or Pricing Supplement in the case of Exempt Notes).

Subject as set out below, title to the Notes, Receipts and Coupons will pass by delivery. The Issuer and any Paying Agent may, except as ordered by a court of competent jurisdiction or as required by law, deem and treat the bearer of any Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a global Note held on behalf of Euroclear Bank SA/NV (**Euroclear**) and/or Clearstream Banking S.A. (**Clearstream, Luxembourg**) each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes 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 and any Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant global Note shall be treated by the Issuer and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note (and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly). Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

2. **Status of the Notes**

The applicable Final Terms (or Pricing Supplement in the case of Exempt Notes) will indicate whether the Notes are Senior Preferred Notes, Senior Non Preferred Notes or Subordinated Notes.

2.1 *Status of the Senior Notes*

The applicable Final Terms (or Pricing Supplement in the case of Exempt Notes) will indicate whether the Senior Notes are senior preferred Notes (the **Senior Preferred Notes**) or senior non preferred Notes (the **Senior Non Preferred Notes**).

(a) *Status of the Senior Preferred Notes*

If the Notes are specified as Senior Preferred Notes in the applicable Final Terms, the Senior Preferred Notes and the relative Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and rank *pari passu* among

themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations and any obligations permitted by law to rank junior to Senior Preferred Notes, if any) of the Issuer from time to time outstanding.

(b) *Status of the Senior Non Preferred Notes*

If the Notes are specified as Senior Non Preferred Notes in the applicable Final Terms, the Senior Non Preferred Notes, Receipts and Coupons are direct, unconditional, unsecured and senior obligations of the Issuer according to the ranking referred to in article 152(3) of the Resolution Law (together, the **Statutory Second Ranking Senior Liabilities**), and rank and shall at all times rank within the senior and unsecured liabilities of the Issuer:

- (i) *pari passu* and without any preference among themselves;
- (ii) *pari passu* with any other obligations or instruments of the Issuer that rank, or are expressed to rank, equally with the Senior Non Preferred Notes, Receipts and Coupons (the **Senior Parity Liabilities**);
- (iii) senior to the Issuer's ordinary shares and any other obligations or capital instruments of the Issuer that rank, or are expressed to rank, junior to the Senior Non Preferred Notes, Receipts and Coupons, including any obligations or capital instruments of the Issuer which constitute Additional Tier 1 capital under Article 52 of Commission Regulation (EU) No 575/2013 or Tier 2 capital under Article 63 of Commission Regulation (EU) No 575/2013 or which rank or are expressed to rank *pari passu* with Additional Tier 1 capital or Tier 2 capital (together, the **Subordinated Obligations**); and
- (iv) junior to present and future claims of unsubordinated creditors of the Issuer (including, for the avoidance of doubt, any senior notes issued by the Issuer that constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and that at all times rank *pari passu* and without any preference among themselves) (the **Statutory Ordinary Senior Liabilities**).

Upon the insolvency of the Issuer or if any order is made by any competent court or resolution passed for the Liquidation (as defined in Condition 2.4) of the Issuer, save as may be provided by mandatory applicable legislation in relation to creditors' rights, Noteholders, Couponholders and Receiptholders will have a right to of principal payment under the Senior Non Preferred Notes and of Coupons and Receipts:

- (i) only after, and subject to, payment in full in respect of Statutory Ordinary Senior Liabilities or any present and future claims benefiting from statutory preferences or otherwise ranking in priority to the Senior Non Preferred Notes, Coupons and Receipts; and
- (ii) in full, in priority to claims in respect of Subordinated Obligations and other present and future claims otherwise ranking junior to the Statutory Second Ranking Senior Liabilities.

Subject to the application of the Resolution Law or the Single Resolution Mechanism (SRM) in Luxembourg, the Senior Preferred Notes and the Senior Non Preferred Notes may be subject to write-down or conversion by a relevant authority which may result in the Noteholders and Couponholders losing some or all of their investment, as described in "Risk Factors - Bail-in tool under BRRD II".

2.2 *Status and Subordination of Subordinated Notes*

(a) *Status of Subordinated Notes*

If the Notes are specified as Subordinated Notes in the applicable Final Terms, the Notes and the relative Receipts and Coupons relating to them constitute direct, unsecured and subordinated

obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves. The rights and claims of the holders of Subordinated Notes and the relative Receipts and Coupons against the Issuer in respect of such Subordinated Notes and the relative Receipts and Coupons (including any damages (if payable)) are subordinated to the claims of Senior Creditors (as defined below).

Notes that constitute Tier 2 Capital will have a minimum maturity of five years. Any reductions of Tier 2 Capital of the Issuer will need a prior approval of the Regulator.

(b) *Subordination of Subordinated Notes*

In the event of the Liquidation of the Issuer, the rights of the holders of the Subordinated Notes and the relative Receipts and Coupons against the Issuer in respect of such Subordinated Notes and the relative Receipts and Coupons (including any damages) if payable) shall:

- (i) be subordinated to the claims of all Senior Creditors;
- (ii) rank *pari passu* with the claims of all other subordinated creditors of the Issuer which in each case by law rank, or by their terms are expressed to rank, *pari passu* with the Subordinated Notes; and
- (iii) rank senior to the claims of holders of the Issuer's ordinary shares, preference shares and any junior subordinated obligations or other securities of the Issuer which by law rank, or by their terms are expressed to rank, junior to the Subordinated Notes.

Subject to the application of the Resolution Law or the Single Resolution Mechanism (SRM), the Subordinated Notes may be subject to write-down or conversion by a relevant authority which may result in the Noteholders and Couponholders losing some or all of their investment, as described in "Risk Factors – Loss absorption at the point of non-viability" and "Bail-in tool under BRRD II".

2.3 *No set-off*

Subject to applicable law, no Noteholder or Couponholder may exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amount owed to it by the Issuer arising under, or in connection with, the Notes or Coupons and each Noteholder or Couponholder shall, by virtue of its holding of any Notes or Coupons (as the case may be), be deemed to have waived all such rights of set-off, compensation or retention. Notwithstanding the above, if any amounts due and payable to any Noteholder or Couponholder by the Issuer in respect of, or arising under, the Notes or Coupons are discharged by set-off, such Noteholder or Couponholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or the liquidator or administrator of the Issuer as the case may be) and, until such time as payment is made, shall hold an amount equal to such amount in a fiduciary (*fiduciaire*) capacity, or where applicable law permits, in trust for the Issuer (or the liquidator or administrator of the Issuer, as the case may be) and, accordingly, any such discharge shall be deemed not to have taken place.

2.4 *Defined Terms*

In these Conditions:

Bail-in Power means any power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Luxembourg relating to (i) the transposition of the BRRD as amended or superseded from time to time, (ii) Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No.

1093/2010 (as amended or superseded from time to time, the **SRM Regulation**) and (iii) the instruments, rules and standards created thereunder, pursuant to which any obligation of certain entities as set out in such law, regulation, rules or requirements can be reduced, cancelled, suspended, modified, or converted into shares, other securities, or other obligations;

BRRD means Directive 2014/59/EU of 15 May 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms or such other directive as may come into effect in place thereof, as implemented in Luxembourg and as amended or replaced from time to time and including any other relevant implementing regulatory provisions;

Liquidation means if an order is made or an effective resolution is passed for the judicial liquidation (*liquidation judiciaire*) of the Issuer in accordance with Articles 129ff. of the Luxembourg law of 18 December 2015 on the default of credit institutions and certain investment firms, *as amended* (the **Resolution Law**) or an effective resolution is passed for the voluntary liquidation (*liquidation volontaire*) of the Issuer in accordance with Article 128 of the Resolution Law;

Regulated Entity means any entity to which BRRD, as implemented in Luxembourg and as amended or superseded from time to time, or any other Luxembourg piece of legislation relating to the Bail-in Power, applies, which includes, certain credit institutions, investment firms, and certain of their parent or holding companies;

Senior Creditors means creditors of the Issuer (i) who are depositors and/or other unsubordinated creditors of the Issuer (including holders of Senior Notes); (ii) whose claims are or are expressed to be subordinated (whether only in the event of the Liquidation of the Issuer or otherwise) to the claims of unsubordinated creditors of the Issuer, other than those whose claims by law rank, or by their terms are expressed to rank, *pari passu* with, or junior to, the claims of the Noteholders and holders of the relevant Coupons;

3. Negative Pledge in respect of Senior Notes

If the Notes are specified as Senior Notes in the applicable Final Terms, so long as any of the Notes remain outstanding (as defined in the Agency Agreement), the Issuer will not create or permit to be outstanding any pledge, mortgage, charge or other security interest for the benefit of the holders of any Securities (as defined below) upon the whole or any part of the property or assets, present or future, of the Issuer to secure (a) any payment due in respect of any Securities (b) any payment under any guarantee of any Securities or (c) any payment under any indemnity or other like obligation relating to any Securities, in any such case in which:

- (a) either such Securities are by their terms originally denominated or originally payable, or confer a right to receive payment, in any currency other than Euro or all such Securities are originally denominated or originally payable in Euro and more than 50% of the aggregate principal amount thereof is initially distributed outside Luxembourg by or with the authorisation of the issuer thereof; and
- (b) such Securities are for the time being, or are intended to be, quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the-counter or other similar securities market,

without in any such case at the same time according to the Notes, the Receipts and the Coupons the same security as is granted to or is outstanding in respect of such Securities or such guarantee, indemnity or other like obligation or such other security or arrangement as shall be approved by an Extraordinary Resolution of the Noteholders. For the purposes of this Condition, **Securities** means bonds, debentures, notes or other similar securities of the Issuer or any other person with a stated maturity of more than one year from the creation thereof.

4. Interest

The applicable Final Terms will indicate whether the Notes are Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes, Inflation Linked Interest Notes, Range Accrual Notes, Dual Range Accrual Notes or, in the case of Exempt Notes, whether a different interest basis applies.

4.1 *Interest on Fixed Rate Notes*

This Condition 4.1 applies to Fixed Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 4.1 for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction and any applicable Determination Date.

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the fixed Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date. The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date and, if the first anniversary of, or other relevant period following, the Interest Commencement Date is not an Interest Payment Date, in the case of Notes in definitive form will amount to the Initial Broken Amount specified in the applicable Final Terms. In the case of Notes in definitive form, if the Maturity Date is not an Interest Payment Date, interest from and including the preceding Interest Payment Date (or the Interest Commencement Date) to the Maturity Date will amount to the Final Broken Amount specified in the applicable Final Terms. If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on such date will amount to the Fixed Coupon Amount.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (a) in the case of Fixed Rate Notes which are represented by a global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (b) in the case of Fixed Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Fixed Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount to the Calculation Amount in the case of Fixed Rate Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Conditions:

Determination Date(s) means the date(s) specified in the applicable Final Terms;

Determination Period means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

Fixed Day Count Fraction means, in respect of the calculation of an amount of interest for any Fixed Interest Period:

- (a) if **Actual/360** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (b) if **30/360**, **360/360** or **Bond Basis** is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.
- (c) if **30E/360** or **Eurobond Basis** is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of an Interest Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month); and
- (d) if **Actual/Actual (ICMA)** is specified in the applicable Final Terms:
 - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
 - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year.

Fixed Interest Period means the period from and including an Interest Period End Date (or the Interest Commencement Date) to but excluding the next (or first) Interest Period End Date; and

sub-unit means, with respect to any currency other than Euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to Euro, means one cent.

Fixed Rate Notes may also include an interest step-up provision whereby the Rate of Interest payable increases at pre-determined periods to a pre-determined percentage per annum (as specified in the applicable Final Terms for such Notes).

4.2 *Interest on Floating Rate Notes, Inflation Linked Interest Notes and Range Accrual Reference Rate Determination on Range Accrual and Dual Range Accrual Notes*

This Condition 4.2 applies to Floating Rate Notes, Inflation Linked Interest Notes and Reference Rate Determination on Range Accrual and Dual Range Accrual Notes only. The applicable Final Terms must be read in conjunction with these Conditions for full information on the manner in which interest is calculated on Floating Rate Notes and Inflation Linked Interest Notes and how the Range Accrual Reference Rate is determined for Range Accrual and Dual Range Accrual Notes. In particular, the applicable Final Terms will identify any Interest Payment Dates, any Interest Period End Dates, the Interest Commencement Date, the Business Day Convention, any Additional Business Centres, the applicable Reference Rate(s), Interest Determination Date(s) and Relevant Screen Page, the party who will calculate the amount of interest due if it is not the Agent, the Margin, any maximum or minimum interest rates and the Day Count Fraction.

Each Floating Rate Note and each Inflation Linked Interest Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on the Interest Payment Date(s) in each year specified in the applicable Final Terms and on the Maturity Date.

(a) *Interest Payment Dates*

The Final Terms in relation to each Series of Notes may specify one of the following business day conventions as being applicable, namely:

(i) the **FRN Convention**, in which case interest shall be payable in arrear on each date (each an Interest Payment Date) which numerically corresponds to their Issue Date or such other date as may be specified in the applicable Final Terms or, as the case may be, the preceding Interest Payment Date, in the calendar month which is the number of months specified in the applicable Final Terms after the month in which such Issue Date or such other date as aforesaid or, as the case may be, the preceding Interest Payment Date occurred; provided that:

(A) if there is no such numerically corresponding day in the calendar month in which an Interest Payment Date should occur, then the relevant Interest Payment Date will be the last day which is a Business Day (as defined below) in that month;

(B) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then the relevant Interest Payment Date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(C) if such Issue Date or such other date as aforesaid or, as the case may be, the preceding Interest Payment Date occurred on the last day in a calendar month which was a Business Day, then all subsequent Interest Payment Dates will be the last day which is a Business Day in the month which is the specified number of months after the month in which such Issue Date or such other date as aforesaid or, as the case may be, the preceding Interest Payment Date occurred; or

- (ii) the **Modified Following Business Day Convention**, in which case interest shall be payable in arrear on such dates (each an Interest Payment Date) as are specified in the applicable Final Terms; provided that, if any Interest Payment Date would otherwise fall on a date which is not a Business Day, the relevant Interest Payment Date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case the relevant Interest Payment Date will be the first preceding day which is a Business Day; or
- (iii) the **Following Business Day Convention**, in which case interest shall be payable in arrear on such dates (each an Interest Payment Date) as are specified in the applicable Final Terms; provided that, if any Interest Payment Date would otherwise fall on a date which is not a Business Day, the relevant Interest Payment Date will be the first following day which is a Business Day; or
- (iv) the **Preceding Business Day Convention**, in which case interest shall be payable in arrear on such dates (each an Interest Payment Date) as are specified in this applicable Final Terms; provided that, if any Interest Payment Date would otherwise fall on a date which is not a Business Day, the relevant Interest Payment Date will be the first preceding day which is a Business Day; or
- (v) in relation to Exempt Notes only, such other convention as may be specified in the applicable Pricing Supplement.

Notwithstanding the foregoing, where the applicable Final Terms specifies that the relevant business day convention is to be applied on an "unadjusted" basis, the Interest Amount (as defined below) payable on any date shall not be affected by the application of that business day convention.

Each period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date is herein called an **Interest Period**. If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 4.2 - Interest on Floating Rate Notes, Inflation Linked Interest Notes and Range Accrual Reference Rate Determination on Range Accrual and Dual Range Accrual Notes - above, the FRN Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply mutatis mutandis or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, **Business Day** means a day which is both:

- (i) 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 each Additional Business Centre specified in the applicable Final Terms; and
- (ii) either (a) in relation to any sum payable in a Specified 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 currency deposits) in the principal financial centre of the country of the relevant Specified Currency (any such centre, an **Additional Business Centre** and which, if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (b) in relation to any sum payable in Euro, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer System, which was launched on 20 March 2023 or any successor or replacement for that system (**T2**) is open.

(b) *Rate of Interest for Floating Rate Notes and Range Accrual Reference Rate Determination on Range Accrual and Dual Range Accrual Notes*

The (A) Rate of Interest payable from time to time in respect of Floating Rate Notes or Floating Rate Range Accrual and Floating Rate Dual Range Accrual Notes; or (B) the Range Accrual Reference Rate in respect of Range Accrual and Dual Range Accrual Notes, will be determined in the manner specified in the applicable Final Terms as described below.

(i) *Screen Rate Determination for Floating Rate Notes – Term Rate, Range Accrual and Dual Range Accrual Notes*

This Condition 4.2(b)(i) applies where (I) the Rate of Interest in respect of the relevant Series of Floating Rate Notes is to be determined and “Term Rate” is specified to be “Applicable” or (II) the Range Accrual Reference Rate for each Interest Period is to be determined.

The Rate of Interest for each Interest Period or Range Accrual Reference Rate will, subject as provided below, be either:

- I. the offered quotation; or
- II. the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate(s) (such as EURIBOR, as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that

service which displays the information) as at 11.00 a.m. (Brussels time) (I) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent or the Calculation Agent, as applicable or (II) on such relevant determination date for Range Accrual or Dual Range Accrual Notes, as specified in the applicable Final Terms. 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 Agent or the Calculation Agent, as applicable for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Agent or the Calculation Agent, as applicable cannot determine the Rate of Interest or the Range Accrual Reference Rate as aforementioned, because the Relevant Screen Page is not published, or if the Agent or the Calculation Agent, as applicable cannot make such determination for any other reason, then the Rate of Interest or the Range Accrual Reference Rate (as applicable) for the respective Interest Period shall be determined as at the last preceding (I) Interest Determination Date or (II) determination date for Range Accrual or Dual Range Accrual Notes, as specified in the applicable Final Terms.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

- (ii) *Screen Rate Determination – Overnight Rate – SARON Compounded*
- (A) Where (i) Overnight Rate is specified as being Applicable and (ii) SARON Compounded is specified as the Reference Rate, the Rate of Interest for each Interest Accrual Period will, subject to Condition 4.2(j) and as provided below, be SARON Compounded with respect to such Interest Accrual Period, all as determined by the Agent or the Calculation Agent, as applicable.
- (B) “**SARON Compounded**” means, with respect to any Interest Accrual Period, subject to Condition 4.2(b)(ii)(D) and Condition 4.2(b)(ii)(E), the rate of return of a daily compound interest investment (with the daily overnight interest rate of the secured funding market for Swiss franc) as calculated by the Agent or the Calculation, as applicable, at the SARON Specified Time on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_b} \left(1 + \frac{SARON_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d_c}$$

where:

“ d_b ” means the number of Zurich Banking Days in the relevant SARON Observation Period;

“ d_c ” means the number of calendar days in the relevant SARON Observation Period;

“ i ” indexes a series of whole numbers from one to “ d_b ”, representing the Zurich Banking Days in the relevant SARON Observation Period in chronological order from (and including) the first Zurich Banking Day in such SARON Observation Period;

“ n_i ” means, in respect of any Zurich Banking Day “ i ”, the number of calendar days from (and including) such Zurich Banking Day “ i ” to (but excluding) the first following Zurich Banking Day;

“**SARON**” or “**Swiss Average Rate Overnight**” means, in respect of any Zurich Banking Day,

- (i) the overnight interest rate of the secured funding market for the Swiss franc for such Zurich Banking Day published by the SARON Administrator on the SARON Administrator Website at the SARON Specified Time on such Zurich Banking Day; or
- (ii) if such rate is not so published on the SARON Administrator Website at the SARON Specified Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have not both occurred at or prior to the SARON Specified Time on such Zurich Banking Day, the Swiss Average Rate Overnight published by the SARON Administrator on the SARON Administrator Website for the last preceding Zurich Banking Day on which the Swiss Average Rate Overnight was published by the SARON Administrator on the SARON Administrator Website; or
- (iii) if such rate is not so published on the SARON Administrator Website at the SARON Specified Time on such Zurich Banking Day and a SARON Index Cessation Event and a SARON Index Cessation Effective Date have both occurred at or prior to the SARON Specified Time on such Zurich Banking Day,
 - (x) if there is a Recommended Replacement Rate within one Zurich Banking Day of the SARON Index Cessation Effective Date, the Recommended Replacement Rate for such Zurich Banking Day, giving effect to the Recommended Adjustment Spread, if any, published on such Zurich Banking Day; or
 - (y) if there is no Recommended Replacement Rate within one Zurich Banking Day of the SARON Index Cessation Effective Date, the policy rate of the Swiss National Bank (the “**SNB Policy Rate**”) for such Zurich Banking Day, giving effect to the SNB Adjustment Spread, if any.

Notwithstanding the above, if the SNB Policy Rate for any Zurich Banking Day with respect to which SARON is to be determined pursuant to sub-paragraph (iii)(y) above has not been published on such Zurich Banking Day, then in respect of such Zurich Banking Day (the “**Affected Zurich Banking Day**”) and each Zurich Banking Day thereafter, SARON will be replaced by the Replacement Rate, if any, determined in accordance with Condition 4.2(b)(ii)(E) for purposes of determining the Rate of Interest;

“**SARON Administrator**” means SIX Index Ltd (including any successor thereto) or any successor administrator of the Swiss Average Rate Overnight;

“**SARON Administrator Website**” means the website of the SIX Group, or any successor website or other source on which the Swiss Average Rate Overnight is published by or on behalf of the SARON Administrator;

“**SARON Observation Period**” means, in respect of an Interest Accrual Period, the period from (and including) the date falling five Zurich Banking Days prior to the first day of such Interest Accrual Period and ending on (but excluding) the date falling five Zurich Banking Days prior to the day on which such Interest Accrual Period ends (but which by its definition is excluded from such Interest Accrual Period);

“**SARON Specified Time**” means, in respect of any Zurich Banking Day, close of trading on the trading platform of SIX Repo Ltd (or any successor thereto) on such Zurich Banking Day, which is expected to be on or around 6 p.m. (Zurich time);

“**SARON_{*i*}**” means, in respect of any Zurich Banking Day “*i*”, SARON for such Zurich Banking Day *i*; and

“**Zurich Banking Day**” means a day on which banks are open in the City of Zurich for the settlement of payments and of foreign exchange transactions.

(C) As used in this Condition 4.2(b)(ii):

“**Recommended Adjustment Spread**” means, with respect to any Recommended Replacement Rate, the spread (which may be positive, negative or zero), or formula or methodology for calculating such a spread:

- (i) that the Recommending Body has recommended to be applied to such Recommended Replacement Rate in the case of fixed income securities with respect to which such Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for purposes of determining the applicable rate of interest thereon; or
- (ii) if the Recommending Body has not recommended such a spread, formula or methodology as described in paragraph (i) above, to be applied to such Recommended Replacement Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the Swiss Average Rate Overnight with such Recommended Replacement Rate for purposes of determining SARON, which spread will be determined by the Agent or the Calculation Agent, as applicable, acting in good faith and a commercially reasonable manner, and be consistent with industry-accepted practices for fixed income securities with respect to which such Recommended Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for purposes of determining the applicable rate of interest thereon;

“**Recommended Replacement Rate**” means the rate that has been recommended as the replacement for the Swiss Average Rate Overnight by any working group or committee in Switzerland organised in the same or a similar manner as the National Working Group on Swiss Franc Reference Rates that was founded in 2013 for purposes of, *inter alia*, considering proposals to reform reference interest rates in Switzerland (any such working group or committee, the “**Recommending Body**”);

“**SARON Index Cessation Effective Date**” means the earliest of:

- (i) in the case of the occurrence of a SARON Index Cessation Event described in paragraph (i) of the definition thereof, the date on which the SARON Administrator ceases to provide the Swiss Average Rate Overnight;

- (ii) in the case of the occurrence of a SARON Index Cessation Event described in sub-paragraph (ii)(x) of the definition thereof, the latest of:
 - (x) the date of such statement or publication;
 - (y) the date, if any, specified in such statement or publication as the date on which the Swiss Average Rate Overnight will no longer be representative; and
 - (z) if a SARON Index Cessation Event described in sub-paragraph (ii)(y) of the definition thereof has occurred on or prior to either or both dates specified in sub-paragraphs (x) and (y) of this paragraph (ii), the date as of which the Swiss Average Rate Overnight may no longer be used; and
- (iii) in the case of the occurrence of a SARON Index Cessation Event described in sub-paragraph (ii)(y) of the definition thereof, the date as of which the Swiss Average Rate Overnight may no longer be used;

“SARON Index Cessation Event” means the occurrence of one or more of the following events:

- (i) a public statement or publication of information by or on behalf of the SARON Administrator, or by any competent authority, announcing or confirming that the SARON Administrator has ceased or will cease to provide the Swiss Average Rate Overnight permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Swiss Average Rate Overnight; or
- (ii) a public statement or publication of information by the SARON Administrator or any competent authority announcing that (x) the Swiss Average Rate Overnight is no longer representative or will as of a certain date no longer be representative, or (y) the Swiss Average Rate Overnight may no longer be used after a certain date, which statement, in the case of sub-paragraph (y), is applicable to (but not necessarily limited to) fixed income securities and derivatives; and

“SNB Adjustment Spread” means, with respect to the SNB Policy Rate, the spread to be applied to the SNB Policy Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Noteholders as a result of the replacement of the Swiss Average Rate Overnight with the SNB Policy Rate for purposes of determining SARON, which spread will be determined by the Agent or the Calculation Agent, as applicable, acting in good faith and a commercially reasonable manner, taking into account the historical median between the Swiss Average Rate Overnight and the SNB Policy Rate during the two year period ending on the date on which the SARON Index Cessation Event occurred (or, if more than one SARON Index Cessation Event has occurred, the date on which the first of such events occurred).

- (D) If the Agent or the Calculation Agent, as applicable, (A) is required to use a Recommended Replacement Rate or the SNB Policy Rate pursuant to sub-paragraphs (iii)(x) or (iii)(y) of the definition of “SARON” for purposes of determining SARON for any Zurich Banking Day, and (B) determines that any changes to the definitions of Business Day Convention, Day Count Fraction, Interest Determination Date,

Interest Payment Date, Interest Accrual Period, SARON Observation Period, SARON, SARON Administrator, SARON Administrator Website, SARON Specified Time or Zurich Banking Day are necessary in order to use such Recommended Replacement Rate (and any Recommended Adjustment Spread) or the SNB Policy Rate (and any SNB Adjustment Spread), as the case may be, for such purposes, such definitions will be amended as contemplated in Condition 15.2 to reflect such changes, and the Issuer shall give notice as soon as practicable to the Agent, the Calculation Agent (if applicable), the Issuing Agent, any other Paying Agent and, in accordance with Condition 14, the Noteholders, specifying the Recommended Replacement Rate and any Recommended Adjustment Spread or any SNB Adjustment Spread, as applicable, and the amendments implemented pursuant to Condition 15.2.

- (E) Unless the Issuer has elected to redeem the Notes in accordance with Condition 6, the Issuer will appoint a “**Replacement Rate Agent**” on or prior to the first Zurich Banking Day (a) with respect to which SARON is to be determined pursuant to paragraph (iii) of the definition of “SARON” and (b) for which the SNB Policy Rate has not been published thereon. The Issuer may appoint an affiliate of the Issuer or any other person as Replacement Rate Agent, so long as such affiliate or other person is a leading financial institution that is experienced in the calculations or determinations to be made by the Replacement Rate Agent. The Issuer will notify the Noteholders of any such appointment in accordance with Condition 14.
- (F) If the conditions set out in the last paragraph of the definition of “SARON” have been satisfied, then the Replacement Rate Agent will determine whether to use an alternative rate to SARON for the Affected Zurich Banking Day and for all subsequent Zurich Banking Days in the SARON Observation Period in which the Affected Zurich Banking Day falls (the “**Affected SARON Observation Period**”) and all SARON Observation Periods thereafter. If the Replacement Rate Agent determines to use an alternative rate pursuant to the immediately preceding sentence, it shall select such rate that it has determined is most comparable to the Swiss Average Rate Overnight (the “**Existing Rate**”), provided that if it determines that there is an appropriate industry-accepted successor rate to the Existing Rate, it shall use such industry-accepted successor rate. If the Replacement Rate Agent has determined an alternative rate in accordance with the foregoing (such rate, the “**Replacement Rate**”), for purposes of determining the Rate of Interest, (i) the Replacement Rate Agent shall determine (A) the method for obtaining the Replacement Rate (including any alternative method for determining the Replacement Rate if such alternative rate is unavailable on the relevant Interest Determination Date), which method shall be consistent with industry-accepted practices for the Replacement Rate, and (B) any adjustment factor as may be necessary to make the Replacement Rate comparable to the Existing Rate consistent with industry-accepted practices for the Replacement Rate, (ii) for the Affected Zurich Banking Day and all subsequent Zurich Banking Days in the Affected SARON Observation Period and all SARON Observation Periods thereafter, references to SARON in these Conditions shall be deemed to be references to the Replacement Rate, including any alternative method for determining such rate and any adjustment factor as described in paragraph (i) above, (iii) if the Replacement Rate Agent determines that changes to the definitions of Business Day Convention, Day Count Fraction, Interest Determination Date, Interest Payment Date, Interest Accrual Period, SARON, SARON Observation Period, SARON Specified Time or Zurich Banking Day are necessary in order to implement the Replacement Rate as SARON, such definitions will be amended as contemplated in Condition 15.2 to reflect such changes, and (iv) the Issuer shall give notice as soon as practicable to the Agent, the Calculation Agent (if applicable), the Issuing Agent, any other Paying

Agent and, in accordance with Condition 14, the Noteholders, specifying the Replacement Rate, as well as the details described in paragraph (i) above, and the amendments implemented pursuant to Condition 15.2. Any determination to be made by the Replacement Rate Agent pursuant to this Condition 4.2(b)(ii)(E), including any determination with respect to a rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be made in the sole discretion of the Replacement Rate Agent acting in good faith and in a commercially reasonable manner.

(iii) *Screen Rate Determination – Overnight Rate - Compounded Daily SONIA - Non-Index Determination*

(A) Where (i) Overnight Rate is specified as being Applicable, (ii) Compounded Daily SONIA is specified as the Reference Rate and (iii) Index Determination is specified as being Not Applicable, the Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(j) and as provided below, be Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Agent or the Calculation Agent, as applicable.

Compounded Daily SONIA means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Agent or the Calculation Agent, as applicable, as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

d is the number of calendar days in:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

D is the number specified as such in the applicable Final Terms (or, if no such number is specified, 365);

d_o means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Observation Period;

i is a series of whole numbers from one to “*d_o*”, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

London Banking Day means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

n_i for any London Banking Day “*i*”, means the number of calendar days from (and including) such London Banking Day “*i*” up to (but excluding) the following London Banking Day;

Observation Period means the period from (and including) the date falling “*p*” London Banking Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling “*p*” London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

p means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the “Lag Period” in the applicable Final Terms (or, if no such number is so specified, five London Banking Days); or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the “Observation Shift Period” in the applicable Final Terms (or, if no such number is specified, five London Banking Days);

the **SONIA reference rate**, in respect of any London Banking Day (**LBD_x**), is a reference rate equal to the daily Sterling Overnight Index Average (**SONIA**) rate for such LBD_x as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the London Banking Day immediately following LBD_x; and

SONIA_i means the SONIA reference rate for:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the London Banking Day falling “*p*” London Banking Days prior to the relevant London Banking Day “*i*”; or
 - (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant London Banking Day “*i*”.
- (B) Subject to Condition 4.2(j), if, where any Rate of Interest is to be calculated pursuant to Condition 4.2(b)(iii) above, in respect of any London Banking Day on which an

applicable SONIA reference rate is required to be determined, such SONIA reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the SONIA reference rate in respect of such London Banking Day shall be the rate determined by the Agent or the Calculation Agent, as applicable, as:

- (I) the sum of (i) the Bank of England's Bank Rate (the Bank Rate) prevailing at 5.00 p.m. (London time) (or, if earlier, close of business) on such London Banking Day; and (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days in respect of which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
- (II) if the Bank Rate under (B)(i) above is not available at the relevant time, either (A) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day in respect of which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (B) if this is more recent, the latest rate determined under (B) above,

and, in each case, references to "SONIA reference rate" in Condition 4.2(b)(iii) above shall be construed accordingly.

- (C) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 4.2(b)(iii), and without prejudice to Condition 4.2(j), the Rate of Interest shall be:
 - (I) that determined as at the last preceding Interest Determination Date on which the Rate of Interest was so determined (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Accrual Period); or
 - (II) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first scheduled Interest Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Period),

in each case as determined by the Agent or the Calculation Agent, as applicable.

- (iv) *Screen Rate Determination – Overnight Rate - Compounded Daily SONIA - Index Determination*
- (A) Where (i) Overnight Rate is specified as being Applicable, (ii) Compounded Daily SONIA is specified as the Reference Rate and (iii) Index Determination is specified

as being Applicable, the Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(j) and as provided below, be the Compounded Daily SONIA Rate with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Agent or the Calculation Agent, as applicable.

Compounded Daily SONIA Rate means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) (expressed as a percentage and rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) determined by the Agent or the Calculation Agent, as applicable, by reference to the screen rate or index for compounded daily SONIA rates administered by the administrator of the SONIA reference rate that is published or displayed on the Relevant Screen Page specified in the applicable Final Terms or, if no such page is so specified or if such page is unavailable at the relevant time, as otherwise published or displayed by such administrator or other information service from time to time on the relevant Interest Determination Date (the **SONIA Compounded Index**), and in accordance with the following formula:

$$\text{Compounded Daily SONIA Rate} = \left(\frac{\text{SONIA Compounded Index}_{\text{End}}}{\text{SONIA Compounded Index}_{\text{Start}}} - 1 \right) \times \frac{365}{d}$$

where:

d is the number of calendar days from (and including) the day in relation to which SONIA Compounded Index_{Start} is determined to (but excluding) the day in relation to which SONIA Compounded Index_{End} is determined;

London Banking Day means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

Relevant Number is the number specified as such in the applicable Final Terms (or, if no such number is specified, five);

SONIA Compounded Index_{Start} means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of such Interest Accrual Period; and

SONIA Compounded Index_{End} means, with respect to an Interest Accrual Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (A) the Interest Payment Date for such Interest Accrual Period, or (B) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Accrual Period).

- (B) If the relevant SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA reference rate or of such other information service, as the case may be) on the relevant Interest Determination Date, the Compounded Daily SONIA Rate for the applicable Interest Accrual Period for which the SONIA Compounded Index is not available shall be “Compounded

Daily SONIA” determined in accordance with Condition 4.2(b)(iii) above as if “*Index Determination*” were specified in the applicable Final Terms or Pricing Supplement, as the case may be, as being ‘Not Applicable’, and for these purposes: (i) the “*Observation Method*” shall be deemed to be “*Observation Shift*” and (ii) the “*Observation Shift Period*” shall be deemed to be equal to the Relevant Number of London Banking Days, as if those alternative elections had been made in the applicable Final Terms or Pricing Supplement, as the case may be.

- (v) *Screen Rate Determination – Overnight Rate – SOFR – Non-Index Determination*
- (A) *Compounded Daily SOFR*

Where (i) Overnight Rate is specified as being Applicable, (ii) Compounded Daily SOFR is specified as the Reference Rate and (iii) Index Determination is specified as being Not Applicable, the Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(j) and as provided below, be Compounded Daily SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Agent or the Calculation Agent, as applicable.

Compounded Daily SOFR means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily U.S. dollars secured overnight financing rate as reference rate for the calculation of interest) as calculated by the Agent or the Calculation Agent, as applicable, as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SOFR_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

d is the number of calendar days in:

- (i) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

D is the number specified as such in the applicable Final Terms (or, if no such number is specified, 360);

d_o means:

- (i) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days in the relevant Observation Period;

i is a series of whole numbers from one to “*d_o*”, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (i) where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

Lock-out Period means the period from (and including) the day following the Interest Determination Date to (but excluding) the corresponding Interest Payment Date;

New York Fed’s Website means the website of the Federal Reserve Bank of New York (or a successor administrator of SOFR) or any successor source;

n_i for any U.S. Government Securities Business Day “*i*”, means the number of calendar days from (and including) such U.S. Government Securities Business Day “*i*” up to (but excluding) the following U.S. Government Securities Business Day;

Observation Period means the period from (and including) the date falling “*p*” U.S. Government Securities Business Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling “*p*” U.S. Government Securities Business Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

p means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days specified as the “Lag Period” in the applicable Final Terms (or, if no such number is so specified, five U.S. Government Securities Business Days);
- (ii) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, zero U.S. Government Securities Business Days; or
- (iii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days specified as the “Observation Shift Period” in the applicable Final Terms (or, if no such number is specified, five U.S. Government Securities Business Days);

Reference Day means each U.S. Government Securities Business Day in the relevant Interest Accrual Period, other than any U.S. Government Securities Business Day in the Lock-out Period;

SOFR in respect of any U.S. Government Securities Business Day (**USBD_x**), is a reference rate equal to the daily secured overnight financing rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed’s Website, in each case at or around 3.00 p.m. (New York City time) on the U.S. Government Securities Business Day immediately following such USBD_x;

SOFR_i means the SOFR for:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling “*p*” U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day “*i*”;
- (ii) where “Lock-out” is specified as the Observation Method in the applicable Final Terms:
 - (I) in respect of each U.S. Government Securities Business Day “*i*” that is a Reference Day, the SOFR in respect of the U.S. Government Securities Business Day immediately preceding such Reference Day; or
 - (II) in respect of each U.S. Government Securities Business Day “*i*” that is not a Reference Day (being a U.S. Government Securities Business Day in the Lock-out Period), the SOFR in respect of the U.S. Government Securities Business Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date); or
- (iii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant U.S. Government Securities Business Day “*i*”; and

U.S. Government Securities Business Day means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(B) *Weighted Average SOFR*

Where (i) Overnight Rate is specified as being Applicable, (ii) Weighted Average SOFR is specified as the Reference Rate and (iii) Index Determination is specified as being Not Applicable, the Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(j) and as provided below, be the Weighted Average SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as calculated by the Agent or the Calculation Agent, as applicable, as of the Interest Determination Date (and rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards), where:

Weighted Average SOFR means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the SOFR in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant SOFR by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes, the SOFR in effect for any calendar day which is not a U.S. Government Securities Business Day shall be deemed to be the SOFR in effect for the U.S. Government Securities Business Day immediately preceding such calendar day; and

- (ii) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the SOFR in effect for each calendar day during the relevant Interest Accrual Period, calculated by multiplying each relevant SOFR by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Accrual Period, *provided* however that for any calendar day of such Interest Accrual Period falling in the Lock-out Period, the relevant SOFR for each day during that Lock-out Period will be deemed to be the SOFR in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes, the SOFR in effect for any calendar day which is not a U.S. Government Securities Business Day shall, subject to the proviso above, be deemed to be the SOFR in effect for the U.S. Government Securities Business Day immediately preceding such calendar day.

Defined terms used in this paragraph (B) and not otherwise defined herein have the meanings given to them in paragraph (v) above of this Condition 4.2(b)(v).

(C) *SOFR Unavailable*

Subject to Condition 4.2(j), if, where any Rate of Interest is to be calculated pursuant to this Condition 4.2(b)(v), in respect of any U.S. Government Securities Business Day in respect of which an applicable SOFR is required to be determined, such SOFR is not available, such SOFR shall be the SOFR for the first preceding U.S. Government Securities Business Day in respect of which the SOFR was published on the New York Fed’s Website.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 4.2(b)(v) but without prejudice to Condition 4.2(j), the Rate of Interest shall be calculated in accordance, *mutatis mutandis*, with the provisions of Condition 4.2(b)(iii)(C).

(vi) *Screen Rate Determination – Overnight Rate - SOFR - Index Determination*

- (A) Where (i) Overnight Rate is specified as being Applicable, (ii) Compounded Daily SOFR is specified as the Reference Rate and (iii) Index Determination is specified as being Applicable, the Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(j) and as provided below, be the Compounded SOFR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Agent or the Calculation Agent, as applicable.

Compounded SOFR means, with respect to an Interest Accrual Period, the rate (expressed as a percentage and rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) determined by the Agent or the Calculation Agent, as applicable, in accordance with the following formula:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1 \right) \times \frac{360}{d_c}$$

where:

d_c is the number of calendar days from (and including) the day in relation to which SOFR Index_{Start} is determined to (but excluding) the day in relation to which SOFR Index_{End} is determined;

Relevant Number is the number specified as such in the applicable Final Terms (or, if no such number is specified, five);

SOFR means the daily secured overnight financing rate as provided by the SOFR Administrator on the SOFR Administrator's Website;

SOFR Administrator means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

SOFR Administrator's Website means the website of the SOFR Administrator, or any successor source;

SOFR Index, with respect to any U.S. Government Securities Business Day, means the SOFR index value as published by the SOFR Administrator as such index appears on the SOFR Administrator's Website at or around 3.00 p.m. (New York time) on such U.S. Government Securities Business Day (the **SOFR Determination Time**);

SOFR Index_{Start}, with respect to an Interest Accrual Period, is the SOFR Index value for the day which is the Relevant Number of U.S. Government Securities Business Days preceding the first day of such Interest Accrual Period;

SOFR Index_{End}, with respect to an Interest Accrual Period, is the SOFR Index value for the day which is the Relevant Number of U.S. Government Securities Business Days preceding (A) the Interest Payment Date for such Interest Accrual Period, or (B) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Accrual Period); and

U.S. Government Securities Business Day means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (B) If, as at any relevant SOFR Determination Time, the relevant SOFR Index is not published or displayed on the SOFR Administrator's Website by the SOFR Administrator, the Compounded SOFR for the applicable Interest Accrual Period for which the relevant SOFR Index is not available shall be "Compounded Daily SOFR" determined in accordance with Condition 4.2(b)(v) above as if "*Index Determination*" were specified in the applicable Final Terms as being 'Not Applicable', and for these purposes: (i) the "*Observation Method*" shall be deemed to be "*Observation Shift*" and (ii) the "*Observation Shift Period*" shall be deemed to be equal to the Relevant Number of U.S. Government Securities Business Days, as if such alternative elections had been made in the applicable Final Terms.
- (vii) *Screen Rate Determination – Overnight Rate - Compounded Daily €STR – Non-Index Determination*
- (A) Where (i) Overnight Rate is specified as being Applicable, (ii) Compounded Daily €STR is specified as the Reference Rate and (iii) Index Determination is specified as being Not Applicable, the Rate of Interest for an Interest Accrual Period will, subject to Condition 4.2(j) and as provided below, be Compounded Daily €STR with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin (if any), all as determined by the Agent or the Calculation Agent, as applicable.

Compounded Daily €STR means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment (with the daily Euro short-term rate as reference rate for the calculation of interest) as calculated by the Agent or the Calculation Agent, as applicable, as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{\text{€STR}_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

the **€STR reference rate**, in respect of any TARGET Business Day (**TBD_x**), is a reference rate equal to the daily Euro short-term rate (**€STR**) for such **TBD_x** as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Business Day immediately following **TBD_x** (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

€STR_i means the €STR reference rate for:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the TARGET Business Day falling “*p*” TARGET Business Days prior to the relevant TARGET Business Day “*i*”; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant TARGET Business Day “*i*”.

d is the number of calendar days in:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

D is the number specified as such in the applicable Final Terms (or, if no such number is specified, 360);

d_o means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of TARGET Business Days in the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of TARGET Business Days in the relevant Observation Period;

i is a series of whole numbers from one to “*d_o*”, each representing the relevant TARGET Business Day in chronological order from, and including, the first TARGET Business Day in:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

n_i for any TARGET Business Day “*i*”, means the number of calendar days from (and including) such TARGET Business Day “*i*” up to (but excluding) the following TARGET Business Day;

Observation Period means the period from (and including) the date falling “*p*” TARGET Business Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling “*p*” TARGET Business Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other Interest Accrual Period) the date on which the relevant payment of interest falls due;

p means:

- (i) where “Lag” is specified as the Observation Method in the applicable Final Terms, the number of TARGET Business Days specified as the “Lag Period” in the applicable Final Terms (or, if no such number is so specified, five TARGET Business Days); or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Final Terms, the number of TARGET Business Days specified as the “Observation Shift Period” in the applicable Final Terms (or, if no such number is specified, five TARGET Business Days); and

TARGET Business Day means any day on which T2 is open.

- (B) Subject to Condition 4.2(j), if, where any Rate of Interest is to be calculated pursuant to Condition 4.2(b)(vii)(A) above, in respect of any TARGET Business Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Business Day shall be the €STR reference rate for the first preceding TARGET Business Day in respect of which €STR reference rate was published by the European Central Bank on its website, as determined by the Agent or the Calculation Agent, as applicable.
- (C) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 4.2(b)(vii) but without prejudice to Condition 4.2(j), the Rate of Interest shall be calculated in accordance, *mutatis mutandis*, with the provisions of Condition 4.2(b)(iii)(C).
- (viii) *CMS Rate Determination for Floating Rate Notes, Range Accrual and Dual Range Accrual Notes*

Where CMS Rate Determination is specified in the applicable Final Terms as the manner in which (I) the Rate of Interest or (II) the Range Accrual Reference Rate for

each Interest Period is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be determined by the Calculation Agent by reference to the following formula:

CMS Reference Rate + Margin

If the CMS Screen Page is not available, the Issuer shall request each of the CMS Reference Banks to provide the Issuer with its quotation for the Relevant Swap Rate at approximately the Specified Time on the Interest Determination Date in question. If at least three of the CMS Reference Banks provide the Issuer with such quotation, the CMS Reference Rate for such Interest Period shall be the arithmetic mean of such quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

If on any Interest Determination Date less than three or none of the CMS Reference Banks provides the Issuer with such quotations as provided in the preceding paragraph, the CMS Reference Rate shall be determined by the Issuer in good faith on such commercial basis as considered appropriate by the Issuer in its absolute discretion, in accordance with standard market practice.

In this Condition:

CMS Reference Rate shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the CMS Screen Page as at the Specified Time on the Interest Determination Date in question, all as determined by the Calculation Agent.

CMS Reference Banks means (i) where the Reference Currency is Euro, the principal office of five leading swap dealers in the Eurozone inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market or (iii) where the Reference Currency is United States dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market.

CMS Screen Page means (i) where the Reference Currency is Euro, Reuters Screen ICESWAP2 (formerly ISDAFIX2) Page under the heading "EURIBOR BASIS – EUR" and above the caption "11:00 AM FRANKFURT" or its successor display page; (ii) where the Reference Currency is Sterling, Reuters Screen ICESWAP4 (formerly ISDAFIX4) Page or its successor display page; and (iii) where the Reference Currency is United States dollar, Reuters Screen ISDAFIX1 Page or its successor display page, in each case unless otherwise specified in the applicable Final Terms.

Designated Maturity shall have the meaning given to this term in the applicable Final Terms.

Interest Determination Date means (i) where the Reference Currency is Euro, the second day on which T2 is open prior to the start of each Interest Period; (ii) where the Reference Currency is Sterling, the first day of each Interest Period; and (iii) where the Reference Currency is United States dollar, the day that is two U.S. Government Securities Business Days preceding the first day of each Interest Period, in each case unless otherwise specified in the applicable Final Terms.

Margin shall have the meaning given to this term in the applicable Final Terms.

Reference Currency means either Euro, Sterling or United States dollars, as specified in the applicable Final Terms.

Relevant Swap Rate means:

- (1) where the Reference Currency is Euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating Euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**)) with a designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions;
- (2) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months;
- (3) where the Reference Currency is United States dollar, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months.

Representative Amount means an amount that is representative for a single transaction in the relevant market at the relevant time.

Specified Time means (i) where the Reference Currency is Euro, 11.00 a.m., Frankfurt time; (ii) where the Reference Currency is Sterling, 11.00 a.m. London time; and (iii) where the Reference Currency is United States dollar, 11.00 a.m., New York City time.

U.S. Government Securities Business Day means any day except for Saturday, Sunday or a day on which The Bond Market Association or its successor recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

- (ix) *CMS Formula Rate for Range Accrual and Dual Range Accrual Notes*

Where CMS Formula Rate is specified in the applicable Final Terms as the manner in which the Range Accrual Reference Rate for each Interest Period is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be determined by the Calculation Agent by reference to the following formula:

$\text{CMS Reference Rate}_1 - \text{CMS Reference Rate}_2$

CMS Reference Rate₁ shall mean the applicable swap rate for swap transactions in the Reference Currency₁ with a maturity of the Designated Maturity₁, expressed as a percentage, which appears on the CMS Screen Page as at the Specified Time on the Interest Determination Date in question, all as determined by the Calculation Agent.

CMS Reference Rate₂ shall mean the applicable swap rate for swap transactions in the Reference Currency₂ with a maturity of the Designated Maturity₂, expressed as a percentage, which appears on the CMS Screen Page as at the Specified Time on the Interest Determination Date in question, all as determined by the Calculation Agent.

Designated Maturity₁ shall have the meaning given to this term in the applicable Final Terms.

Designated Maturity₂ shall have the meaning given to this term in the applicable Final Terms.

Reference Currency₁ means either Euro, Sterling or United States dollars, as specified in the applicable Final Terms.

Reference Currency₂ means either Euro, Sterling or United States dollars, as specified in the applicable Final Terms.

(c) *Interest Accrual Period*

As used herein, an **Interest Accrual Period** means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the Notes become due and payable in accordance with Condition 9, shall be the date on which the Notes become due and payable).

(d) *Interest on Inflation Linked Interest Notes*

The Interest Amount payable for each Interest Period for Inflation Linked Interest Notes will be calculated in accordance with Part 3 of Annex 2.

(e) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest. If the applicable Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(f) *Determination of Rate of Interest and Calculation of Interest Amounts*

The Agent or the Calculation Agent, as applicable, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent or the Calculation Agent, as applicable, will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (i) in the case of Floating Rate Notes which are represented by a global Note, the aggregate outstanding nominal amount of the Notes represented by such global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (ii) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 4.2:

- (i) if **Actual/Actual (ISDA)** or **Actual/Actual** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if **Actual/365 (Fixed)** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if **Actual/360** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (iv) if **30/360**, **360/360** or **Bond Basis** is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 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 Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

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

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

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless such number would be 31, in which case D2 will be 30; and

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

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

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

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

(vii) if **Actual/Actual (ICMA)** is specified in the applicable Final Terms:

(A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

(B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year.

(g) *Linear Interpolation*

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent or the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent or the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as it determines appropriate.

Designated Maturity means the period of time designated in the Reference Rate.

(h) *Notification of Rate of Interest and Interest Amounts*

(A) Except where Overnight Rate is specified as being Applicable, subject to Condition 4.2(j), the Agent or the Calculation Agent, as applicable, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified (by no later than the first day of each Interest Period) to the Issuer and any stock exchange on which the relevant Notes to which this Condition 4.2 applies are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Notes to which this Condition 4.2 applies are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph and paragraph (A) below, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(B) Where Overnight Rate is specified as being Applicable, subject to Condition 4.2(j), the Agent or the Calculation Agent, as applicable, will cause the Rate of Interest and each Interest Amount for each Interest Accrual Period and the relevant Interest Payment Date to be notified (by no later than the first day of each Interest Period) to the Issuer and any stock exchange on which the relevant Notes to which this Condition 4.2 applies are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the second London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Accrual Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Notes to which this Condition 4.2 applies are for the time being listed and to the Noteholders in accordance with Condition 14.

(i) *Certificates to be Final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.2, whether by the Agent or the Calculation Agent, as applicable, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agent, the Calculation Agent (if applicable), the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or the Calculation Agent, as applicable, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(j) *Benchmark Discontinuation*

Notwithstanding the provisions above in this Condition 4.2, if the Issuer, in consultation with the party responsible for determining the Rate of Interest (being the Agent, the Calculation Agent or such other party specified in the applicable Final Terms, as applicable), determines that a Benchmark Event occurs in relation to an Original Reference Rate at any time when the Conditions provide for any Rate of Interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply.

(i) *Independent Adviser*

The Issuer shall use reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine (acting in good faith and in a commercially reasonable manner) a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread (if any) and any Benchmark Amendments (each as defined and as further described below) no later than 5 Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the **IA Determination Cut-off Date**) for purposes of determining the Rate of Interest applicable to the Notes for such next succeeding Interest Period and for all future Interest Periods (subject to the subsequent operation of this Condition 4.2(j) during any other future Interest Period(s)).

(ii) *Successor Rate or Alternative Rate*

If the Independent Adviser (acting in good faith and in a commercially reasonable manner) determines that:

(A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4.2(j)(iii)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent further operation of this Condition 4.2(j)); or

(B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4.2(j)(iii)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent further operation of this Condition 4.2(j)).

(iii) *Adjustment Spread*

If the Independent Adviser acting in good faith determines (i) that an Adjustment Spread (which for the avoidance of doubt may be positive, negative or zero) is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable), subject to the subsequent further operation and adjustment as provided in this Condition 4.2(j) 4.2(g).

(iv) *Benchmark Amendments*

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4.2(j) and the Independent Adviser acting in good faith determines (i) that amendments to these Conditions (including, without limitation, amendments to the definitions of Day Count Fraction, Business Day or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the **Benchmark Amendments**) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4.2(j)(iv), without any requirement for the consent or approval of Noteholders or Couponholders, vary

these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, the Agent, the Paying Agents and the Calculation Agent shall (at the Issuer's expense and direction), without any requirement for the consent or approval of the Noteholders or Couponholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments required to the Agency Agreement and these Conditions.

In connection with any such variation in accordance with this Condition 4.2(j)(iv), the Issuer shall comply with the rules of any stock exchange or other relevant authority on or by which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 4.2(j) no Successor Rate or Alternative Rate or Adjustment Spread will be adopted, and no other amendments to the terms of the Notes will be made pursuant to this Condition 4.2(j), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to:

- (A) prejudice the qualification of MREL Eligible Senior Preferred Notes and/or Senior Non Preferred Notes as eligible liabilities and/or loss absorbing capacity of the Issuer; or
- (B) result in the Competent Authority and/or the Relevant Resolution Authority treating a future Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date.

(v) *Notices, etc.*

The Issuer shall promptly notify the party responsible for determining the Rate of Interest (being the Agent, the Calculation Agent or such other party specified in the applicable Final Terms, as applicable), the Principal Paying Agent, the Paying Agents and, in accordance with Condition 14, the Noteholders of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under Condition 4.2(j)(iv). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under this Condition 4.2(j), the Original Reference Rate and the fallback provisions provided for in Condition 4.2(b)(i) will continue to apply unless and until the party responsible for determining the Rate of Interest (being the Agent, the Calculation Agent or such other party specified in the applicable Final Terms, as applicable) has been notified of the Successor Rate or the Alternative Rate (as the case may be), any Adjustment Spread (if applicable) and Benchmark Amendments (if applicable), in accordance with Condition 4.2(j)(v).

(vii) *Fallbacks*

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the immediately following Interest Determination Date, the Issuer is unable to appoint an Independent Adviser or no Successor Rate or Alternative Rate (as applicable) is determined pursuant to this provision prior to the IA Determination Cut-off Date, the original benchmark or screen rate (as applicable)

will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date, with the effect that the fallback provisions provided elsewhere in these Conditions will continue to apply to such determination;

For the purposes of this Condition 4.2(j):

Adjustment Spread means either a spread (which may be positive, negative or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser acting in good faith determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (a) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (b) (if no such recommendation or option has been made (or made available), or in the case of an Alternative Rate) the Independent Adviser acting in good faith determines is recognised or acknowledged as being in customary usage in international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (c) (if no such customary market usage is recognised or acknowledged) the Independent Adviser acting in good faith determines to be appropriate;

Alternative Rate means an alternative to the Reference Rate which the Independent Adviser acting in good faith determines in accordance with Condition 4.2(j)(ii) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes or, if the Independent Adviser determines there is no such rate, such other rate as the Independent Adviser acting in good faith determines is most comparable to the relevant Reference Rate;

Benchmark Amendments has the meaning given to it in Condition 4.2(j)(iv);

Benchmark Event means:

- (a) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing permanently to be calculated, administered and published; or
- (b) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six months prior to the date specified in (b)(i) above; or

- (c) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued; or
- (d) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the date specified in (d)(i) above;
- (e) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (ii) the date falling six months prior to the specified date referred to in (e)(i) above;
- (f) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate announcing that such Original Reference Rate is or will, on or before a specified date, be no longer representative and (ii) the date falling six months prior to the date specified in (f)(i) above; or
- (g) it has or will prior to the next Interest Determination Date become unlawful for any Paying Agent, the Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable);

Independent Adviser means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense. For the avoidance of doubt, an Independent Adviser appointed pursuant to this Condition 4.2(j) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 4.2(j);

Original Reference Rate means the originally-specified Reference Rate, other than SARON Compounded, Compounded Daily SOFR or Weighted SOFR, used to determine the Rate of Interest (or any component part thereof) on the Notes;

Relevant Nominating Body means, in respect of a Reference Rate:

- (a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof; and

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended, or formally provided as an option for parties to adopt, by any Relevant Nominating Body.

4.3 *Interest on Range Accrual and Dual Range Accrual Notes*

(a) *Fixed Rate Range Accrual and Dual Range Accrual*

The Interest Amount payable on each Fixed Rate Range Accrual Note and Fixed Rate Dual Range Accrual Note on each Interest Payment Date up to (and including) the Maturity Date shall be an amount determined by the Calculation Agent on the relevant Determination Date in accordance with the following formula in respect of the Interest Period ending on or around such Interest Payment Date:

$$\text{Interest Amount} = \text{Specified Denomination} \times \left(\text{Fixed Rate} \times \left(\frac{\text{Days Accrued}}{\text{Actual Days}} \right) \times \text{Day Count Fraction} \right)$$

(b) *Floating Rate Range Accrual and Dual Range Accrual*

The Interest Amount payable on each Floating Rate Range Accrual Note Floating Rate Dual Range Accrual Note on each Interest Payment Date up to (and including) the Maturity Date shall be an amount determined by the Calculation Agent on the relevant Determination Date in accordance with the following formula in respect of the Interest Period ending on or around such Interest Payment Date:

$$\text{Interest Amount} = \text{Specified Denomination} \times \left(\text{Floating Rate} \times \left(\frac{\text{Days Accrued}}{\text{Actual Days}} \right) \times \text{Day Count Fraction} \right)$$

(c) *CMS Range Accrual*

The Interest Amount payable on each CMS Range Accrual Note on each Interest Payment Date up to (and including) the Maturity Date shall be an amount determined by the Calculation Agent on the relevant Determination Date in accordance with the following formula in respect of the Interest Period ending on or around such Interest Payment Date:

$$\text{Interest Amount} = \text{Specified Denomination} \times \left(\text{Fixed Rate or Floating Rate} \times \left(\frac{\text{Days Accrued}}{\text{Actual Days}} \right) \times \text{Day Count Fraction} \right)$$

(d) *Autoswitch*

In addition, when Autoswitch is specified as applicable in the applicable Final Terms, if the Accumulated Interest Rate reaches the Target Rate, the Rate of Interest applicable on any succeeding Interest Payment Date shall be the Switch Rate.

(e) *Definitions*

For the purposes of Range Accrual Notes, the terms set out below have the following meanings:

Accumulated Interest Rate means the sum of each Rate of Interest paid or payable, as the case may be) from (and including) the first Interest Payment Date to and including the next Interest Payment Date which has yet to occur.

Actual Days means, in relation to each Interest Period, the number of calendar days in such Interest Period.

Cut-Off Date means the date 5 Business Days prior to the relevant Interest Payment Date for the relevant Interest Period.

Day Count Fraction means the day count fraction as specified in the applicable Final Terms.

Days Accrued means, in relation to each Interest Period, the number of calendar days in such Interest Period at which the Range Accrual Reference Rate is:

- (i) (a) equal or greater than the Lower Range and (b) equal or less than the Upper Range (in respect of Range Accrual Notes); or
- (ii) (a) equal or greater than the Lower Range₁ and (b) equal or less than the Upper Range₁; and (a) equal or greater than the Lower Range₂ and (b) equal or less than the Upper Range₂ (in respect of Dual Range Accrual Notes).

Fixed Rate means the fixed rate as specified in the applicable Final Terms, subject to any adjustment to the Fixed Rate for subsequent Interest Periods, as specified in the applicable Final Terms.

Floating Rate means the floating rate as specified in the applicable Final Terms, subject to any adjustment to the Floating Rate for subsequent Interest Periods, as specified in the applicable Final Terms.

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

Lower Range means the Lower Range as specified in the applicable Final Terms, subject to any adjustment to the Lower Range for subsequent Interest Periods, as specified in the applicable Final Terms.

Lower Range₁ means the Lower Range₁ as specified in the applicable Final Terms, subject to any adjustment to the Lower Range₁ for subsequent Interest Periods, as specified in the applicable Final Terms.

Lower Range₂ means the Lower Range₂ as specified in the applicable Final Terms, subject to any adjustment to the Lower Range₂ for subsequent Interest Periods, as specified in the applicable Final Terms.

Observation Date means each calendar day during the relevant Interest Period, provided that:

- (i) Prior to the Cut-Off Date, the Range Accrual Reference Rate for a calendar day, which is not a Business Day or a day on which the Range Accrual Reference Rate is otherwise capable of being determined, shall be deemed to be the Range Accrual Reference Rate as observed on the previous day that was a Business Day and a day on which the Range Accrual Reference Rate was capable of being determined; and
- (ii) The Range Accrual Reference Rate for the period after the Cut-Off Date through to the end of such Interest Period shall be deemed to be the Range Accrual Reference Rate as observed on the Cut-Off Date for that Interest Period.

Range Accrual Reference Rate means, for each Observation Date in the relevant Interest Period, such reference rate as specified in the applicable Final Terms, whereby such specified reference rate shall be determined (i) for a Fixed Rate Range Accrual Note, a Fixed Rate Dual Range Accrual Note, Floating Rate Range Accrual Note or a Floating Rate Dual Range Accrual Note by the Calculation Agent according to Condition 4.2(b)(i) or (ii) for a CMS Range Accrual Note according to Condition 4.2(b)(vii)(C).

Switch Rate means the percentage rate specified in the applicable Final Terms.

Target Rate means the percentage rate specified in the applicable Final Terms.

Upper Range means the Upper Range as specified in the applicable Final Terms, subject to any adjustment to the Upper Range for subsequent Interest Periods, as specified in the applicable Final Terms.

Upper Range₁ means the Upper Range₁ as specified in the applicable Final Terms, subject to any adjustment to the Upper Range₁ for subsequent Interest Periods, as specified in the applicable Final Terms.

Upper Range₂ means the Upper Range₂ as specified in the applicable Final Terms, subject to any adjustment to the Upper Range₂ for subsequent Interest Periods, as specified in the applicable Final Terms.

4.4 *Exempt Notes*

In the case of Exempt Notes which are also Floating Rate Notes, Range Accrual or Dual Range Accrual Notes where the applicable Pricing Supplement identifies that Screen Rate Determination or CMS Rate Determination applies to the calculation of interest or determination of the Range Accrual Reference Rate, if the Reference Rate or the Range Accrual Reference Rate from time to time is specified in the applicable Pricing Supplement as being other than EURIBOR, SARON Compounded, Compounded Daily SONIA, Compounded Daily SOFR, Weighted Average SOFR, Compounded Daily €STR or CMS Reference Rate, the Rate of Interest or the Range Accrual Reference Rate in respect of such Exempt Notes will be determined as provided in the applicable Pricing Supplement.

The rate or amount of interest payable in respect of Exempt Notes which are not also Fixed Rate Notes, Floating Rate Notes, Inflation Linked Interest Notes, Range Accrual or Dual Range Accrual Notes shall be determined in the manner specified in the applicable Pricing Supplement, provided that where such Notes are Index Linked Interest Notes the provisions of Condition 4.2 shall, save to the extent amended in the applicable Pricing Supplement, apply as if the references therein to Floating Rate Notes and to the Agent were references to Index Linked Interest Notes and the Calculation Agent, respectively, and provided further that the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

4.5 *Accrual of Interest*

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given in accordance with Condition 14,

Provided that in the case of Credit Linked Notes, other than Portfolio Credit Linked Notes, if

- (a) “Accrual of Interest upon Credit Event” is specified as Not Applicable in the applicable Final Terms, each Note shall cease to bear interest from the Interest Payment Date immediately preceding the Credit Event Determination Date, or if the Credit Event Determination Date is an Interest Payment Date such Interest Payment Date or, if the Credit Event Determination Date falls prior to the first Interest Payment Date, no interest shall accrue on the Notes; or
- (b) “Accrual of Interest upon Credit Event” is specified as being Applicable in the applicable Final Terms, each Note shall cease to bear interest from the Credit Event Determination Date and the relevant Interest Period shall end on but exclude the Credit Event Determination Date. In this case, the relevant interest amount shall be payable on, unless otherwise stated in the applicable Final Terms, the Credit Event Redemption Date.

5. Payments

5.1 *Method of Payment*

Subject as provided below:

- (a) payments in a Specified Currency other than Euro will be made by transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively);
- (b) payments in Euro will be made by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee.
- (c) References to Specified Currency will include any successor currency under applicable law.

5.2 *Payments subject to fiscal and other laws*

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approval thereto, and (iii) any withholding or deduction required pursuant to Section 871(m) of the Code (**871(m) Withholding**). In addition, in determining the amount of 871(m) Withholding imposed with respect to any amounts to be paid on the Notes, the Issuer shall be entitled to withhold on any "dividend equivalent" (as defined for purposes of Section 871(m) of the Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

Payments on the Notes that reference U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70%. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer will be deemed to withhold, 30% of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

5.3 *Presentation of Notes, Receipts and Coupons*

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 5.1 above only against surrender of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only

against surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America and its possessions).

Fixed Rate Notes in definitive form and save as provided in Condition 5.4 should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of ten years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Range Accrual Note, Dual Range Accrual Note or Inflation Linked Interest Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date to (but excluding) the due date for redemption shall be payable only against surrender of the relevant definitive Note.

Payments of principal and interest (if any) in respect of Notes represented by any global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant global Note (against presentation or surrender (as the case may be) of such global Note if the global Note is not intended to be issued in new global note (NGN) form) at the specified office of any Paying Agent. On the occasion of each payment, (a) in the case of any global Note which is not issued in NGN form, a record of such payment made on such global Note, distinguishing between any payment of principal and any payment of interest, will be made on such global Note by the Agent, and (b) in the case of any global Note which is a NGN, the Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such payment.

5.4 *Specific provisions in relation to payments in respect of certain types of Exempt Notes*

Payments of instalments of principal (if any) in respect of definitive Notes, other than the final instalment, will (subject as provided below) be made in the manner provided in Condition 5.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt in accordance with the preceding paragraph. Payment of the final instalment will be made in the manner provided in Condition 5.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Note in accordance with the preceding paragraph. Each Receipt must be presented for payment of the relevant instalment together with the definitive Note to which it appertains. Receipts presented without the definitive Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Upon the date on which any Index Linked Interest Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

The holder of a global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such global Note.

Notwithstanding the foregoing, if any amount of principal and/or interest in respect of the Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences for the Issuer.

5.5 *Payment Day*

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 8) 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) in the case of Notes in definitive form only, the relevant place of presentation;
 - (ii) each Additional Financial Centre specified in the applicable Final Terms; and
- (b) either (1) in relation to any sum payable in a Specified 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 Specified Currency (which if the Specified Currency is New Zealand dollars shall be Auckland) or (2) in relation to any sum payable in Euro, a day on which T2 is open.

5.6 *Interpretation of Principal and Interest*

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 7;

- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Exempt Notes redeemable in instalments, the Instalment Amounts; and
- (f) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7.

5.7 *Physical Delivery Notes*

(a) *Physical Delivery*

(i) *Asset Transfer Notices*

In relation to Physical Delivery Notes, in order to obtain delivery of the Asset Amount(s) in respect of any Note:

- (A) if such Note is represented by a Global Note, the relevant Noteholder must deliver to Euroclear or Clearstream, Luxembourg (as applicable) (each a relevant **Clearing System**), with a copy to the Issuer not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice; and
- (B) if such Note is in definitive form, the relevant Noteholder must deliver to any Paying Agent with a copy to the Issuer not later than the close of business in each place of reception on the Cut-Off Date, a duly completed Asset Transfer Notice.

For the purposes of this Condition:

Asset Amount means the amount of Relevant Asset relating to each Note as set out in the Final Terms;

Asset Transfer Notice means asset transfer notice in the form set out in the Agency Agreement duly completed in accordance with the provisions of this Condition;

Cut-Off Date means the date falling three Business Days prior to the Delivery Date; and

Relevant Asset means the asset defined as such in the applicable Final Terms.

Copies of the Asset Transfer Notice may be obtained during normal business hours from the specified office of any Paying Agent.

An Asset Transfer Notice may only be delivered (a) if such Note is represented by a Global Note in such manner as is acceptable to the relevant Clearing System, or (b) if such Note is in definitive form, in writing together with the Note.

The Asset Transfer Notice shall:

- I. specify the name and address of the relevant Noteholder and the person from whom the Issuer may obtain details for the delivery of the Asset Amount and any details required for delivery of the Asset Amount set out in the applicable Final Terms;
- II. in the case of Notes represented by a Global Note, specify the nominal amount of Notes which are the subject to such notice and the number of the Noteholder's account at the relevant Clearing System to be debited with such Notes and irrevocably instruct and authorise the relevant Clearing System, as the case may be, to debit the relevant Noteholder's account with such Notes on or before the Delivery Date;
- III. include an undertaking to pay all Delivery Expenses and, in the case of Notes represented by a Global Note, an authority to debit a specified account of the Noteholder at the relevant Clearing System, as the case may be, in respect thereof and to pay such Delivery Expenses;
- IV. specify an account to which dividends (if any) payable pursuant to this Condition 5.7 or any other cash amounts specified in the applicable Final Terms are being payable are to be paid;
- V. certify that the beneficial owner of each Note is not a U.S. person (as defined in the Asset Transfer Notice), the Note is not being redeemed within the United States or on behalf of a U.S. person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person in connection with any redemption thereof;
- VI. authorise the production of such notice in any applicable administrative or legal proceedings,

For the purposes of this Condition, **Delivery Expenses** means all costs, taxes, duties and/or expenses, including stamp duty, stamp duty reserve tax and/or other costs, duties or taxes arising from the delivery of the Asset Amount.

(ii) *Verification of the Holder*

Upon receipt of an Asset Transfer Notice the relevant Clearing System shall verify that the person delivering the Asset Transfer Notice is the holder of the Notes described therein according to its records. Subject thereto, the relevant Clearing System will confirm to the Agent the series number and number of Notes the subject of such notice, the relevant account details and the details for the delivery of the Asset Amount relating to each Note. Upon receipt of such confirmation, the Agent will inform the Issuer thereof.

(iii) *Determinations and Delivery*

Failure properly to complete and deliver an Asset Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in these Conditions shall be made, in the case of Notes represented by a Global Note, by the relevant Clearing System, after consultation with the Issuer and shall be conclusive and binding on the Issuer and the relevant Noteholder and, in the case of Notes in definitive form, by the relevant Paying Agent after consultation with the Issuer, and shall be conclusive and binding on the Issuer and the relevant Noteholder.

If any Asset Transfer Notice deemed null and void in accordance with the foregoing paragraph is subsequently corrected to the satisfaction of the relevant Clearing System in consultation

with the Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such corrected Asset Transfer Notice was delivered to the relevant Clearing System (with a copy to the Agent).

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

The Asset Amount will be delivered at the risk of the relevant Noteholder, in the manner provided below on the Maturity Date (such date, subject to adjustment in accordance with this Condition, the **Delivery Date**), provided that the Asset Transfer Notice is duly delivered to the relevant Clearing System (with a copy to the Agent), as provided above on or prior to the Cut-Off Date.

If a Noteholder fails to give an Asset Transfer Notice as provided herein with a copy to the Agent, on or prior to the Cut-Off Date, then the Asset Amount will be delivered as soon as practicable after the Maturity Date, as defined in the Final Terms (in which case, such date of delivery shall be deemed the Delivery Date) at the risk of such Noteholder in the manner provided below. In such circumstances the relevant Noteholder shall not be entitled to any payment, whether of interest or otherwise, and the Issuer shall have no liability whatsoever, as a result of the Delivery Date falling after the Maturity Date.

The Issuer shall, at the relevant Noteholder's risk, deliver or procure the delivery of the Asset Amount relating to each Note, pursuant to the details specified in the Asset Transfer Notice or in such commercially reasonable manner as the Calculation Agent shall in its sole and absolute discretion determine and notify to the person designated by the Noteholder in the relevant Asset Transfer Notice. No delivery of the Asset Amount shall be made until all Delivery Expenses have been paid to the satisfaction of the Issuer by the relevant Noteholder.

(iv) *General*

Notes held by the same Noteholder will be aggregated for the purpose of determining the aggregate Asset Amount in respect of such Notes, provided that, the aggregate Asset Amount in respect of the same Noteholder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered and no cash adjustment will be made in respect thereof.

Following the Delivery Date of a share certificate all dividends on the relevant shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the shares executed on the Delivery Date and to be delivered in the same manner as such relevant Shares. Any such dividends to be paid to a Noteholder will be paid to the account specified by the Noteholder in the relevant Asset Transfer Notice as referred to in Condition 5.7(a)(i).

For such period of time after delivery of the Asset Amount as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the securities comprising the Asset Amount (the **Intervening Period**), none of the Issuer, the Calculation Agent or any other person shall at any time (A) be under any obligation to deliver or procure delivery to any Noteholder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities or obligations, (B) be under any obligation to exercise or procure the exercise of any or all rights attaching to such securities or obligations or (C) be under any liability to a Noteholder in

respect of any loss or damage which such Noteholder may sustain or suffer as a result, whether directly or indirectly, of that person being the legal owner during such Intervening Period of such securities or obligations.

(v) *Settlement Disruption*

If, in the opinion of the Calculation Agent, delivery of the Asset Amount using the method of delivery specified in the applicable Final Terms, or such other commercially reasonable manner as the Calculation Agent has determined, is impracticable because a Settlement Disruption Event (as defined below) has occurred and is continuing on the Delivery Date, then it shall give notice as soon as practicable to the Noteholders in accordance with Condition 14 and the Delivery Date shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that, the Issuer may elect in its sole and absolute discretion to satisfy its obligations in respect of the relevant Note by delivering the Asset Amount using such other commercially reasonable manner as it may select and, in such event, the Delivery Date shall be such day as the Issuer deems appropriate (acting in a commercially reasonable manner). Noteholders shall not be entitled to any payment, whether on account of interest or otherwise, and the Issuer shall have no liability whatsoever, as a result of the Delivery Date being postponed due to the occurrence of a Settlement Disruption Event.

Where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Asset Amount, the Delivery Date for the Relevant Assets unaffected by the Settlement Disruption Event will be the originally designated Delivery Date. For so long as delivery of part of the Asset Amount is impracticable by reason of a Settlement Disruption Event, then in lieu of physical delivery of the affected Relevant Asset(s), and notwithstanding any other provision hereof, the Issuer may elect in its sole and absolute discretion to satisfy its obligations in respect of the affected portion of the relevant Note(s) by paying the relevant Noteholder(s), the Disruption Cash Redemption Amount (as defined below) on the fifth Business Day following the date on which Noteholders are notified in accordance with Condition 14 of (A) such election having been made and (B) the manner in which the Issuer intends to pay the Disruption Cash Redemption Amount.

For the purposes of this Condition:

Disruption Cash Redemption Amount shall be, in respect of any Note, the fair market value of such Note (taking into account, where the Settlement Disruption Event affected some but not all of the Relevant Assets included in the Asset Amount and such unaffected Relevant Assets have been duly delivered as provided above, the value of such unaffected and delivered Relevant Assets), less the cost to the Issuer of unwinding any related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion;

Settlement Business Day, in respect of each Note, has the meaning specified in the applicable Final Terms relating to such Note; and

Settlement Disruption Event means an event that is beyond the control of the Issuer, including illiquidity in the market for the Relevant Assets as a result of which the Issuer cannot make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms, all as determined by the Calculation Agent.

(b) *Variation of Settlement*

If so specified in the applicable Final Terms, the Issuer may, in its sole and absolute discretion, elect (i) to deliver or procure delivery on the Maturity Date of the Asset Amount relating to each Note in lieu of its obligation to pay Noteholders the Early Redemption Amount or (ii) to pay Noteholders the

Redemption Amount on the Maturity Date in lieu of its obligation to deliver or procure delivery of the Asset Amount. Notification of any such election will be given to Noteholders in accordance with Condition 14.

(c) *Rights of Noteholders and Calculations*

None of the Issuer, the Calculation Agent or any of the Paying Agents shall have any responsibility for any errors or omissions committed in connection with any of the calculations or determinations contemplated in this Condition 5.

The purchase of Notes linked to one or more Relevant Assets does not confer on holders of such Notes any rights (whether in respect of voting, distributions or otherwise) in connection with the applicable Relevant Asset(s).

For the purposes of these Conditions, **Redemption Amount** means the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be.

6. Redemption and Purchase

6.1 *At Maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Index Linked Redemption Note) will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms or, if physical settlement is specified as applicable in the applicable Final terms (each such Note a **Physical Delivery Note**) by delivery of the Entitlement (as provided in Condition 5.7 above) or determined in the manner specified in these Conditions in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

The **Final Redemption Amount** in respect of each nominal amount of Notes equal to the Calculation Amount shall be an amount equal to:

(i) Calculation Amount x the percentage specified in the applicable Final Terms or (ii) the final payout specified in the applicable Final Terms, as calculated in accordance with Annex 1 (Additional terms and conditions for SPS payouts of Notes) or Annex 2 (Additional Terms and Conditions for Payouts),

provided that, where the applicable Final Terms indicate that the Notes are intended to be held in a manner which would allow Eurosystem eligibility, then the Final Redemption Amount shall be no less than par.

If the Final Redemption is zero, no amount shall be payable on final redemption of the Note.

The **Entitlement** shall be the quantity of the Relevant Asset(s) equal to the Entitlement Amount specified in the applicable Final Terms.

6.2 *Redemption for Tax Reasons*

Subject to Condition 6.6 below in case the Notes are MREL Notes or subject to Condition 6.11 below in case the Notes are Subordinated Notes, the Notes may be redeemed at the option of the Issuer in whole, but not in part at any time (if this Note is not a Floating Rate Note or an Inflation Linked Interest Note) or on any Interest Payment Date (if this Note is a Floating Rate Note or an Inflation Linked Interest Note), on giving not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to the Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of Luxembourg or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the last Tranche of the Notes and, where the Notes are specified as Subordinated Notes in the applicable Final Terms, which change the Issuer demonstrates to the satisfaction of the Regulator was material and was not reasonably foreseeable as at the Issue Date of the last Tranche of the Notes (a **Change in Law**) and in all cases such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or
- (b) where the Notes are specified as Subordinated Notes in the applicable Final Terms, the Issuer would, as a result of any Change in Law, not be entitled to claim a deduction in respect of any payments in computing its taxation liabilities or the amount of the deduction would be materially reduced,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts or would not be entitled to claim a deduction were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Agent to make available at its specified office to the Noteholders (i) a certificate signed by two Members of the Executive Committee of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 6.2 will be redeemed at their Early Redemption Amount referred to in Condition 6.8 below together (if appropriate) with interest accrued (but unpaid) to (but excluding) the date of redemption.

6.3 *Redemption at the Option of the Issuer (Issuer Call)*

This Condition 6.3 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Issuer (other than pursuant to Condition 6.2 or 6.5), such option being referred to as an **Issuer Call**. The applicable Final Terms contains provisions applicable to any Issuer Call and must be read in conjunction with this Condition 6.3 for full information on any **Issuer Call**. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount, any minimum or maximum amount of Notes which can be redeemed and the applicable notice periods.

If Issuer Call is specified as being Applicable in the applicable Final Terms and subject to Condition 6.6 below in case the Notes are MREL Notes or subject to Condition 6.11 below in case the Notes are Subordinated Notes, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable), redeem all or, unless otherwise specified in the applicable Final Terms, some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued (but unpaid) to (but excluding) the relevant Optional Redemption Date (including, if the Notes are specified as Subordinated Notes in the applicable Final Terms, any accrued but unpaid interest to the date fixed for redemption). Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount or not more than a Maximum Redemption Amount (in each case as may be specified in the applicable Final Terms).

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (and if the global Note is intended to be issued in NGN form to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption.

6.4 *Redemption at the Option of the Noteholders (Investor Put) (not applicable to MREL Notes or Subordinated Notes)*

This Condition 6.4 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Noteholder, such option being referred to as an Investor Put. The applicable Final Terms contains provisions applicable to any Investor Put and must be read in conjunction with this Condition 6.4 for full information on any Investor Put. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount and the applicable notice periods.

If the Notes are specified as Senior Notes in the applicable Final Terms and if Investor Put is specified as being Applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued (but unpaid) to (but excluding) the Optional Redemption Date.

If this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must deliver such Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a **Put Notice**) and in which the holder must specify a bank account to which payment is to be made under this Condition and the Put Notice must be accompanied by, if this Note is in definitive form, this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or, as the case may be, common safekeeper for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a global Note which has not been issued in NGN form, at the same time present or procure the presentation of the relevant global Note to the Agent for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 9.

6.5 *Redemption upon the Occurrence of a MREL Disqualification Event*

This Condition 6.5 applies only in the case of Notes specified in the applicable Final Terms as being MREL Notes and where this Condition 6.5 is specified as being Applicable in the applicable Final Terms.

Upon the occurrence of a MREL Disqualification Event, the Issuer may, subject to this Condition 6.5 elect to redeem all, but not some only, of the MREL Notes at their principal amount (or at such other amount as may be specified in the applicable Final Terms), together with any accrued and unpaid interest (if any) thereon to (but excluding) the date fixed for redemption by giving notice to the Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable):

- (i) in the case of all MREL Notes other than MREL Notes that are Floating Rate Notes or Index Linked Redemption Notes, at any time within the period of not less than 30 nor more than 45 days from the date such notice; or
- (ii) in the case of MREL Notes that are Floating Rate Notes or Index Linked Redemption Notes, (A) on any Interest Payment Date falling within the period of not less than 30 nor more than 45 days from the date of such notice or (B) if there is no Interest Payment Date falling within (A) above, on the first Interest Payment Date to occur after the expiry of 45 days from such notice.

6.6 *Conditions to Redemption and Purchase prior to Final Redemption*

If the Notes are specified as MREL Notes in the applicable Final Terms:

- (a) any redemption or purchase of the MREL Notes in accordance with Conditions 6.2, 6.3, 6.5 and 6.10 is subject to such redemption or purchase being permitted by applicable MREL Regulations (notably articles 77 and 78a of the CRD IV Regulation) and subject to the Issuer obtaining Supervisory Permission therefor, if required; and
- (b) prior to the publication of any notice of redemption pursuant to Condition 6.5, the Issuer shall deliver to the Agent a certificate signed by two Directors of the Issuer stating that the relevant circumstance giving rise to the right to redeem is satisfied.

6.7 *Capital Event Redemption*

The Subordinated Notes may be redeemed at the option of the Issuer in whole, but not in part, subject to Condition 6.11, on any Interest Payment Date (if this Note is a Floating Rate Note or an Inflation Linked Interest Note) or at any time (if this Note is not a Floating Rate Note or an Inflation Linked Interest Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable), at their Early Redemption Amount specified in the applicable Final Terms (which, in the case of Zero Coupon Notes, shall be as provided in Condition 6.8(c) below) (together with any accrued but unpaid interest to the date fixed for redemption) if, there is a change (or a pending change which the Regulator considers to be sufficiently certain) in the regulatory classification of the Notes that occurs on or after the Issue Date that the Issuer demonstrates to the satisfaction of the Regulator was not reasonably foreseeable as at the Issue Date, that would be likely to result in the exclusion of the Notes from own funds or their reclassification as a lower quality form of own funds (a **Capital Event**). Before the publication of any notice of redemption pursuant to a Capital Event, the Issuer shall deliver to the Agent a certificate signed by two Directors of the Issuer stating that a Capital Event has occurred and the Issuer is entitled to effect such redemption.

6.8 *Early Redemption Amounts*

Unless otherwise provided in the applicable Final Terms, for the purpose of Condition 6.2 above and Condition 9 the Notes will be redeemed at the Early Redemption Amount calculated as follows:

- (a) in the case of Notes with a Final Redemption Amount equal to the Issue Price of the first Tranche of the Series, at the Final Redemption Amount thereof; or
- (b) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price of the first Tranche of the Series, at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the Final Terms, at its nominal amount; or
- (c) in the case of Zero Coupon Notes, at its Early Redemption Amount calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

RP means the Reference Price;

AY means the Accrual Yield expressed as a decimal; and

y is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case) the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365),

- (d) If “Fair Market Value less Costs” is specified as the Early Redemption Amount in the applicable Final Terms then an amount per Calculation Amount of the Notes equal to the fair market value of such amount of the Notes less an amount equal to such Notes' pro rata share of the total amount of any and all costs associated or incurred by the Issuer and/or any affiliate in connection with the early redemption, including, without limitation, any costs associated with unwinding, substituting, settling, re-establishing and/or incurring any funding relating to the Notes and/or any costs associated with unwinding, substituting, settling, re-establishing and/or incurring any hedge or related trading positions relating to the Notes, all as determined by the Calculation Agent, provided that the Calculation Agent will take into account the interest element of the Notes in determining the relevant fair market value unless a separate amount of accrued interest is payable together with the Early Redemption Amount in which case the Calculation Agent will not take into account the interest element of the Notes.

provided that, where the applicable Final Terms indicate that the Notes are intended to be held in a manner which would allow Eurosystem eligibility, then the Early Redemption Amount shall be no less than par.

6.9 *Specific redemption provisions applicable to certain types of Exempt Notes*

For the purposes of Condition 6.2, Index Linked Interest Notes may be redeemed only on an Interest Payment Date.

If the Notes are repayable in instalments, they will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Pricing Supplement. In the case of early redemption, the Early Redemption Amount of Instalment Notes will be determined in the manner specified in the applicable Pricing Supplement. If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Pricing Supplement.

6.10 *Purchases*

Subject to Condition 6.6 above in case the Notes are MREL Notes or subject to Condition 6.11 below in case the Notes are Subordinated Notes, the Issuer may purchase Notes (provided that, in the case of definitive Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

6.11 *Redemption or Purchase of Subordinated Notes*

(a) *Redemption or purchase prior to maturity*

Subordinated Notes may not be redeemed prior to their stated maturity date (if any) pursuant to Conditions 6.2, 6.3 and 6.7, or purchased by or on behalf of the Issuer or any of its subsidiaries pursuant to Condition 6.10, without the prior consent of the Regulator and subject to compliance with Regulatory Procedures (in each case, if and to the extent so required by the Applicable Banking Regulations).

(b) *Redemption at maturity*

Subordinated Notes may be redeemed at maturity (which cannot be less than five years) without the prior approval of the Regulator.

6.12 *Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and Notes purchased and cancelled pursuant to paragraph 6.11 above (together with all unmatured Receipts and Coupons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

6.13 *Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph 6.1, 6.2, 6.3 or 6.4 above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 6.8(c) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

- (b) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders either in accordance with Condition 14 or individually.

6.14 *Defined Terms*

In these Conditions,

Applicable Banking Regulation means the CRD IV Regulation, the CRD IV Directive, the Financial Sector Law, the Resolution Law, the CSSF Regulation N°18-03 on the implementation of certain discretions of the CRD IV Regulation, any laws, regulations or acts implementing CRD IV and, at any time, the laws, regulations, circular letters and other requirements, standards, guidelines and policies relating to capital adequacy for credit institutions of either (i) the Regulator and/or (ii) any other national or European authority, in each case then in effect in Luxembourg (or in such other jurisdiction in which the Issuer may have its home member state as defined in the CRD IV Regulation, the CRD IV Directive and the Financial Sector Law (**Home Member State**)) and applicable to the Issuer.

BRRD means Directive 2014/59/EU of 15 May 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms or such other directive as may come into effect in place thereof, as implemented in Luxembourg and as amended or replaced from time to time and including any other relevant implementing regulatory provisions.

BRRD Amending Directive means Directive 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending the BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy.

CRD IV means the legislative package consisting of the CRD IV Directive and the CRD IV Regulation.

CRD IV Directive means Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time, including, without limitation, by Directive (EU) 2019/878.

CRD IV Regulation means Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time.

Financial Sector Law means the Luxembourg law of 5 April 1993 on the financial sector, as amended.

Group means consolidated group of which the Issuer is the parent entity.

MREL Disqualification Event means at any time in respect of a Series of MREL Notes, that all or part of the outstanding principal amount of such Series of MREL Notes does not fully qualify as MREL Eligible Instruments of the Issuer, except where such non-qualification (i) was reasonably foreseeable as at the Issue Date or (ii) is due solely to the remaining maturity of such Series of MREL Notes being less than any period prescribed for by the applicable MREL Regulations.

MREL Eligible Instrument means an instrument that is an eligible liability instrument to be counted towards the minimum requirement for own funds and eligible liabilities of the Issuer in accordance with the applicable MREL Regulations.

MREL Eligible Senior Preferred Note means a Senior Preferred Note qualifying as an MREL Eligible Instrument.

MREL Notes means MREL Eligible Senior Preferred Notes and/or Senior Non Preferred Notes.

MREL Regulations means, at any time, the laws, regulations, requirements, guidelines and policies then in effect in Luxembourg giving effect to the "minimum requirement for own funds and eligible liabilities" (**MREL**) applicable to banking institutions or any successor laws, regulations, requirements, guidelines and policies that may be applicable to the Issuer and/or the Group, including, without limitation to the generality of the foregoing, CRD IV, the BRRD and/or the BRRD Amending Directive (whether or not such laws, regulations, requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group).

own funds has the meaning given to it in the CRD IV Regulation.

Regulator means the European Central Bank, the European Banking Authority, the *Commission de Surveillance du Secteur Financier (CSSF)* or such other authority which assumes or performs the functions, as at the Issue Date, performed by such authority or such other or successor authority exercising primary supervisory authority with respect to prudential matters in relation to the Issuer.

Regulatory Procedures means in respect of any redemption or purchase of the Notes:

- (a) on or before such redemption or purchase of the Notes, the Issuer replaces the Notes with own funds instruments of an equal or higher quality on terms that are sustainable for its income capacity; or
- (b) the Issuer has demonstrated to the satisfaction of the Regulator that the own funds of the Issuer would, following such redemption or purchase, exceed its minimum capital requirements (including any capital buffer requirements) as set out in CRD IV by a margin that the Regulator may consider necessary on the basis set out in CRD IV for it to determine the appropriate level of capital of an institution.

Relevant Resolution Authority means the Single Resolution Board (**SRB**) established pursuant to the SRM Regulation and the CSSF, acting as resolution board, and/or any other authority lawfully entitled to exercise or participate in the exercise of any Bail-in Power from time to time.

Resolution Law means the Luxembourg law of 18 December 2015 on the default of credit institutions and certain investment firms, as amended.

Supervisory Permission means, in relation to any action, such supervisory permission (or, as appropriate, waiver) from the Competent Authority and/or the Relevant Resolution Authority as is required therefor under applicable MREL Regulations (if any).

7. **Taxation**

All payments of principal (in case of Senior Notes only) and interest in respect of the Notes, Receipts or Coupons by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Luxembourg or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts receivable by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal (in case of Senior Notes only) and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who
 - (i) is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of

his having some connection with Luxembourg other than the mere holding of such Note, Receipt or Coupon or (ii) would not be liable or subject to such taxes or duties by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or

- (b) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such 30th day; or
- (c) any withholding or deduction required pursuant to (i) Section 871(m) of the Code or (ii) Sections 1471 through 1474 of the Code, any regulations or agreements thereunder or any official interpretations thereof.

As used herein, the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

8. Prescription

The Notes, Receipts and Coupons will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5.3 or any Talon which would be void pursuant to Condition 5.3.

9. Events of Default and Enforcement

9.1 Provisions relating to Senior Notes

(a) Senior Preferred Notes (not applicable to MREL Eligible Senior Preferred Notes)

If the Notes are specified as Senior Preferred Notes (other than MREL Eligible Senior Preferred Notes) in the applicable Final Terms and if any one or more of the following events (each an **Event of Default**) shall occur:

- (i) default is made for more than seven days in the payment of any principal due under the Notes or any of them or for more than 14 days in the payment of any interest due under the Notes or any of them; or
- (ii) the Issuer fails to perform or observe any of its other obligations under these Terms and Conditions and (except in any case where the failure is incapable of remedy when no continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by a Noteholder on the Issuer of notice requiring the same to be remedied; or
- (iii) any order is made by any competent court or resolution passed for the dissolution (dissolution) and liquidation (liquidation) of the Issuer, save for the purposes of merger or reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders; or
- (iv) the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of merger or reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders, or the Issuer stops or threatens to stop payment

of, or is unable to, or admits inability to, pay its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

- (v) the Issuer becomes insolvent within the meaning of Luxembourg bankruptcy law or applies for or consents to or suffers the appointment of a liquidator (*liquidateur*), an administrator in a regime of reprieve from payment (*administrateur*) of the Issuer or of the whole or a substantial part of the undertaking, property, assets or revenues of the Issuer or initiates proceedings under any applicable laws for a readjustment or deferral of its obligations or any substantial part thereof or makes or enters into a general assignment or an arrangement or composition with or for the benefit of its creditors or any court order is rendered or an effective voluntary resolution is passed for the dissolution (*dissolution*) and liquidation (*liquidation*) of the Issuer or to admit the Issuer to a regime of reprieve from payment (*sursis de paiement*);

then any Noteholder may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Note held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 6.8), together with accrued interest (if any) to the date of repayment, without presentation, demand, protest or other notice of any kind.

- (b) *MREL Notes only*

This Condition 9.1(b) shall apply in relation to the Notes that are specified in the applicable Final Terms as being MREL Notes.

Save as provided below, there are no events of default under the MREL Notes which could lead to an acceleration of the MREL Notes.

- (i) *Liquidation*: If any order is made by any competent court or resolution passed for the Liquidation of the Issuer and such order is continuing, then any Notes may, unless there has been a resolution to the contrary at a *Masse Meeting*, by written notice addressed by the Noteholder thereof to the Issuer and delivered to the Issuer or to the specified office of the Fiscal Agent, be declared immediately due and payable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable.
- (ii) *Non-Payment*: If default is made in the payment of any interest or principal due in respect of the Notes and such default continues for a period of 7 days or more after the due date then any Noteholder may ask the relevant authorities to institute Liquidation or reprieve from payment (*sursis de paiement*) proceedings in Luxembourg (but not elsewhere) in accordance with Part II of the Resolution Law in respect of the Issuer (together the **Non-Payment Proceedings**). Although the relevant authorities may take into account a request from a Noteholder to institute the Non-Payment Proceedings, they are not in any way bound to do so following the receipt of such a request or on any other basis. In determining whether to institute any such Non-Payment Proceedings against the Issuer, the relevant authorities will act solely on the basis of their own discretion and in accordance with Luxembourg law. Without prejudice to such request from a Noteholder as described in this Condition 9.1(b)(ii), a Noteholder shall not be able to take proceedings for the Liquidation of the Issuer.
- (iii) *Breach of Other Obligations*: To the extent permitted by applicable law and by these Conditions, a Noteholder may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Notes (other than any payment obligation of the Issuer under or arising from the Notes, including, without limitation, payment of any principal or interest); *provided always* that such Noteholder shall not enforce, and shall not be entitled to enforce or otherwise

claim, against the Issuer any judgment or other award given in such proceedings that requires the payment of money by the Issuer, whether by way of damages or otherwise, except by proving in the relevant Non-Payment Proceedings.

- (iv) *Waiver*: The Noteholders expressly unconditionally and irrevocably waive all rights of rescission under article 1184 of the Luxembourg Civil Code and under article 470-21 of the Companies Act 1915 and, subject to Conditions 9.1(b)(i),(ii) and (iii) above, of otherwise claiming early termination or early repayment of the Notes in case of default by the Issuer under any of its obligations under the Notes.

9.2 *Provisions relating to Subordinated Notes*

- (a) If the Notes are specified as Subordinated Notes in the applicable Final Terms and if:

- (i) *Liquidation*

a judgment is made or an effective resolution is passed for the Liquidation of the Issuer in Luxembourg (or such other jurisdiction in which the Issuer may be organised), save for the purposes of a merger or reorganisation on terms previously approved by an Extraordinary Resolution of the Noteholders, the holder of any Note may give written notice to the Agent at its specified office that such Note is due and payable, whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 6.8), together with accrued interest (if any) to the date of repayment without presentation, demand, protest or other notice of any kind; or

- (ii) *Non Payment*

default is made for more than seven days in the payment of any principal due under the Notes or any of them, or for more than 14 days in the payment of any interest due under the Notes or any of them,

any Noteholder may ask the relevant authorities to institute proceedings in Luxembourg (but not elsewhere) in accordance with Part III of the Resolution Law for the Liquidation of the Issuer.

Although the relevant authorities may take into account a request from a Noteholder to institute proceedings in Luxembourg for the Liquidation of the Issuer, they are not in any way bound to do so following the receipt of such a request or on any other basis. In determining whether to institute any such proceedings against the Issuer, the relevant authorities will act solely on the basis of their own discretion and in accordance with Luxembourg law. Subject to such request from a Noteholder as described in this Condition 9.2(a)(ii), a Noteholder shall not be able to take proceedings for the Liquidation of the Issuer.

- (b) *Breach of Other Obligations*

To the extent permitted by applicable law and by these Conditions, a Noteholder may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Notes or the Coupons (other than any payment obligation of the Issuer under or arising from the Notes or the Coupons, including, without limitation, payment of any principal or interest; *provided always* that such Noteholder shall not enforce, and shall not be entitled to enforce or otherwise claim, against the Issuer any judgment or other award given in such proceedings that requires the payment of money by the Issuer, whether by way of damages or otherwise, except by proving in a Liquidation of the Issuer).

- (c) *Other Remedies*

No remedy against the Issuer, other than the institution of the proceedings referred to in Condition 9.2(a)(ii) or (b) and the proving or claiming in any Liquidation of the Issuer, shall be available to the Noteholders or the Couponholders whether for the recovering of amounts owing in respect of the Notes or the Coupons or in respect of any breach by the Issuer of any other obligation, condition or provision binding on it under the Notes or the Coupons.

10. Substitution and Variation

(a) Substitution and Variation - MREL Notes only

This Condition 10(a) applies in the case of Notes specified as being MREL Notes (that is, MREL Eligible Senior Preferred Notes and/or Senior Non Preferred Notes) in the applicable Final Terms.

It is the intention of the Issuer that the MREL Notes shall be treated for regulatory purposes as MREL Eligible Instruments under the applicable MREL Regulations.

If an MREL Eligibility Event, an Alignment Event or Tax Event occurs and is continuing, the Issuer may, at its option, substitute all (but not some only) of the relevant MREL Notes or vary the terms and conditions of all (but not some only) of the relevant MREL Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to, become, or remain, Qualifying Notes, subject to having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 and the Fiscal Agent and the Paying Agent (which notice shall be irrevocable and shall specify the date for substitution or, as applicable, variation), and subject to obtaining Supervisory Permission, if required.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new terms and conditions of the relevant MREL Notes. Such substitution or variation will be effected without any cost or charge to the Noteholders.

Noteholders shall, by virtue of subscribing and/or purchasing and holding any relevant MREL Notes, expressly accept that they will be deemed to approve and accept the substitution or variation of the terms of the relevant MREL Notes and to grant to the Issuer full power and authority to take any action and/or to execute and deliver any document in the name and/or on behalf of the Noteholders which is necessary or convenient to complete the substitution or variation of the terms of the relevant MREL Notes, as applicable.

(b) Substitution and Variation – MREL Eligible Senior Non Preferred Notes only

This Condition 10(b) applies in the case of Senior Non Preferred Notes specified as being MREL Notes in the applicable Final Terms.

It is the intention of the Issuer that MREL Eligible Senior Non Preferred Notes shall be treated for rating purposes as ALAC Eligible Instruments under the Rating Methodology.

If a Rating Methodology Event occurs and is continuing, the Issuer may, at its option, substitute all (but not some only) of the relevant MREL Eligible Senior Non Preferred Notes or vary the terms and conditions of all (but not some only) of the MREL Eligible Senior Non Preferred Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to, become, or remain, Qualifying Notes, subject to having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 and the Fiscal Agent and the Paying Agent (which notice shall be irrevocable and shall specify the date for substitution or, as applicable, variation), and subject to obtaining Supervisory Permission, if required.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new terms and conditions of the relevant MREL Eligible Senior Non Preferred Notes. Such substitution or variation will be effected without any cost or charge to the Noteholders.

Noteholders shall, by virtue of subscribing and/or purchasing and holding any relevant MREL Eligible Senior Non Preferred Notes, expressly accept that they will be deemed to approve and accept the substitution or variation of the terms of the relevant MREL Eligible Senior Non Preferred Notes and to grant to the Issuer full power and authority to take any action and/or to execute and deliver any document in the name and/or on behalf of the Noteholders which is necessary or convenient to complete the substitution or variation of the terms of the relevant MREL Eligible Senior Non Preferred Notes, as applicable.

(c) *Definitions*

In these Conditions, the following defined terms shall have the meanings set out below:

ALAC means additional loss-absorbing capacity (or such similar nomenclature used by S&P from time to time).

ALAC Eligible Instrument means an instrument that is an eligible instrument according to the ALAC criteria under the Rating Methodology to reflect a commensurate reduction in the default risk of the senior unsecured obligations (within the meaning of the Rating Methodology) of the Issuer, in accordance with the Rating Methodology.

An **Alignment Event** is deemed to have occurred if, following the adoption, modification or implementation of the applicable MREL Regulations, at any time after the Issue Date, the Issuer would be able to issue an MREL Eligible Instrument that contains one or more provisions that are, in the reasonable opinion of the Issuer, different in any material respect from the provisions of the relevant MREL Notes.

MREL Eligibility Event means at any time, on or following the Issue Date, there is a change in the regulatory treatment of the relevant MREL Notes as a result of (i) a change of laws, (ii) new laws or regulations coming into effect, or (iii) a change in the interpretation or administrative practice by the applicable regulator, that results in, or will result in, all or part of the outstanding principal amount of the relevant MREL Notes not qualifying in full as eligible for the purposes of the minimum requirement of eligible liabilities referred to in the BRRD and relevant implementing legislation in Luxembourg (if applicable) of the Issuer.

Qualifying Notes means, at any time, any securities issued directly by the Issuer that:

- (i) contain terms which at such time result in such securities being eligible to count towards the fulfilment of the MREL requirement of the Issuer or the ALAC of the Issuer, in each case, to at least the same extent as the relevant Notes prior to the relevant substitution or variation;
- (ii) carry the same rate of interest as the relevant Notes prior to the relevant substitution or variation pursuant to this Condition 10;
- (iii) have the same denomination and aggregate outstanding principal amount as the relevant Notes prior to the relevant substitution or variation pursuant to this Condition 10;
- (iv) have the same date of maturity and the same dates for payment of interest as the relevant Notes prior to the relevant substitution or variation pursuant to this Condition 10;
- (v) have at least the same ranking as the relevant Notes;

- (vi) are not, immediately following such substitution or variation, subject to an MREL Eligibility Event, a Rating Methodology Event, an Alignment Event and/or a Tax Event;
- (vii) have terms not otherwise materially less favourable to the Noteholders than the terms of the relevant Notes, as reasonably determined by the Issuer; and
- (viii) are listed or admitted to trading on a recognised stock exchange (including, without limitation, a regulated market), as selected by the Issuer, if (A) the relevant Notes were listed or admitted to trading on a regulated market immediately prior to the relevant substitution or variation pursuant to this Condition 10 or (B) the relevant Notes were listed or admitted to trading on a recognised stock exchange other than a regulated market immediately prior to the relevant substitution or variation pursuant to this Condition 10.

Rating Methodology means, at any time, any relevant methodology of S&P (or the interpretation of such methodology) to determine if the relevant MREL Eligible Senior Non Preferred Notes are eligible for the purposes of the ALAC criteria assigned by S&P.

Rating Methodology Event means, at any time, on or after the Issue Date, there is a change in, clarification to or amendment of any relevant methodology of S&P (or in the interpretation of such methodology) as a result of which the ALAC assigned to the relevant MREL Eligible Senior Non Preferred Notes by S&P is, in the reasonable opinion of the Issuer, reduced in full.

S&P means S&P Global Ratings Europe Limited, France Branch.

A **Tax Event** is deemed to have occurred if, as a result of a Change in Law:

- (i) in making any payments on the relevant MREL Notes, the Issuer has paid or will or would on the next payment date be required to pay additional amounts; or
- (ii) the Issuer is no longer entitled to claim a deduction in respect of any payments in respect of the relevant MREL Notes in computing its taxation liabilities or the amount of such deduction is materially reduced.

11. Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable law, at the specified office of the Paying Agent in Luxembourg upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12. Agent and Paying Agents

The names of the initial Agent, the initial Issuing Agent and the other initial Paying Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent or the Issuing Agent and/or appoint additional or other Paying Agents or Issuing Agents, as the case may be, and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (a) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange;

- (b) there will at all times be a Paying Agent with a specified office in a city in continental Europe, other than the jurisdiction in which the Issuer is incorporated; and
- (c) there will at all times be an Agent and an Issuing Agent.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 5.4. Notice of any variation, termination, appointment or change given to the Noteholders promptly in accordance with Condition 14.

13. Exchange of Talons

On and after the Interest Payment Date, on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent, the Issuing Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

14. Notices

All notices regarding the Notes shall be published for so long as the Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg and/or on Luxembourg Stock Exchange's website at www.luxse.com. It is expected that such publication will be made in the *Luxemburger Wort* in Luxembourg. Notices shall also be published in the *Recueil électronique des sociétés et associations* (the **RESA**), to the extent required by Luxembourg law. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange on which the Notes are for the time being listed.

Until such time as any definitive Notes are issued, there may, so long as any global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange so require, such notice will be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Agent. Whilst any of the Notes is represented by a global Note, such notice may be given by any holder of a Note to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

15. Meetings of Noteholders, Modification and Waiver

15.1 Meetings of Noteholders

Noteholders will belong to a masse (the **Masse**) created, among other things, for the representation of their common interests pursuant to the provisions of articles 470-3 to 470-19 of the Companies Act 1915. The following is a summary of the relevant provisions of the Companies Act 1915. The Issuer

when the Notes are issued, a general meeting of the Noteholders (the **Masse Meeting**) after the issuance of the Notes or a court order if necessary may appoint and determine the powers of one or more representatives (the **Representatives**). Where Representatives have been appointed, Noteholders may no longer individually exercise their rights against the Issuer. A *Masse Meeting* may be called at any time by the Representatives (if any), the Board of Directors of the Issuer or the auditors of the Issuer. The Representatives, provided an advance on expenses has been paid to them by the Issuer, or the Board of Directors or the auditors of the Issuer must convene the *Masse Meeting* if called upon to do so by holders of Notes representing five per cent. or more of the Notes outstanding. Meetings of Noteholders will be convened by notices published at least fifteen days prior to the meeting in the *RESA* and in one Luxembourg newspaper. All *Masse Meetings* shall be held at the place specified in the notice calling the meeting. All Noteholders have the right to attend and vote at the *Masse Meeting* either personally or by proxy. The voting rights attached to the Notes are equal to the proportion of the principal amount of the Notes represented by the principal amount of the Note or Notes held by the relevant holder. Each Note gives the right to at least one vote. A *Masse Meeting* may be called to approve certain changes in the rights of the Noteholders and may, generally, determine any measures designed to ensure the defence of interests or the exercise of the rights of the Noteholders in accordance with the provisions of the Companies Act 1915. A *Masse Meeting* may deliberate validly without a quorum and by vote of a simple majority of Noteholders attending or represented at such *Masse Meeting* on the appointment and revocation of the Representatives, the revocation of special representatives appointed by the Issuer and the approval of any measures of a conservatory nature in the general interests of the Noteholders. On all other matters (except in respect of certain matters, where unanimous consent is required) the *Masse Meeting* may deliberate validly on first convocation only if Noteholders present or represented hold at least 50% of the Notes then outstanding. The Board of Directors of the Issuer or Noteholders representing 10% of the Notes then outstanding may require the adjournment of the meeting for four weeks. A new meeting must be called for by convening notices to be published at least fifteen days prior to the second meeting in one Luxembourg newspapers and in the *RESA*. On second convocation no quorum is required (except in respect of certain matters, where unanimous consent is required). Decisions at such meetings shall be taken by a majority of $66\frac{2}{3}\%$ of the votes cast by Noteholders attending such meetings or represented thereat.

15.2 *Minor Modifications and Corrections*

The Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (a) any modification (except as mentioned above) of the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification as a result of the operation of Condition 4.2(j);
- (c) any modification of the Notes, Receipts or Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law. Any such modification, waiver or authorisation shall be binding on the Noteholders, Receiptholders and Couponholders and shall be notified to the Noteholders as soon as practicable thereafter; or
- (d) any modification to the Agency Agreement and/or these Conditions as may be required in order to give effect to (i) Condition 4.2(b)(ii)(E) in connection with effecting the implementation of any Replacement Rate; or (ii) sub-paragraph (iii)(x) or (iii)(y) of the definition of “SARON” in connection with effecting the implementation of any Recommended Replacement Rate or the SNB Policy Rate, subject to the provisions thereof.

16. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

17. Substitution of Debtor

Subject to the provisions of this Condition, the Noteholders, the Receiptholders and the Couponholders, by subscribing to or purchasing any of the Notes, Receipts or Coupons, expressly consent to the Issuer, or any previously substituted company, at any time, but where applicable with the prior authorisation of the Regulator, substituting for itself as principal debtor under the Notes, the Receipts or the Coupons any company in which the Issuer holds whether directly or indirectly in excess of a majority of the voting rights (the **Substituted Debtor**), whether or not incorporated in Luxembourg, provided that no payment in respect of the Notes, the Receipts or the Coupons is at the relevant time overdue, no steps have been taken to admit the Issuer to a regime of reprieve from payment (*sursis de paiement*) and no judgment has been rendered or effective voluntary resolution has been passed for the Liquidation of the Issuer. Such substitution effected in accordance with this Condition will release the Issuer or any previously substituted company and the Noteholders, the Receiptholders and Couponholders expressly consent hereto on the terms of set out below:

The substitution will be made by a written undertaking (the **Undertaking**) and may take place only if:

- (a) the Substituted Debtor, by means of the Undertaking, agrees to indemnify each Noteholder, Receiptholder and Couponholder against any tax, duty, assessment, withholding, deduction or governmental charge which is imposed on it by (or by any taxing authority in or of) the jurisdiction of the country of the Substituted Debtor's residence for tax purposes and, if different, of its incorporation with respect to any Note, Receipt, Coupon or Talon (if any) and which would not have been so imposed had the substitution not been made, as well as against any tax, duty assessment or governmental charge, and any cost or expense, relating to the substitution;
- (b) unless the Substituted Debtor is the successor company of the Issuer or one or more companies to whom the Issuer has transferred all of its assets and business undertakings each of whom are to be jointly and severally liable as principal debtor, the obligations of the Substituted Debtor under the Undertaking, the Notes, the Receipts and the Coupons are unconditionally and irrevocably guaranteed by the Issuer (the **Guarantor**) by means of a guarantee contained in the Undertaking (the **Guarantee**);
- (c) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Undertaking, the Notes, the Receipts, the Coupons and the Talons (if any) represent valid, legally binding and enforceable obligations of the Substituted Debtor and, in the case of the Guarantee of the Guarantor have been taken, fulfilled and done and are in full force and effect;
- (d) the Substituted Debtor has become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;
- (e) legal opinions addressed to the Noteholders have been delivered to them (care of the Agent) from a lawyer or firm of lawyers with a leading securities practice in each jurisdiction referred to in (a) above as to the fulfilment of the preceding conditions of this Condition 17 and the other matters specified in the Undertaking;

- (f) the substitution does not affect adversely the rating of the Notes by Moody's Investors Service Limited and S&P Global Ratings Europe Limited, a Division of the McGraw Hill Companies, Inc. or, if any such rating agency does not exist at the relevant time, any two existing internationally recognised rating agencies; and
- (g) the Issuer has given at least 14 days' prior notice to such substitution to the Noteholders, stating that copies of all documents (in draft or final form) in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Noteholders, will be available for inspection at the specified office of each of the Paying Agents.
- (h) References in Condition 9 to obligations under the Notes shall be deemed to include obligations under the Undertaking and, where the Undertaking contains a Guarantee, the events listed in Conditions 9.1 and 9.2 shall be deemed to include such Guarantee not being (or being claimed by the Guarantor not to be) in full force and effect. In addition, the Guarantee shall contain:
 - (i) in the case of Senior Notes, events of default in respect of the Notes in the same terms as Condition 9.1 relating to the Guarantor (except that references in Condition 9.1 to failure to pay principal and interest on the Notes shall be a reference to failure to pay under the Guarantee); and
 - (ii) in the case of Subordinated Notes, the Guarantee shall contain rights of enforcement in the form of Condition 9.1.

18. Governing Law and Submission to Jurisdiction

18.1 Governing law

The Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, Luxembourg law.

18.2 Submission to jurisdiction

- (a) The Issuer agrees for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders that the courts of Luxembourg, the Grand Duchy of Luxembourg, are to have jurisdiction to settle any disputes that may arise out of or in connection with the Notes and the relative Receipts, Coupons and/or Talons and that accordingly any Proceedings arising out of or in connection with such Notes, Receipts, Coupons and Talons may be brought in such courts.

19. Bail-in recognition

(a) Acknowledgement

Notwithstanding any other term of the Notes or any other agreement, arrangement or understanding between the Issuer and the holders, by its subscription and/or purchase and holding of the Notes, each holder (which for the purposes of this Condition 19 includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

- (i) to be bound by the effect of the exercise of the Bail-in Power by the Relevant Resolution Authority, which may include and result in any of the following, or some combination thereof:
 - the reduction of all, or a portion, of the Amounts Due on a permanent basis;

- the conversion of all, or a portion, of the Amounts Due into participation certificates (*certificats participatifs*) of the Issuer or shares, other securities or other obligations of another person (and the issue to the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which case the Holder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;
- the cancellation of the Notes or Amounts Due; or
- the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(ii) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in Power by the Relevant Resolution Authority.

(b) *Payment of Interest and Other Outstanding Amounts Due*

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-in Power by the Relevant Resolution Authority with respect to the Issuer unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations in effect in Luxembourg and the European Union applicable to the Issuer or other members of the Group.

(c) *Event of Default*

Neither a reduction or cancellation, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Bail-in Power by the Resolution Authority with respect to the Issuer, nor the exercise of the Bail-in Power by the Resolution Authority with respect to the Notes will constitute an Event of Default.

(d) *Notice to Noteholders*

Upon the exercise of any Bail-in Power by the Relevant Resolution Authority with respect to the Notes, the Issuer will make available a written notice to the holders as soon as practicable regarding such exercise of the Bail-in Power. The Issuer will also deliver a copy of such notice to the Agents for information purposes. For the avoidance of doubt, the absence of such notice will not affect the validity and enforceability of the Bail-in Power.

(e) *Duties of the Agents*

Upon the exercise of any Bail-in Power by the Relevant Resolution Authority, (a) the Agents shall not be required to take any directions from holders, and (b) the Agency Agreement shall impose no duties upon any of the Agents whatsoever, in each case with respect to the exercise of any Bail-in Power by the Relevant Resolution Authority.

(f) *Proration*

If the Relevant Resolution Authority exercises the Bail-in Power with respect to less than the total Amounts Due, unless any of the Agents is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Notes pursuant to the Bail-in Power will be made on a pro-rata basis.

(g) *Conditions Exhaustive*

The matters set forth in this Condition 19 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer and any holder of a Note.

Amounts Due means the principal amount, together with any accrued but unpaid interest, and additional amounts, if any, due on the Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Bail-in Power by the Relevant Resolution Authority;

Relevant Resolution Authority means the Single Resolution Board (**SRB**) established pursuant to the SRM Regulation (as defined in Condition 2.4) and/or any other authority lawfully entitled to exercise or participate in the exercise of any Bail-in Power from time to time;

20. Additional Provisions Applicable to Index Linked Redemption Notes

This Condition 20 applies to Index Linked Redemption Notes only. Annex 2 to these Conditions contains provisions relating to the formula used to determine the payoff under Index Linked Redemption Notes and the applicable Final Terms contains provisions applicable to the determination of the performance of the relevant Index or Indices as well as other relevant provisions and must be read in conjunction with this Condition 20 and with Annex 2 for full information on any Index Linked Redemption Notes. In particular, the applicable Final Terms will identify the relevant Index or Indices, the relevant Screen Page, the Component Transactions, the applicable formula.

20.1 *Market Disruption*

Market Disruption Event means, in relation to Notes relating to a single Index or Basket of Indices, the occurrence or existence of (i) a Trading Disruption or, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that (x) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins or ends at the time when the level of such Index triggers respectively the Knock-in Level or the Knock-out Level or (y) in all other circumstances ends at the relevant Valuation Time, or (iii) an Early Closure.

For the purposes of determining whether a Market Disruption Event exists at any time, if a Market Disruption Event occurs in respect of a security, a commodity, a contract or a Component Transaction included in such Index at any time, then the relevant percentage contribution of that security, that commodity, that contract or that Component Transaction to the level of such Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that security, that commodity, that contract or that Component Transaction and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event.

The Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 14 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day would have been an Averaging Date, an Observation Date, a Knock-in Determination Day, a Knock-out Determination Day or a Valuation Date.

20.2 *Adjustments to an Index*

(a) *Successor Index Sponsor Calculates and Reports an Index*

If a relevant Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent, or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the **Successor Index**) will be deemed to be the Index.

(b) *Modification and Cessation of Calculation of an Index*

If (i) on or prior to the last Valuation Date, last Observation Date, last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant 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, contracts, commodities or Component Transaction and other routine events) (an **Index Modification**), or permanently cancels a relevant Index and no Successor Index exists (an **Index Cancellation**), or (ii) on a Valuation Date, an Observation Date, an Averaging Date, a Knock-in Determination Day or Knock-out Determination Day, the Index Sponsor or (if applicable) any successor to the Index Sponsor (the **Successor Index Sponsor**) fails to calculate and announce a relevant Index (an **Index Disruption** and, together with an Index Modification and an Index Calculation, each an **Index Adjustment Event**), then,

- (i) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Notes and, if so, shall calculate the relevant Settlement Price using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Valuation Date, Observation Date, Averaging Date, Knock-in Determination Day or Knock-out Determination Day, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those securities/contracts/commodities/Component Transactions that comprised that Index immediately prior to that Index Adjustment Event; or
- (ii) on giving notice to Noteholders in accordance with Condition 14, the Issuer shall redeem all but not some only of the Notes, each Note being redeemed by payment of an amount equal to the fair market value of a Note taking into account the Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14.

(c) *Notice*

The Calculation Agent shall, as soon as practicable, notify the relevant Agent of any determination made by it pursuant to paragraph (b) above and the action proposed to be taken in relation thereto and such Agent shall make available for inspection by Noteholders copies of any such determinations.

20.3 *Correction of Index*

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment of a Redemption Amount, if the Index published on a given day and used or to be used by the Calculation Agent to determine any Redemption Amount is subsequently corrected and the correction published by the relevant Index Sponsor within 30 days of the original publication, the level to be used shall be the level of the Index as so corrected. Corrections published after the day which is three Exchange Business Days prior to the relevant redemption date will be disregarded by the Calculation Agent for the purposes of determining any redemption amount.

20.4 *Additional Disruption Events*

- (a) If an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may take the action described in (i) or (ii) below:
 - (i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to the multiplier and/or any of the other terms of these

Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

- (ii) redeem the Notes by giving notice to the Noteholders in accordance with Condition 14. If the Notes are so redeemed the Issuer will pay an amount to each Noteholder in respect of each Note held by him which amount shall be the fair market value of a Note taking into account the Additional Disruption Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14.
- (b) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the holders in accordance with Condition 14 stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

20.5 *Knock-in Event and Knock-out Event*

If Knock-in Event is specified as applicable in the Final Terms, then payment under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

If Knock-out Event is specified as applicable in the Final Terms, then payment under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one hour period that begins and/or ends at the time on which the level of the Index triggers the Knock-in Level or the Knock-out Level, a Market Disruption Event occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

For the purposes of this Condition 20:

Knock-in Event means:

- (a) if SPS Knock-in Valuation is specified as applicable in the applicable Final Terms, the Knock-in Value is; or
- (b) if SPS Knock-in Valuation is specified as not applicable in the applicable Final Terms,
 - (i) in respect of a single Index, that the level of the Index determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is; and
 - (ii) in respect of a Basket of Indices, that the amount determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (x) the level of such Index as of the Knock-in Valuation Time on any Knock-in Determination Day and (y) the relevant Weighting is,

in each case (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Knock-in Level, in each case as specified in the applicable Final Terms (x) on a Knock-in Determination Day or (y) in respect of any knock-in Determination Period, as specified in the applicable Final Terms.

Knock-in Level means:

- (a) if SPS Final Payout is specified as applicable in the applicable Final Terms, the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustments as provided in Condition 20; or
- (b) if SPS Final Payout is specified as not applicable in the applicable Final Terms, (A) in the case of a single Index, the level of the Index specified and (B) in case of a Basket of Indices, the level per Basket specified and for both (A) and (B) as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions of **Market Disruption** set out in Condition 20.1 above.

Knock-in Determination Day means, in the case of a single Index and in the case of a Basket of Indices, as specified in the applicable Final Terms, or each Scheduled Trading Day during the Knock-in Determination Period subject to, in either case, the provisions of **Market Disruption** set out in Condition 20.1 above. For the purposes of a Market Disruption, any Knock-in Determination Day will be treated as a Valuation Date and the provisions contained in the definition of **Valuation Date** set out below shall apply. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of "Averaging Date" shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Knock-in Determination Day".

Knock-in Determination Period means, in respect of a single Index or a Basket of Indices the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

Knock-in Period Beginning Date means, in respect of a single Index or a Basket of Indices 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.

Knock-in Period Ending Date means, in respect of a single Index or a Basket of Indices, 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.

Knock-in Valuation Time means, in respect of a single Index or a Basket of Indices, the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

Knock-in Value means the value from the SPS Payout Conditions 1.6, 1.7 or 1.8 specified as such in the applicable Final Terms.

Knock-out Event means (unless otherwise specified in the applicable Final Terms) (A) in the case of a single Index, that the level of the Index determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is and (B) in the case of a Basket of Indices, that the amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (i) the level of such Index as of the Knock-out Valuation Time on any Knock-out Determination Day and (ii) the relevant weighting is, and for both (A) and (B) as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-out Level.

Knock-out Level means, in the case of a single Index, the level of the Index specified and in the case of a Basket of Indices, the level per Basket specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions of **Market Disruption** set out in Condition 20.1 above.

Knock-out Determination Day means, in respect of a single Index and in relation to a Basket of Indices, as specified in the applicable Final Terms, or each Scheduled Trading Day during the Knock-out Determination Period subject to, in either case, the provisions of "Market Disruption" set out in Condition 20.1 above. For the purposes of a Market Disruption, any Knock-out Determination Day will be treated as a Valuation Date and the provisions contained in the definition of **Valuation Date** set out below shall apply. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of **Averaging Date** shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Knock-out Determination Day".

Knock-out Determination Period means, in respect of a single Index or a Basket of Indices, the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

Knock-out Period Beginning Date means, in respect of a single Index or a Basket of Indices, 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.

Knock-out Period Ending Date means, in respect of a single Index or a Basket of Indices, 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.

Knock-out Valuation Time means, in respect of a single Index or a Basket of Indices, the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time.

20.6 *Automatic Early Redemption Event*

If Automatic Early Redemption Event is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date, an Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Early Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.

For the purposes of these Conditions:

Automatic Early Redemption Amount means (a) an amount in the Specified Currency specified in the applicable Final Terms specified as such in the applicable Final Terms or (b) if such amount is not specified, (A) the product of (i) the denomination of each Note and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date or (B) the SPS Automatic Early Redemption Amount Payout specified as applicable in the applicable Final Terms.

Automatic Early Redemption Date means each date specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

Automatic Early Redemption Event means:

- (a) if SPS Final Payout is specified as applicable in the applicable Final Terms, the SPS AER Value, as specified in the applicable Final Terms, is (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Automatic Early Redemption Level as specified in the applicable Final Terms on an Automatic Early Redemption Valuation Date; or
- (b) if SPS Final Payout is specified as not applicable in the applicable Final Terms, (A) in the case of a single Index, that the level of the Index determined by the Calculation Agent as of the Valuation Time on any Automatic Early Redemption Valuation Date is, and (B) in the case of a Basket of Indices, the amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product of (i) the level of such Index as determined by the Calculation Agent as of the Valuation Time on any Automatic Early Redemption Valuation Date and (ii) the relevant weighting is, and for both (A) and (B) as specified in the Final Terms (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Level.

Automatic Early Redemption Level means:

- (a) if SPS Final Payout is specified as applicable in the applicable Final Terms, the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustments as provided in Condition 20; or
- (b) if SPS Final Payout is specified as not applicable in the applicable Final Terms, the level of the Index specified as such or otherwise determined in the applicable Final Terms, subject to adjustments as provided in Condition 20.

Automatic Early Redemption Rate means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms.

Automatic Early Redemption Valuation Date means each 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, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of **Averaging Date** shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Automatic Early Redemption Valuation Date".

SPS AER Value means the value from the SPS Payout Conditions 1.6, 1.7 or 1.8 specified as such in the applicable Final Terms

20.7 *Additional Definitions*

For the purposes of this Condition 20:

Additional Disruption Event means any of Change of Law, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow and/or Loss of Stock Borrow, in each case if 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.

Average Highest means the unweighted arithmetic mean of the highest Quotations obtained by the Issuer, or an agent appointed by it, with respect to each Valuation Date.

Averaging Date means 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 Calculation 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 Settlement Price provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of **Valuation Date** will apply for purposes of determining the relevant level, price or amount on the final Averaging 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** 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 Notes are Index Linked Redemption Notes relating to a single Index, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for consecutive Scheduled Trading Days equal in number to the Specified Maximum Days of Disruption (up to the Valuation Time on the last such consecutive 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, then (A) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with subparagraph (b) of the definition of **Valuation Date** below;
 - (ii) where the Notes are Index Linked Redemption Notes relating to a Basket of Indices, the Averaging Date for the Index 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 an Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index. If the first succeeding Valid Date in relation to such Index has not occurred for consecutive Scheduled Trading Days equal in number to the Specified Maximum Days of Disruption (up to the Valuation Time on the last such consecutive 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, then (A) that last such consecutive Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such Index, and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with subparagraph (b) of the definition of **Valuation Date** below; and
 - (iii) for the purposes of these Conditions **Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

Change of Law means that, on or after the Trade Date (as specified in the applicable Final Terms) (A) due to the adoption 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 (x) it has become illegal to hold, acquire or dispose of relevant security/commodity/contract/Component Transaction comprised in an Index or (y) it will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

Component Transaction means each and any combination of any security and/or derivative (including interest rates) contracts composing the Index as determined from time to time by the Relevant Dealers and as defined in the applicable Final Terms.

Disrupted Day means any Scheduled Trading Day on which the Exchange or the Related Exchange fails to open for trading during their regular trading session or a Market Disruption Event has occurred.

Early Closure means the closure on any Exchange Business Day with respect to such Index of any relevant Exchange(s) relating to securities, commodities, contracts or Component Transactions that comprise 20% or more of the level of such Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

Exchange means in respect of Index Linked Redemption Notes and in relation to an Index each exchange or quotation system or over the counter exchange specified as such for such Index 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 securities/commodities/contracts comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities/commodities/contracts/Component Transactions comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange).

Exchange Business Day means either (a) in the case of a single Index, Exchange Business Day (Single Index Basis) or (b) in the case of a Basket of Indices, (i) Exchange Business Day (All Indices Basis) or (ii) Exchange Business Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Exchange Business Day (All Indices Basis) shall apply.

Exchange Business Day (All Indices Basis) means any Scheduled Trading Day on which (a) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, are open for trading during their respective regular trading session(s) in respect of such Indices, notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time and (b) in respect of any Composite Indices, (i) the Index Sponsor publishes the level of such Composite Indices and (ii) each Exchange and each Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Indices, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

Exchange Business Day (Per Index Basis) means, in respect of an Index, any Scheduled Trading Day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are open for trading during their regular trading session(s), notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time and (b) in respect of a Composite Index, (i) the relevant Index Sponsor

publishes the level of such Composite Index and (ii) each Exchange and each Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Index, notwithstanding such Exchange(s) or Related Exchange(s) closing prior to its Scheduled Closing Time.

Exchange Business Day (Single Index Basis) means any Scheduled Trading Day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to its Scheduled Closing Time and (b) in respect of a Composite Index (i) the relevant Index Sponsor publishes the level of such Composite Index and (ii) each Exchange and each Related Exchange, if any, is open for trading during its regular trading session in respect of such Composite Index, notwithstanding such Exchange(s) or Related Exchange(s) closing prior to its Scheduled Closing Time.

Exchange Disruption means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants and Relevant Dealers in general (A) to effect transactions in, or obtain market values for on any relevant Exchange(s) in securities/commodities/contracts/Component Transactions that comprise 20% or more of the level of the relevant Index, or (B) to effect transactions in, or obtain market values for, futures, options or any derivative contracts relating to the relevant Index on any relevant Related Exchange.

Full Quotation means, in accordance with the Quotation Method, any firm quotations obtained from Relevant Dealers at the Valuation Time, to the extent reasonably practicable, for an amount of less than the Quotation Amount; that in aggregate are approximately equal to the Quotation Amount.

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 equity, credit, interest rates, foreign currency exchange, or other price risk of the Issuer issuing and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

Hedging Components means the number of securities/commodities/contracts comprised in an Index that the Issuer deems necessary to hedge the equity, credit, interest rates, foreign currency exchange or other price risk of entering into and performing its obligations with respect to the Notes.

Highest means the highest Quotation obtained by the Issuer, or an agent appointed by it, with respect to the Valuation Date.

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 risks (including, without limitation, equity and credit price risk, foreign exchange risk, interest rate risk, and any other price risks) of the Issuer issuing and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

Increased Cost of Stock Borrow means that the Issuer and/or any of its Affiliates would incur a rate to borrow any security/commodity/contract/Component Transaction comprised in an Index that is greater than the Initial Stock Loan Rate.

Index Currency means the currency specified in the applicable Final Terms.

Index Sponsor means, in relation to an Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day, which as of the Issue Date of the Notes is the index sponsor specified for such Index in the applicable Final Terms.

Indices and Index mean, subject to adjustment in accordance with Condition 20.2, the indices or index specified in the applicable Final Terms and related expressions shall be construed accordingly.

Initial Stock Loan Rate means, in respect of a security/commodity/contract/Component Transaction comprised in an Index, the initial stock loan rate specified in relation to such security, commodity, contract or Component Transaction in the applicable Final Terms.

Interest Valuation Date means the date specified in the applicable Final Terms;

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 securities/commodities/contracts/Component Transactions comprised in an Index in an amount equal to the Hedging Components at a rate equal to or less than the Maximum Stock Loan Rate.

Market Value means, with respect to the Index level being valued on a Valuation Date, (a) if more than three Full Quotations are obtained by the Issuer, or an agent appointed by it, 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 and 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, an amount as determined by the Calculation Agent on any of the next ten Business Days thereafter 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 this additional ten Business Days' period, any one Full Quotation on such tenth Business Day, or if no Full Quotation is obtained, the Market Value shall be the weighted average of any firm quotations obtained from Relevant Dealers on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

Maximum Stock Loan Rate means, in respect of a security/commodity/contract comprised in an Index, the Maximum Stock Loan Rate specified in the applicable Final Terms.

Observation Date means each date specified as an Observation 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 Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of **Averaging Date** shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date".

Observation Period means the period specified as the Observation Period in the applicable Final Terms.

Quotation means each Full Quotation, the Weighted Average Quotation obtained and expressed as a percentage with respect to a Valuation Date as follows: the Issuer, or an agent appointed by it, shall

attempt to obtain Full Quotations with respect to each Valuation Date from five or more Relevant Dealers. If the Issuer, or an agent appointed by it, is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Issuer, or an agent appointed by it, shall attempt to obtain Full Quotations from five or more Relevant Dealers, and, if two or more Full Quotations are not available, a Weighted Average Quotation. If two or more such Full Quotations or a Weighted Average Quotation are not available on any such Business Day, the Quotations shall be deemed to be any Full Quotation obtained from a Relevant Dealer on such tenth Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations obtained from Relevant Dealers on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which the firm quotations were not obtained on such day.

Quotation Amount shall be as specified in the applicable Final Terms or otherwise shall be deemed to be, an amount equal to the amount necessary to unwind the hedge of the Issuer in relation with the Notes.

Quotation Method means the applicable quotation method which may be specified in the Final Terms as being one of the following:

- (a) **Bid** means that only bid quotations shall be requested;
- (b) **Mid** means that the bid and offer quotations shall be requested and averaged for the purposes of determining a relevant Dealer's quotation; or
- (c) **Ask** means that only offer quotations shall be requested.

Relevant Dealers means official bank dealers (other than the Issuer or an affiliate of the Issuer) of the Index as appointed by the relevant Index Sponsor, or three financial institutions, selected by the Issuer, or an agent appointed by it, that significantly deals or invests in the Index or Component Transactions for which Quotations are to be obtained. The Issuer, or an agent appointed by it, shall select the Relevant Dealers in good faith and in a commercially reasonable manner. Upon a selected Relevant Dealer no longer being in existence (with no successors), or not being an active dealer in the Index or Component Transactions of the type for which Quotations are to be obtained, the Issuer, or an agent appointed by it, may substitute any other Relevant Dealer(s) for one or more of the foregoing. Any bid quotation provided by the Issuer shall be deemed to be a firm quotation that it would provide to a counterparty in the market.

Relevant Level means the level of the Index as determined by the Calculation Agent at Valuation Time on any Valuation Date, using as specified in the applicable Final Terms, either (a) the official closing level for such Index, or (b) the official fixing eventually calculated and/or published by the Index Sponsor; or, if nothing is specified in the Final Terms, the Valuation Method as set out therein.

Scheduled Closing Time means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday customarily accepted closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

Scheduled Trading Day means either (a) in the case of a single Index, Scheduled Trading Day (Single Index Basis) or (b) in the case of a Basket of Indices, (i) Scheduled Trading Day (All Indices Basis) or (ii) Scheduled Trading Day (Per Index Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Scheduled Trading Day (All Indices Basis) shall apply.

Scheduled Trading Day (All Indices Basis) means any day on which (a) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, are scheduled to be open for trading during their respective regular trading session(s) in respect of such Indices, and (b) in respect of any Composite Indices, (i) the Index Sponsor is scheduled to publish the level of such Composite Indices and (ii) each Exchange and each Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Indices.

Scheduled Trading Day (Per Index Basis) means, in respect of an Index, any day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, in respect of such Index are scheduled to be open for trading during their respective regular trading session(s), and (b) in respect of a Composite Index, (i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index and (ii) each Exchange and each Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Index.

Scheduled Trading Day (Single Index Basis) means any day on which (a) in respect of an Index other than a Composite Index, the relevant Exchange and the relevant Related Exchange, if any, are scheduled to be open for trading during their respective regular trading session(s), and (b) in respect of a Composite Index (i) the relevant Index Sponsor is scheduled to publish the level of such Composite Index and (ii) each Exchange and each Related Exchange, if any, is scheduled to be open for trading during its regular trading session in respect of such Composite Index;

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.

Screen Page means the page specified in the applicable Final Terms, or any successor page or service thereto.

Settlement Price means, unless otherwise specified in the applicable Final Terms, in relation to Index Linked Redemption Notes and as referred to in **Valuation Date** below or **Averaging Date** above, as the case may be:

- (a) in the case of Index Linked Redemption Notes relating to a Basket of Indices, an amount (which shall be deemed to be a monetary amount in the Index Currency) equal to the sum of the values calculated for each Index as the Relevant Level for each Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each Index determined by the Calculation Agent as set out in the applicable Final Terms at the Relevant Time on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant multiplier; and
- (b) in the case of Index Linked Redemption Notes relating to a single Index, an amount (which shall be deemed to be a monetary amount in the Index Currency) equal to the Relevant Level of the Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Index determined by the Calculation Agent as set out in the applicable Final Terms at the Relevant Time on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date.

Specified Maximum Days of Disruption means eight (8) Scheduled Trading Days or such other number of Scheduled Trading Days specified in the applicable Final Terms.

Trading Disruption means (1) any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to securities,

commodities, contracts or Component Transactions that comprise 20% or more of the level of such Index on any relevant Exchange(s) or (b) in futures, options or derivatives contracts relating to such Index on any relevant Related Exchange; and, (2) in case of Component Transactions scheduled to be quoted on a relevant over the counter exchange, any time or day on a Scheduled Trading Day during which the Issuer, or an agent appointed by it, is unable to obtain a Quotation, as provided by the Valuation Method.

Valuation Date means the Valuation Date or Interest Valuation Date, as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (a) where the Notes are Index Linked Redemption Notes relating to a single Index, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the consecutive Scheduled Trading Days equal in number to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the Settlement Price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the Settlement Price by determining the level of the Index as of the Valuation Time on the last such consecutive 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 Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security/commodity/derivatives contracts comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security/commodity/derivatives contracts on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security/commodity/derivatives contracts as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
- (b) where the Notes are Index Linked Redemption Notes relating to 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, as the case may be, (each an **Affected Item**) by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the consecutive Scheduled Trading Days equal in number to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the Settlement Price using, in relation to the Affected Item, the level or value as applicable, determined in the manner set out in the applicable Final Terms, or, if not set out or if not practicable, using the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day 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 the last such consecutive Scheduled Trading Day of each security/commodity/derivatives contracts comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security/commodity/derivatives contracts on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security/commodity/derivatives contracts as of the Valuation Time on the last such consecutive Scheduled Trading Day),

and otherwise in accordance with the above provisions.

Valuation Method shall be as specified in the applicable Final Terms as (a) Highest, (b) Average Highest, or (c) Market Value.

Valuation Time means:

- (a) the Relevant Time specified in the applicable Final Terms; and
- (b) if **Calculation Agent** is specified in the applicable Final Terms, any time (as selected by the Calculation Agent in its sole and absolute discretion) on the Valuation Date or the Averaging Date, as the case may be, during the hours that Relevant Dealers customarily bid for the relevant Index or any of its Component Transactions; and
- (c) the Scheduled Closing Time on the Exchange on the Valuation Date or the Averaging Date, or Interest Valuation Date, as the case may be. If the 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.

Weighted Average Quotation means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Relevant Dealers at the Valuation Time, to the extent reasonably practicable, for an amount of less than the Quotation Amount, that in aggregate are approximately equal to the Quotation Amount.

21. Additional Provisions Applicable to Equity Linked Redemption Notes

This Condition 21 applies to Equity Linked Redemption Notes only. Annex 2 to these Conditions contains provisions relating to the formula used to determine the pay-off under Equity Linked Redemption Notes and the applicable Final Terms contains provisions applicable to the determination of the performance of the relevant Share(s) as well as other relevant provisions and must be read in conjunction with this Condition 21 and with Annex 2 for full information on any Equity Linked Redemption Notes. In particular, the applicable Final Terms will identify the relevant Share(s).

21.1 *Market Disruption*

Market Disruption Event means the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent in its sole and absolute discretion, determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 14 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date, an Observation Date or a Valuation Date.

21.2 *Potential Adjustment Events, Merger Event, Tender Offer, De-listing, Nationalisation and Insolvency*

- (a) **Potential Adjustment Event** means any of the following:
 - (i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing Noteholders by way of bonus, capitalisation or similar issue;
 - (ii) a distribution, issue or dividend to existing Noteholders of the relevant Shares of (I) such Shares or (II) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Company equally or proportionately with such payments to Noteholders of such Shares or (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 certificates or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price as determined by the Calculation Agent;

- (iii) an extraordinary dividend as determined by the Calculation Agent;
- (iv) a call by a Share Company in respect of relevant Shares that are not fully paid;
- (v) a repurchase by the Share Company or its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of a 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 such 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, certificates, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (vii) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

- (b) Following the declaration by the Share Company of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (A) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Asset Amount (in each case with respect to Physical Delivery Notes) and/or any of the other terms of these Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (B) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition 14 stating the adjustment to any Relevant Asset and/or the Asset Amount (in each case with respect to Physical Delivery Notes) and/or the multiplier and/or any of the other terms of these Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event.

- (c) **De-Listing** means, in respect of any relevant Shares, the Exchange announces that pursuant to the rules of such Exchange, such 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 a member state of the European Union).

Insolvency means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Share Company (a) all the Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (b) Noteholders of the Shares of that Share Company become legally prohibited from transferring them.

Merger Date means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

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 all of such Shares outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding share exchange of a Share Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Company is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of the Share Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), 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% of the outstanding Shares immediately following such event, in each case if the Merger Date is on or before (a) in the case of Cash Settled Notes, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Note or (b) in the case of Physical Delivery Notes, the relevant Maturity Date.

Nationalisation means that all the Shares or all or substantially all the assets of the Share Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

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 50% and less than 100% (the **Percentage Range**) of the outstanding voting shares of the Share Company as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

Tender Offer Date means, in respect of a Tender Offer, the date on which the voting shares in the amount of the Percentage Range are actually purchased or otherwise obtained, as determined by the Calculation Agent.

If a Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency (each, an **Extraordinary Event**) occurs in relation to a Share, the Issuer in its sole and absolute discretion may take the action described in (i), (ii), (iii) or (iv) below:

- (i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Asset Amount (in each case with respect to Physical Delivery Notes) and/or the multiplier and/or any of the other terms of these Conditions and/or the applicable Final Terms to account for the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, as the case may be, and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency made by any options exchange to options on the Shares traded on that options exchange; or

- (ii) unless Delayed Redemption on Occurrence of Extraordinary Events is specified as being Applicable in the applicable Final Terms, on giving notice to Noteholders in accordance with Condition 14, redeem all but not some only of the Notes, each Note being redeemed by payment of an amount equal to the fair market value of a Note taking into account the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (unless provided for in the applicable Final Terms), all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14; or
 - (iii) if Delayed Redemption on Occurrence of Extraordinary Event is specified as being Applicable in the Final Terms, the Calculation Agent shall calculate the fair market value of each Note taking into account the Merger Event, Tender Offer, De-Listing, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the **Calculated Amount**) as soon as practicable, following the occurrence of the Extraordinary Event (the **Calculated Amount Determination Date**) and on the Maturity Date shall redeem each Note at an amount calculated by the Calculation Agent equal to the Calculated Amount plus interest accrued from and including the Calculated Amount Determination Date to but excluding the Maturity Date at a rate specified in the applicable Final Terms, or if no such specification, at a rate equal to Issuer's funding cost at such time.
 - (iv) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the **Options Exchange**), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Asset Amount (in each case with respect to Physical Delivery Notes) and/or the multiplier and/or any of the other terms of these Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Asset Amount (in each case with respect to Physical Delivery Notes) and/or the multiplier and/or any of the other terms of these Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.
- (d) Upon the occurrence of a Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, the Issuer shall give notice as soon as practicable to the holders in accordance with Condition 14 stating the occurrence of the Merger Event, Tender Offer, De-listing, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

21.3 *Correction of Share Price*

With the exception of any corrections published after the day which is three Exchange Business Days prior to the due date for any payment of any Redemption Amount, if the price of the relevant Share published on a given day and used or to be used by the Calculation Agent to determine any Redemption Amount is subsequently corrected and the correction published by the relevant Exchange or Related Exchange, as the case may be, within 30 days of the original publication, the price to be used shall be the price of the relevant Share as so corrected. Corrections published after the day which is three Exchange Business Days prior to the relevant redemption date will be disregarded by the Calculation Agent for the purposes of determining any Redemption Amount.

21.4 *Issuer's Option to substitute Assets or to pay the Alternate Cash Redemption Amount*

If prior to the redemption of Physical Delivery Notes, the Calculation Agent determines, in its sole and absolute discretion, that the Relevant Asset(s) comprise(s) Shares which are not freely tradable, the Issuer may, in its sole and absolute discretion, elect either (i) to substitute for such Shares freely tradable shares with a value equivalent to the Shares (as determined by the Calculation Agent in its sole and absolute discretion) (the **Substitute Asset(s)**) or (ii) not to deliver or procure the delivery of the Asset Amount or the Substitute Asset(s), as the case may be, but in lieu thereof to pay to the Noteholders on the Maturity Date an amount equal to the fair market value of the Asset Amount on the Valuation Date as determined by the Calculation Agent in its sole and absolute discretion by reference to such sources as it considers appropriate (the **Alternate Cash Redemption Amount**). Notification of any such election will be given to Noteholders in accordance with Condition 14.

For the purposes hereof, a **freely tradable** share shall mean (i) with respect to the United States, a share which is registered under the Securities Act or not restricted under the Securities Act and which is not purchased from the issuer of such share and not purchased from an affiliate of the issuer of such share or which otherwise meets the requirements of a freely tradable share for the purposes of the Securities Act, in each case, as determined by the Calculation Agent, in its sole and absolute discretion or (ii) with respect to any other jurisdiction, a share not subject to any legal restrictions on transfer in such jurisdiction.

21.5 *Additional Disruption Events*

- (a) If an Additional Disruption Event occurs, the Issuer in its sole and absolute discretion may take the action described in (A) or (B) below:
- (i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Asset Amount (in each case with respect to Physical Delivery Notes) and/or the multiplier and/or any of the other terms of these Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or
 - (ii) unless Delayed Redemption on Occurrence of Additional Disruption Event is specified as being Applicable in the applicable Final Terms, redeem the Notes by giving notice to the Noteholders in accordance with Condition 14. If the Notes are so redeemed the Issuer will pay an amount to each Noteholder in respect of each Note held by him which amount shall be the fair market value of a Note taking into account the Additional Disruption Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 14.
 - (iii) if Delayed Redemption on Occurrence of Additional Disruption Event is specified as being Applicable in the Final Terms, the Calculation Agent shall calculate the fair market value of each Note taking into account the Additional Disruption Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the **Calculated Additional Disruption Amount**) as soon as practicable, following the occurrence of the Additional Disruption Event (the **Calculated Additional Disruption Amount Determination Date**) and on the Maturity Date shall redeem each Note at an amount calculated by the Calculation Agent equal to the Calculated Additional Disruption Amount plus interest accrued from and including the Calculated Additional Disruption Amount Determination Date to but excluding the Maturity Date at a rate specified in the applicable Final Terms, or if no such specification, at a rate equal to Issuer's funding cost at such time.

- (b) Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable to the holders in accordance with Condition 14 stating the occurrence of the Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

21.6 *Knock-in Event and Knock-out Event*

If Knock-in Event is specified as applicable in the Final Terms, then payment under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

If Knock-out Event is specified as applicable in the Final Terms, then payment under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one hour period that begins and/or ends at the time on which the level of the Share triggers the Knock-in Level or the Knock-out Level, a Market Disruption Event occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

For the purposes of this Condition 21:

Knock-in Event means

- (a) if SPS Knock-in Valuation is specified as applicable in the applicable Final Terms, the Knock-in Value is; or
- (b) if SPS Knock-in Valuation is specified as not applicable in the applicable Final Terms, that the Share price determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is; and

in each case (a) "greater than", (b) "greater than or equal to", (c) "less than" or (d) "less than or equal to" the Knock-in Level, in each case as specified in the applicable Final Terms (x) on a Knock-in Determination Day or (y) in respect of any knock-in Determination Period, as specified in the applicable Final Terms.

Knock-in Level means:

- (a) if SPS Final Payout is specified as applicable in the applicable Final Terms, the level, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustments as provided in this Condition 21;
- (b) if SPS Final Payout is specified as not applicable in the applicable Final Terms, the Share price specified and as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions of **Market Disruption** set out in Condition 21.1 above.

Knock-in Determination Day means as specified in the applicable Final Terms, or each Scheduled Trading Day during the Knock-in Determination Period subject to, in either case, the provisions of

Market Disruption set out in Condition 21.1 above. For the purposes of a Market Disruption, any Knock-in Determination Day will be treated as a Valuation Date and the provisions contained in the definition of **Valuation Date** set out below shall apply. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of "Averaging Date" shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Knock-in Determination Day".

Knock-in Determination Period means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

Knock-in Period Beginning Date means 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.

Knock-in Period Ending Date means 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.

Knock-in Valuation Time means the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

Knock-in Value means the value from the SPS Payout Conditions 1.6, 1.7 or 1.8 specified as such in the applicable Final Terms.

Knock-out Event means (unless otherwise specified in the applicable Final Terms) that the Share price determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is and as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-out Level.

Knock-out Level means the Share price specified or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions of **Market Disruption** set out in Condition 21.1 above.

Knock-out Determination Day means as specified in the applicable Final Terms, or each Scheduled Trading Day during the Knock-out Determination Period subject to, in either case, the provisions of "Market Disruption" set out in Condition 21.1 above. For the purposes of a Market Disruption, any Knock-out Determination Day will be treated as a Valuation Date and the provisions contained in the definition of **Valuation Date** set out below shall apply. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of **Averaging Date** shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Knock-out Determination Day".

Knock-out Determination Period means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

Knock-out Period Beginning Date means 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.

Knock-out Period Ending Date means 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.

Knock-out Valuation Time means the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time.

If Automatic Early Redemption Event is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date, an Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Early Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.

For the purposes of these Conditions:

Automatic Early Redemption Amount means (a) an amount in the Specified Currency specified in the applicable Final Terms specified as such in the applicable Final Terms or (b) if such amount is not specified, (A) the product of (i) the denomination of each Note and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date or (B) the SPS Automatic Early Redemption Amount Payout specified as applicable in the applicable Final Terms.

Automatic Early Redemption Date means each date specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

Automatic Early Redemption Event means:

- (a) if SPS Final Payout is specified as applicable in the applicable Final Terms, the SPS AER Value, as specified in the applicable Final Terms, is (aa) "greater than", (bb) "greater than or equal to", (cc) "less than" or (dd) "less than or equal to" the Automatic Early Redemption Level as specified in the applicable Final Terms on an Automatic Early Redemption Valuation Date; or
- (b) if SPS Final Payout is specified as not applicable in the applicable Final Terms, the Share price determined by the Calculation Agent as of the Valuation Time on any Automatic Early Redemption Valuation Date is, and (B) in the case of a Basket of Indices, the amount for the Basket determined by the Calculation as specified in the Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Level.

Automatic Early Redemption Level means:

- (a) if SPS Final Payout is specified as applicable in the applicable Final Terms, the price, amount, number or percentage specified as such in the applicable Final Terms, subject to adjustments as provided in this Condition 21; or
- (b) if SPS Final Payout is specified as not applicable in the applicable Final Terms, the price of the Share specified as such or otherwise determined in the applicable Final Terms, subject to adjustments as provided in this Condition 21.

Automatic Early Redemption Rate means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms.

Automatic Early Redemption Valuation Date means each 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, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of **Averaging Date** shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Automatic Early Redemption Valuation Date".

SPS AER Value means the value from the SPS Payout Conditions 1.6, 1.7 or 1.8 specified as such in the applicable Final Terms.

21.8 *Additional Definitions*

Unless otherwise specified in the applicable Final Terms:

Additional Disruption Event means any of Change of Law, Failure to Deliver, Hedging Disruption, Increased Cost of Hedging, Increased Cost of Stock Borrow, Insolvency Filing and/or Loss of Stock Borrow, in each case if 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.

Averaging Date means 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 Calculation 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 Settlement Price provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of **Valuation Date** will apply for purposes of determining the relevant level, price or amount on the final Averaging 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** 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 the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for consecutive Scheduled Trading Days equal in number to the Specified Maximum Days of Disruption (up to Valuation Time on such last consecutive 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, then (A) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether the last such consecutive Scheduled Trading Day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with subparagraph (B) of the definition of **Valuation Date** below. For the purposes of these Conditions, **Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

Change of Law means that, on or after the Trade Date (as specified in the applicable Final Terms) (a) due to the adoption 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 (x) it has become illegal to hold, acquire or dispose of any relevant Share or (y) it will incur a materially

increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

Disrupted Day means any Scheduled Trading Day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

Early Closure means the closure on any Exchange Business Day of relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or 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 for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

Exchange means, in relation to a Share, 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 Calculation 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 either (a) in the case of a single Share, Exchange Business Day (Single Share Basis) or (b) in the case of a Basket of Shares, (i) Exchange Business Day (All Shares Basis) or (ii) Exchange Business Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per Share Basis) shall apply.

Exchange Business Day (All Shares Basis) means, in respect of a Basket of Shares, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time.

Exchange Business Day (Per Share Basis) means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of such Share are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time.

Exchange Business Day (Single Share Basis) means any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time.

Exchange Disruption means, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the Shares on the relevant Exchange or (b) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Share on any relevant Related Exchange.

Failure to Deliver means failure of the Issuer and/or any of its Affiliates to deliver, when due, the relevant Shares under the Notes, where such failure to deliver is due to illiquidity in the market for such Shares.

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 equity or other price risk of

the Issuer issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

Hedging Shares means the number of Shares that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Notes.

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 market risk (including, without limitation, equity price risk, foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging.

Increased Cost of Stock Borrow means that the Issuer and/or any of its Affiliates would incur a rate to borrow any Share that is greater than the Initial Stock Loan Rate.

Initial Stock Loan Rate means, in respect of a Share, the initial stock loan rate specified in relation to such Share in the applicable Final Terms.

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, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company shall not be deemed an Insolvency Filing.

Interest Valuation Date means the date specified in the applicable Final Terms.

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 an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

Maximum Stock Loan Rate means, in respect of a Share, the Maximum Stock Loan Rate specified in the applicable Final Terms.

Observation Date means each date specified as an Observation 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 Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the provisions relating to "Omission", "Postponement" or "Modified Postponement", as the case may be, contained in the definition of **Averaging Date** shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date".

Observation Period means the period specified as the Observation Period in the applicable Final Terms.

Related Exchange means in respect of Equity Linked Redemption Notes and in relation to a Share, each exchange or quotation system on which option contracts or futures contracts relating to such Share are traded, or 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 futures or options contracts relating to such Share

has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided 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 Calculation Agent) on the overall market for futures or options contracts relating to such Share.

Scheduled Closing Time means, in respect of an 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 any other trading outside of the regular trading session hours.

Scheduled Trading Day means either (a) in the case of a single Share, Scheduled Trading Day (Single Share Basis) or (b) in the case of a Basket of Shares, (i) Scheduled Trading Day (All Shares Basis) or (ii) Scheduled Trading Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Scheduled Trading Day (Per Share Basis) shall apply.

Scheduled Trading Day (All Shares Basis) means, in respect of a Basket of Shares, any day on which each Exchange and each Related Exchange are scheduled to be open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s).

Scheduled Trading Day (Per Share Basis) means, in respect of a Share, any day on which the relevant Exchange and the relevant Related Exchange in respect of such Share are scheduled to be open for trading during their respective regular trading session(s).

Scheduled Trading Day (Single Share Basis) means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s).

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.

Settlement Currency means the currency specified in the applicable Final Terms.

Settlement Price means, unless otherwise specified in the applicable Final Terms, in relation to each Cash Settled Note in respect of Equity Linked Redemption Notes, and as referred to in **Valuation Date** below or **Averaging Date** above, 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 Share on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date and (or if, in the opinion of the Calculation 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 Calculation 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 Share based, at the Calculation 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 Calculation Agent in its sole and absolute discretion) engaged in the trading of the Share or on such other factors as the Calculation 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 Calculation Agent. **Shares** and **Share** mean the shares specified in the applicable Final Terms and related expressions shall be construed accordingly.

Share Company means the company that has issued the Share.

Specified Maximum Days of Disruption means eight (8) Scheduled Trading Days or such other number of Scheduled Trading Days specified in the applicable Final Terms.

Trading Disruption means, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (a) relating to the Share or (b) in futures or options contracts relating to such Share on any relevant Related Exchange.

Valuation Date means the Valuation Date or Interest Valuation Date, as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the consecutive Scheduled Trading Days equal in number to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the Settlement Price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the Settlement Price in accordance with its good faith estimate of the Settlement Price as of the Valuation Time on that the last such consecutive Scheduled Trading Day; and otherwise in accordance with the above provisions.

Valuation Time means the Relevant Time specified in the applicable Final Terms or, if no Relevant Time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date, or Interest Valuation Date, as the case may be, in relation to each Share to be valued provided that 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.

22. **Additional Provisions Applicable to Inflation Linked Interest Notes**

This Condition 22 applies to Inflation Linked Interest Notes only. Annex 2 to these Conditions contains provisions relating to the formula used to determine the pay-off under Inflation Linked Interest Notes and the applicable Final Terms contains provisions applicable to the determination of the performance of the relevant inflation index as well as other relevant provisions and must be read in conjunction with this Condition 22 and with Annex 2 for full information on any Inflation Linked Interest Notes. In particular, the applicable Final Terms will identify the relevant Screen Page, the various levels and other factors required to apply the formula.

22.1 *Delay in Publication*

If the Calculation Agent determines that, in relation to Notes relating to an Index, a Delayed Index Level Event in respect of an Index has occurred with respect to any Interest Determination Date, then the Relevant Level with respect to any Reference Month which is to be used in any calculation or determination to be made by the Calculation Agent with respect to such Interest Determination Date (the **Substitute Index Level**) shall be determined by the Calculation Agent (subject to Condition 22.3(a) "*Adjustments - Substitute Index Level*" below), as follows:

- (a) if Related Bond is specified as applicable in the applicable Final Terms, the Calculation Agent shall determine the Substitute Index Level by reference to the corresponding index level determined under the terms and conditions of the Related Bond; or
- (b) if A) Related Bond is specified as not applicable in the applicable Final Terms, or (B) the Calculation Agent is not able to determine a Substitute Index Level under (a) above, the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:

Substitute Index Level = Base Level x (Latest Level / Reference Level)

- (c) otherwise in accordance with any formula specified in the applicable Final Terms,

where:

Base Level means the level of the Index (whether definitive or provisional) published or announced by the Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

Latest Level means the latest level of the Index (whether definitive or provisional) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Index Level is being calculated.

Reference Level means the level of the Index (whether definitive or provisional) 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.

The Issuer shall promptly give notice to the holders of the Notes in accordance with Condition 14 of any Substitute Index Level.

If the Relevant Level is published or announced at any time on or after the relevant Cut-Off Date specified in the applicable Final Terms, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Condition 22.1 will be the definitive level for that Reference Month.

22.2 *Successor Index*

If in relation to Notes relating to the Index, the Calculation Agent determines that the level of the Index is not calculated and announced by the Index Sponsor for two consecutive months and/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 Calculation Agent shall determine a successor index (**a Successor Index**) (in lieu of any previously applicable Index) for the purposes of the Notes as follows:

- (a) if Related Bond is specified as applicable in the applicable Final Terms, the Calculation Agent shall determine a Successor Index by reference to the corresponding successor index determined under the terms and conditions of the Related Bond;
- (b) if Related Bond is specified as not applicable in the Final Terms or a Related Bond Redemption Event has occurred, the Calculation 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;

- (c) If no Successor Index has been deemed under (a) above or if fewer than three responses are received under (b) above by the Cut-Off Date the Calculation Agent will determine an appropriate alternative index for the relevant Payment Date, and such index will be deemed a Successor Index; or
- (d) if the Calculation 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.

For the avoidance of doubt, the Calculation Agent shall determine the date on which the Successor Index shall be deemed to replace the Index for the purposes of the Notes. Notice of the determination of a Successor Index, the effective date of the Successor Index or the occurrence of an Index Cancellation will be given to holders of the Notes by the Issuer in accordance with Condition 14.

22.3 *Adjustments*

(a) *Substitute Index Level*

If the Calculation Agent determines a Substitute Index Level in accordance with Condition 22.1 "*Delay in Publication*" above, the Calculation Agent may make any adjustment or adjustments (without limitation) to (A) the Substitute Index Level determined in accordance with Condition 22.1 "*Delay in Publication*" above and/or (B) interest payable under the Notes (if any) and/or any other relevant term of the Notes, in each case, as the Calculation Agent deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

(b) *Successor Index*

If a Successor Index is determined in accordance with Condition 22.2 "*Successor Index*" above, the Calculation Agent may make any adjustment or adjustments (without limitation) to the interest payable under the Notes (if any) and/or any other relevant term of the Notes as the Calculation Agent deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment or amount in accordance with Condition 14.

(c) *Index Level Adjustment Correction*

- (i) If, within 30 days of publication or at any time prior to an Interest Determination Date in respect of which a Relevant Level will be used in any calculation or determination in respect of such Interest Determination Date, the Calculation Agent determines that the Index Sponsor has corrected the Relevant Level to correct a manifest error, the Calculation Agent may make any adjustment to interest payable under the Notes (if any) and/or any other relevant term of the Notes as the Calculation Agent deems appropriate as a result of such correction and/or determine the amount (if any) that is payable as a result of that correction. The Issuer shall give notice to the holders of the Notes of any such adjustment and/or amount in accordance with Condition 14.
- (ii) If a Relevant Level is published or announced at any time after the Cut-Off Date in respect of an Interest Determination Date in respect of which a Substitute Index Level was determined, the Calculation Agent may either (I) determine that such Relevant Level shall not be used in any calculation or determination under the Notes and that the Substitute Index Level shall be deemed to be the definitive Relevant Level for the relevant Reference Month, or (II) make any adjustment to the interest payable under the Notes (if any) and/or any other relevant term of the Notes 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 holders of the Notes of any

determination in respect of (I) or (II), together with any adjustment or amount in respect thereof, in accordance with Condition 14.

(iii) *Currency*

If the Calculation Agent determines that any event occurs affecting the Specified Currency (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments (without limitation) to interest payable under the Notes, (if any) and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer), the Calculation Agent may make such adjustment or adjustments to interest payable under the Notes (if any) and/or any other relevant term of the Notes as the Calculation Agent deems necessary. The Calculation Agent shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 14.

(d) *Rebasing*

If the Calculation 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 Relevant Level from the date of such rebasing; provided, however, that the Calculation 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 levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as 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 Calculation 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 Calculation Agent may make any adjustment(s) to interest payable under the Notes (if any) and/or any other term of the Notes as the Calculation Agent may deem necessary. If the Calculation Agent determines that neither (A) nor (B) above would produce a commercially reasonable result, the Calculation Agent may redeem each Note on a date notified by the Issuer to Noteholders in accordance with Condition 14 at its fair economic value as determined by the Calculation Agent as at the date of redemption taking into account the rebasing, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements. Notice of any adjustment, redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14.

(e) *Index Modification*

(i) If, in relation to Notes relating to the Index on or prior to the Cut-Off Date in respect of any Interest Determination Date, the Calculation Agent determines that an Index Modification has occurred the Calculation Agent may (I) 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 Notes (including, without limitation, interest payable under the Notes (if any)), consistent with any adjustments made to the Related Bond as the Calculation Agent deems necessary, or (II) 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 Notes (including, without limitation, the interest payable under the Notes (if any)), as the Calculation Agent deems necessary for the modified Index to continue as the Index and to account for the economic effect of the Index Modification.

(ii) If the Calculation Agent determines that an Index Modification has occurred at any time after the Cut-Off Date in respect of any Interest Determination Date, the Calculation Agent may determine either to ignore such Index Modification for the purposes of any calculation or determination made by the Calculation Agent with respect to such Interest Determination

Date, in which case the relevant Index Modification will be deemed to have occurred with respect to the immediately succeeding Interest Determination Date such that the provisions of subparagraph (i) above will apply, or, notwithstanding that the Index Modification has occurred following the Cut-Off Date, to make any adjustments as the Calculation Agent deems fit in accordance with subparagraph (i) above.

(f) *Index Cancellation*

If the Calculation Agent determines that an Index Cancellation has occurred, the Issuer may redeem each Note on the date notified by the Issuer to Noteholders in accordance with Condition 14 at its fair economic value (as determined by the Calculation Agent) as at the date of redemption taking into account the Index Cancellation, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements. Notice of any redemption of the Notes pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14.

(g) *Change in law*

If the Calculation Agent determines that a Change in Law has occurred, the Issuer may redeem each Note on the date notified by the Issuer to Noteholders in accordance with Condition 14 at its fair economic value (as determined by the Calculation Agent) as at the date of redemption taking into account the Change in Law, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements. Notice of any redemption of the Notes pursuant to this paragraph shall be given to Noteholders in accordance with Condition 14.

(h) *Additional Definitions*

Change in Law means that, on or after the Issue Date (as specified in the applicable Final Terms) (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of any change in the interpretation by any court, tribunal or regulatory authority), the Issuer determines that in its sole and absolute discretion that it is unable to perform its obligations in respect of the Notes or it has become illegal to hold, acquire or dispose of any relevant hedge positions in respect of the Notes.

Cut-Off Date means, in respect of an Interest Determination Date, five Business Days prior to such Interest Determination Date, unless otherwise stated in the applicable Final Terms.

Delayed Index Level Event means, in respect of any Interest Determination Date, that the Index Sponsor fails to publish or announce the level of the Index (the **Relevant Level**) in respect of any Reference Month which is to be used in any calculation or determination to be made by the Calculation Agent in respect of such Interest Determination Date, at any time on or prior to the Cut-Off Date.

Fallback Bond means a bond selected by the Issuer, or an agent appointed by it, that is a debt obligation of one of the governments (but not any government agency) of France, Germany, Italy 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. The Issuer, or an agent appointed by it, 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 Issuer, or an agent appointed by it, from those bonds. If the Fallback Bond redeems the Issuer, or an agent appointed by it, 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 HCIP, as defined in Part 3 of Annex 2 and related expressions shall be construed accordingly.

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 Modification means the Index Sponsor announces that it will make (in the opinion of the Calculation Agent) a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index.

Index Sponsor means in relation to an Index, the corporation or entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of such Index on a regular basis during each Scheduled Trading Day which as of the Issue Date of the Notes is the index sponsor in the applicable Final Terms.

Rebased Index has the meaning given to it under Condition 22.3(d) "*Rebasing*" above.

Reference Month means the calendar month for which the level of the Index was reported, regardless of when this information is published or announced. If the period for which the Relevant Level was reported is a period other than a month, the Reference Month shall be the period for which the Relevant Level was reported.

Related Bond means, if specified as applicable in the applicable Final Terms, means the bond specified as such in the applicable Final Terms. If the Related Bond specified in the applicable Final Terms is "Fallback Bond", then for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the applicable Final Terms as the Related Bond and "Fallback Bond: Not Applicable" is specified in the applicable Final Terms there will be no Related Bond. If a bond is selected as the Related Bond in the applicable Final Terms and that bond redeems or matures before the relevant Maturity Date, unless "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, the Calculation 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 Maturity 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.

Relevant Level has the meaning given to it in the definition of Delayed Index Level Event.

Scheduled Trading Day means the relevant Scheduled Trading Day specified in the applicable Final Terms. If no Scheduled Trading Day is specified as applying in the applicable Final Terms, Scheduled Trading Day shall mean any day on which the Index Sponsor is scheduled to be open for trading.

Successor Index has the meaning given to it in under Condition 22.2 "*Successor Index*" above.

Substitute Index Level means, in respect of a Delayed Index Level Event, the index level determined by the Calculation Agent in accordance with Condition 22.3(a) "*Substitute Index Level*" above.

ANNEX 1

Additional terms and conditions for SPS payouts of Notes

The following terms and conditions (the **SPS Payout Conditions**), subject to completion in the applicable Final Terms, relate to the payouts in respect of the Notes. In particular, certain sections of the SPS Payout Conditions will be set out and completed in the applicable Final Terms. In the event of any inconsistency between the terms and conditions of the Notes (the **Conditions**) and the SPS Payout Conditions, the SPS Payout Conditions shall prevail. The descriptions of the payouts, interest rates and entitlement amounts and/or related provisions included in italics below do not form part of the SPS Payout Conditions, are included for information purposes only and are subject to the detailed terms of the relevant payout, interest rate or entitlement amount, as applicable, and shall be determined by the Issuer, or an agent appointed by it.

The Notes may not be a suitable investment for all investors. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

1. SPS PAYOUTS

General definitions in relation to SPS Payouts are set out below in Condition 1.4 of the SPS Payout Conditions.

1.1 SPS Final Payouts

The following final payouts (each a **SPS Final Payout**) shall apply to the Notes if specified in the applicable Final Terms:

(a) SPS Final Payout – Reverse Convertibles Notes

If SPS Final Payout - Reverse Convertible Notes is specified as applicable in the applicable Final Terms, the Final Payout per Note is the amount in Settlement Currency, determined by the Calculation Agent as:

(i) if no Knock-in Event has occurred:

NA x Constant Percentage 1

(ii) else:

NA x MAX[Constant Percentage 2 – Gearing x Put Option; 0%]

Where:

Put Option means

Min [Max (Strike Percentage – Final Underlying Reference Value, Floor Percentage); Cap Percentage]

Provided That (aa) if the provisions of sub-paragraph (i) of this SPS Payout Condition 1.1(a) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (ii) of this SPS Payout Condition 1.1(a) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms, no Redemption Amount will be payable and Physical Delivery will apply.

Description of Payout and explanation of how the value of investment is affected by the value of the underlying

The Payout will be an amount per Note in the Settlement Currency equal to:

if no Knock-in Event has occurred, the Calculation Amount per Note, multiplied by the Constant Percentage 1 (plus the applicable coupon rate - if any - as specified in the Final Terms);

if a Knock-in Event has occurred, the Calculation Amount per Note, multiplied by the difference (if positive) of (i) Constant Percentage 2 and (ii) 100% (Gearing) of the Put Option. The Put Option is determined by the difference between (i) the Strike Percentage and (ii) the performance of the Underlying Reference (calculated as being the Final Underlying Reference Value) such difference being floored at the Floor Percentage and capped at the Cap Percentage;

Fluctuations in the Exchange Rate of the relevant currency will also affect the value of the Notes, when FX Conversion is specified as applicable in the Final Terms.

Graphical examples

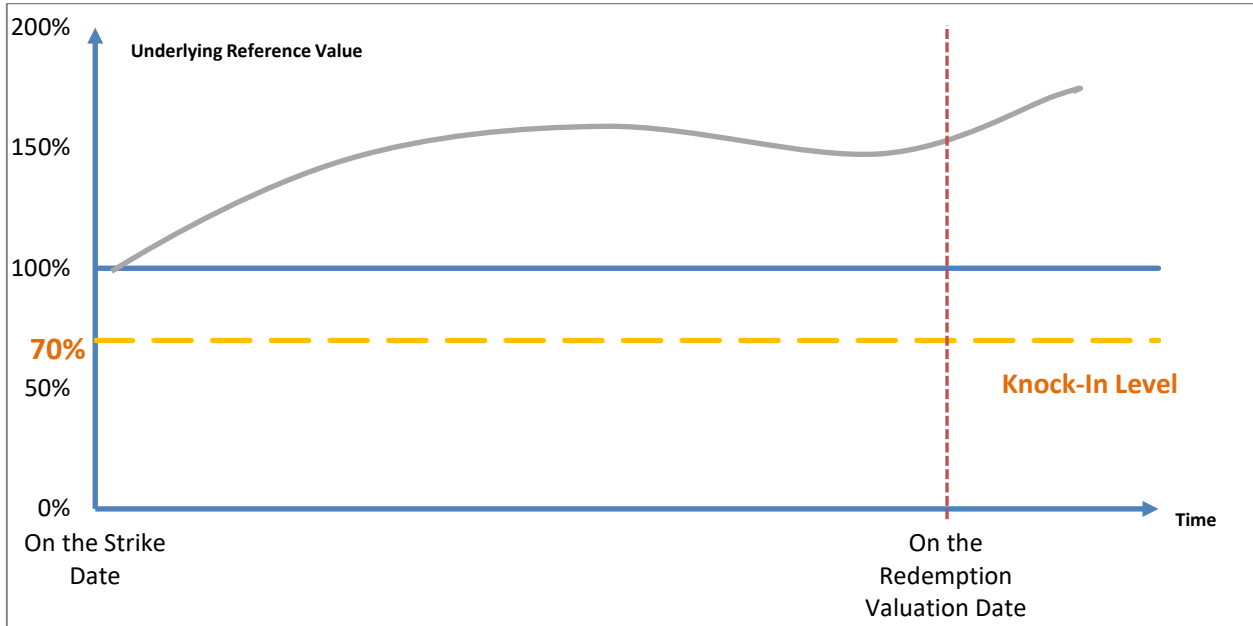
*The illustrative examples below are hypothetical and represent positive, neutral and negative scenarios but **do not** depict every possible outcome or return. The hypothetical returns as described below **are not** indicative for the actual return of a particular product.*

In the following scenarios:

- Gearing is equal to 100%;
- Strike Percentage is equal to 100%;
- Constant Percentage 1 is equal to 100%;
- Constant Percentage 2 is equal to 100%;
- Floor Percentage is equal to 0%;
- Knock-in Level is equal to 70%
- Cap Percentage is equal to 100%; and
- One Knock-in Determination Day being the Redemption Valuation Date (for the avoidance of doubt, there might be multiple Knock-in Determination Days).

Positive scenario: The Underlying Reference performs positively and no Knock-in Event has occurred.

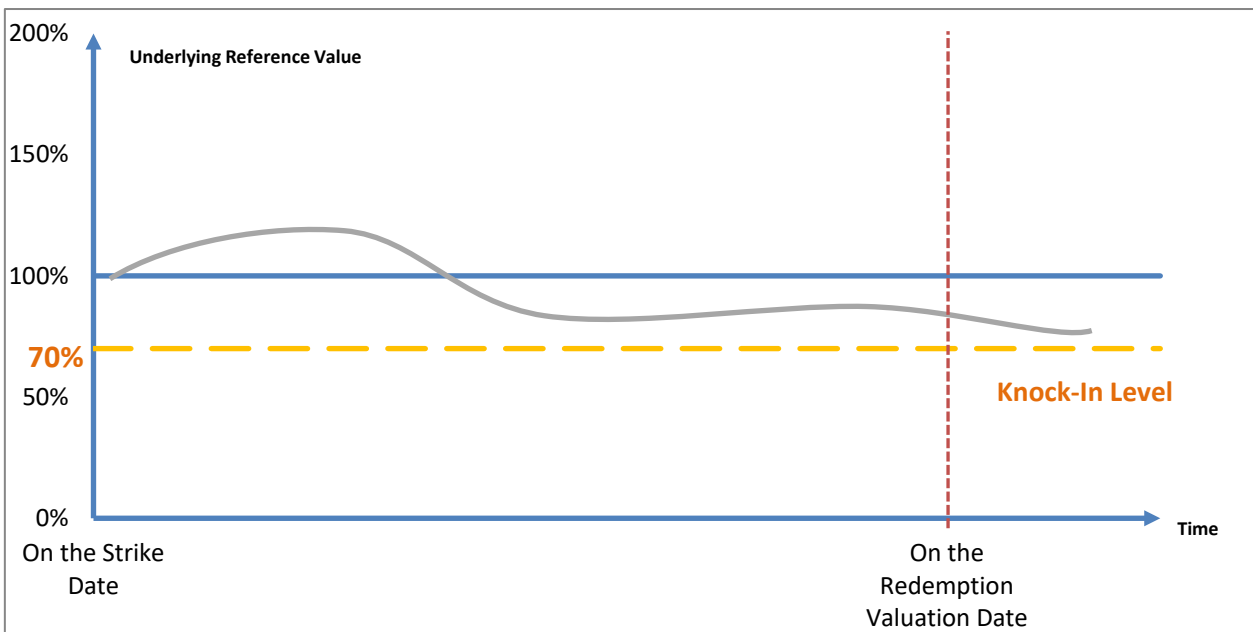
The Underlying Reference performs positively; the Underlying Reference Value on the Redemption Valuation Date is above its initial value and no Knock-in Event has occurred, which allows the Holder of Notes to benefit from capital protection (i.e. 100% in this example).



The Holder of Notes will receive an amount equal to the Calculation Amount per Note, multiplied by (i) the Constant Percentage 1 (i.e. 100% in this example) plus (ii) the applicable coupon rate (if any).

Neutral scenario: Negative performance of the Underlying Reference but no Knock-in Event has occurred.

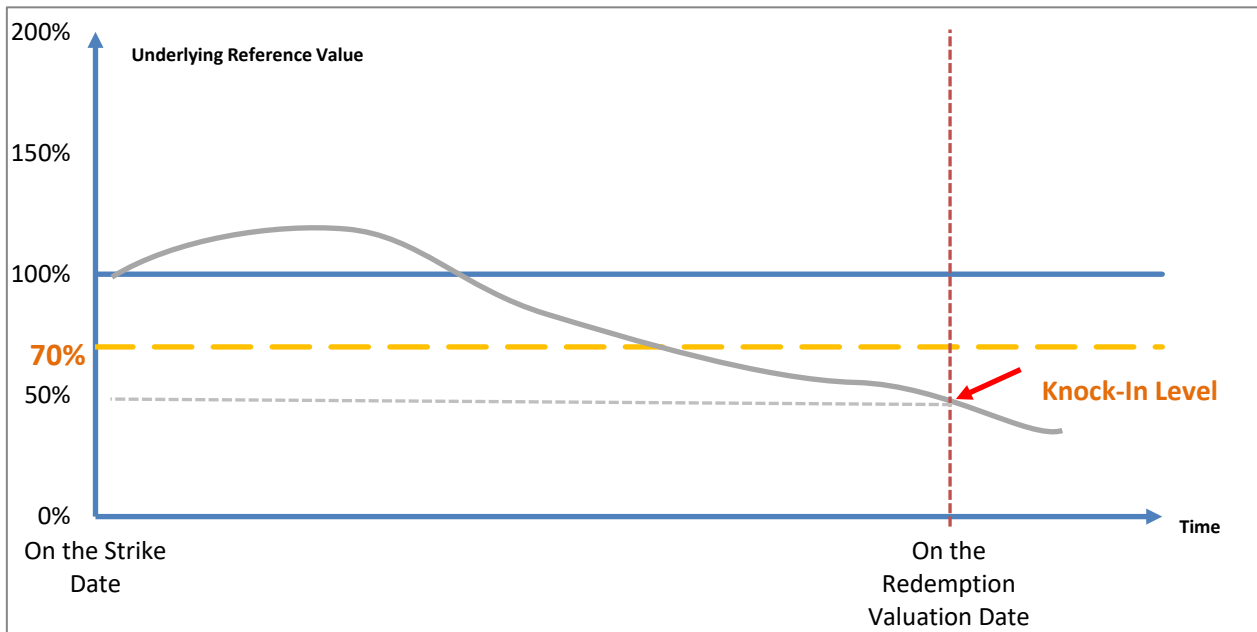
The Underlying Reference Value (75% in the example) on the Redemption Valuation Date is less than its initial value but above the Knock-in Level. Therefore no Knock-in Event has occurred.



The Holder of Notes will receive an amount equal to the Calculation Amount per Note, multiplied by (i) the Constant Percentage 1 (i.e. 100% in this example) plus (ii) the applicable coupon rate (if any).

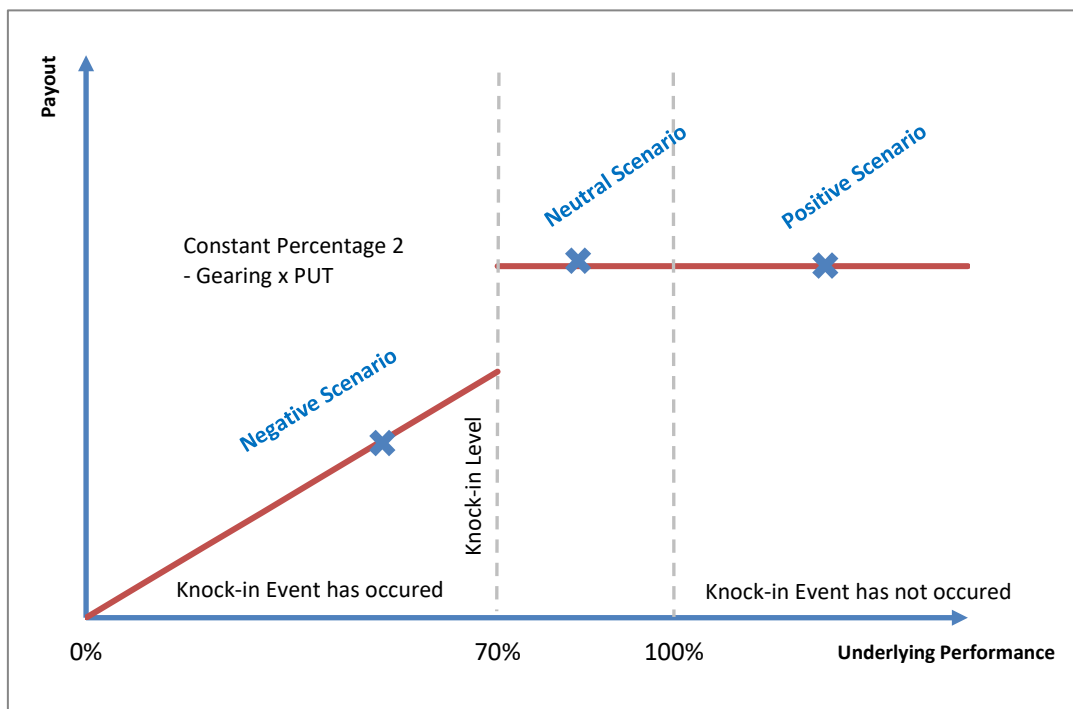
Negative scenario: Negative performance of the Underlying Reference and a Knock-in Event has occurred.

On the Redemption Valuation Date the Underlying Reference Value is less than its initial level (60% in this example) and below the Knock-in Level. Therefore a Knock-in Event has occurred.



The Holder of Notes will receive an amount equal to the Calculation Amount per Note, multiplied by (i) the difference of (x) the Constant Percentage 2 minus (y) 100% (Gearing) of the value of the "Put Option" (equal to 60% in this example, calculated as $60\% = 100\% - 100\% \times \text{Max}[(100\% - 60\%); 0\%]$) plus (ii) the applicable coupon rate (if any). The Holder of Notes has made a loss as the Underlying Reference has performed negatively and at a lower level than the Knock-in Level in this specific case.

Illustration for all three scenarios:



(b) SPS Final Payout – Vanilla Call Notes

If SPS Final Payout - Vanilla Call Notes is specified as applicable in the applicable Final Terms:

- 1) If Cap Percentage is specified as not applicable in the applicable Final Terms:

$NA \times [\text{Constant Percentage} + \text{Gearing} * \text{Max}(\text{Final Underlying Reference Value} - \text{Strike Percentage}; \text{Floor Percentage})]$

- 2) If Cap Percentage is specified as applicable in the applicable Final Terms:

$NA \times [\text{Constant Percentage} + \text{Gearing} * \text{Min}(\text{Max}(\text{Final Underlying Reference Value} - \text{Strike Percentage}; \text{Floor Percentage}) \text{Cap Percentage})]$

Description of Payout and explanation of how the value of investment is affected by the value of the underlying

- *The Payout per Note will be an amount in the Settlement Currency equal to the Calculation Amount per Note, multiplied by the sum of (i) the Constant Percentage 1 and (ii) 100% (Gearing) of the excess of the performance of the Underlying Reference (calculated as the Final Underlying Reference Value) over the Strike Percentage, subject to a Floor Percentage and eventually to a Cap Percentage.*
- *Fluctuations in the Exchange Rate of the relevant currency will also affect the value of the Notes, when FX Conversion is specified as applicable in the Final Terms.*

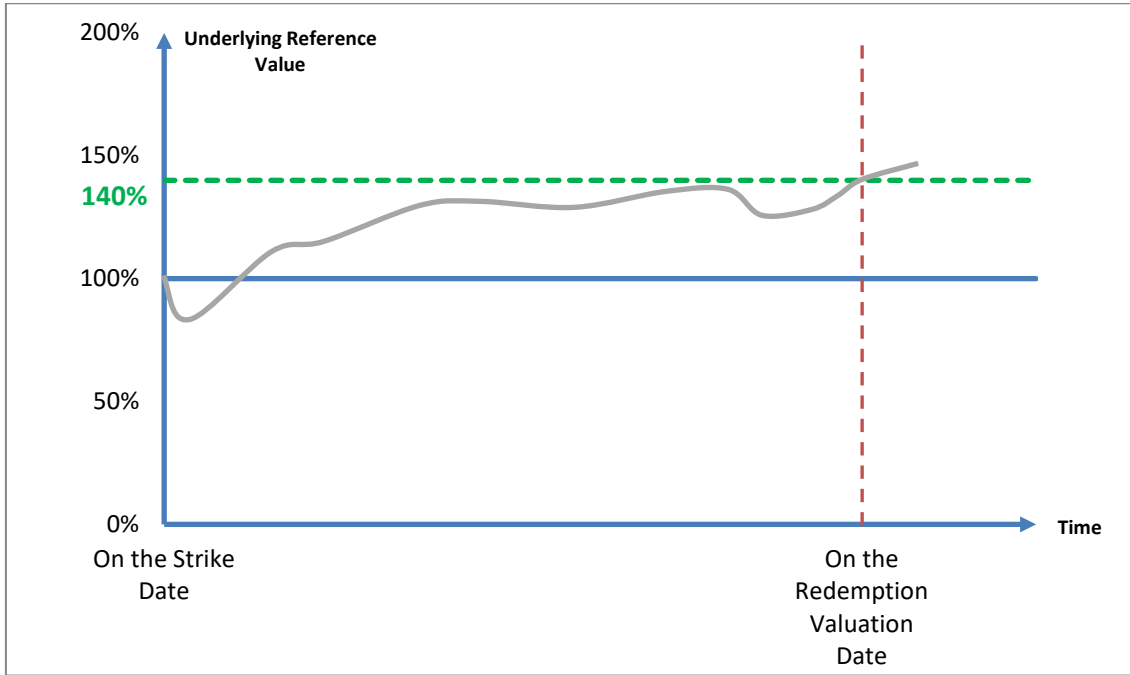
Graphical examples

The illustrative examples below are hypothetical and represent positive, neutral and negative scenarios but do not depict every possible outcome or return. The hypothetical returns as described below are not indicative for the actual return of a particular product.

In the following scenarios:

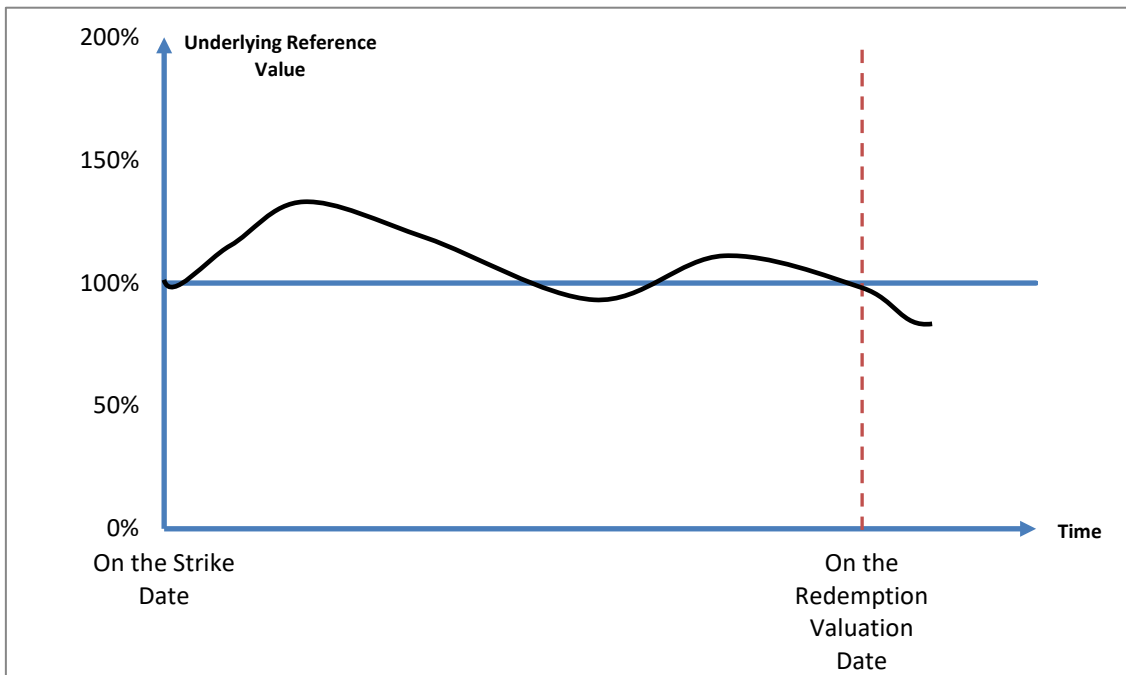
- *Gearing is equal to 100%;*
- *Strike Percentage is equal to 100%;*
- *Constant Percentage 1 is equal to 100%; and*
- *Floor Percentage is equal to 0%.*

Positive scenario: The Underlying Reference performs positively; the Underlying Reference Value on the Redemption Valuation Date is above the Strike Percentage.



On the Redemption Date, the Holder of the Note will receive an amount equal to the Calculation Amount per Note, multiplied by the sum of (i) the Constant Percentage 1 and (ii) 100% (Gearing) of the performance of the Underlying Reference Value (i.e. $140\% = 100\% + 100\% \times (140\% - 100\%)$ in this example) plus the applicable coupon rate (if any), such performance being calculated as the difference between the Final Underlying Reference Value and the Strike Percentage. The Holder of Notes has made a gain as the Underlying Reference has performed positively.

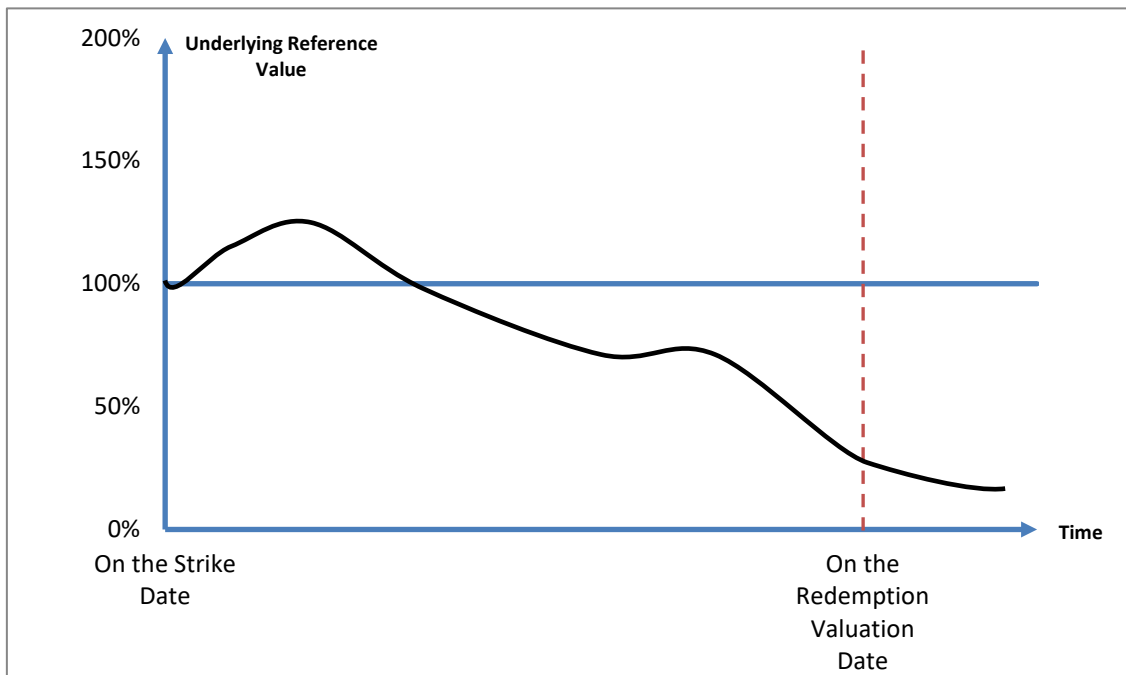
Neutral scenario: The Underlying Reference Value on the Redemption Valuation Date is equal to the Strike Percentage.



On the Redemption Valuation Date, the Underlying Reference Value is equal to the Strike Percentage (so neither a positive or negative performance of the Underlying Reference), then the Holder of Notes will receive an amount equal to the Calculation Amount per Note,

multiplied by the sum of (i) a fixed percentage (i.e. 100% in this example) equal to the sum of the Constant Percentage 1 (i.e. 100%) plus (ii) the applicable coupon rate (if any). In case the Floor Percentage is above 0%, then the Holder of the Note will receive additionally the Floor Percentage, multiplied with the Gearing.

Negative scenario: The Underlying Reference performs negatively; the Underlying Reference Value on the Redemption Valuation Date is less than Strike Percentage.



In this scenario, Holder of Notes will benefit from capital protection: on the Redemption Date, the Holder of Notes will receive an amount equal to the Calculation Amount per Note, multiplied by sum of (i) the Constant Percentage 1 (i.e. 100%) plus (ii) the applicable coupon rate (if any). In case the Floor Percentage is above 0%, then the Holder of the Note will receive additionally the Floor Percentage, multiplied with the Gearing.

(c) Autocall Notes

If Autocall Notes is specified as applicable in the applicable Final Terms:

(i) If the Final Redemption Condition is satisfied:

$$NA \times [\text{Constant Percentage 1} + \text{FR Exit Rate}]; \text{ or}$$

(ii) if the Final Redemption Condition is not satisfied and no Knock-in Event has occurred:

$$NA \times [\text{Constant Percentage 2} + \text{Coupon Airbag Percentage}]; \text{ or}$$

(iii) if the Final Redemption Condition is not satisfied and a Knock-in Event has occurred:

$$NA \times [\text{Max} (\text{Constant Percentage 3} + \text{Gearing} \times \text{Option}; 0\%)]$$

where:

Coupon Airbag Percentage means the percentage specified as such in the applicable Final Terms;

Final Redemption Condition means that the FR Barrier Value for the relevant SPS FR Barrier Valuation Date is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Final Redemption Condition Level;

Final Redemption Condition Level means the percentage, amount or number specified as such in the applicable Final Terms;

SPS FR Barrier Valuation Date means each Valuation Date specified as such in the applicable Final Terms; and

FR Barrier Value means, in respect of a SPS FR Barrier Valuation Date, the value from Annex 1 Conditions 1.6, 1.7 or 1.8 specified as such in the applicable Final Terms;

FR Exit Rate means the rate specified as such in the applicable Final Terms;

Option means Put, Put Spread, or Forward as specified in the applicable Final Terms;

Forward means Final Redemption Value – Strike Percentage;

Put means $\text{Max}(\text{Strike Percentage} - \text{Final Redemption Value}; 0)$; and

Put Spread means $\text{Min}(\text{Max}(\text{Strike Percentage} - \text{Final Redemption Value}; 0); \text{Cap Percentage})$,

Provided that (aa) if the provisions of sub-paragraph (i) of this SPS Payout Condition 1.1(c) apply and Physical Delivery Option 1 is specified as applicable in the applicable Final Terms or (bb) if the provisions of sub-paragraph (ii) of this SPS Payout Condition 1.1(c) apply and Physical Delivery Option 2 is specified as applicable in the applicable Final Terms or (cc) if the provisions of sub-paragraph (iii) of this SPS Payout Condition 1.1(c) apply and Physical Delivery Option 3 is specified as applicable in the applicable Final Terms, no Redemption Amount will be payable and Physical Delivery will apply.

Description of the Payout

The Payout comprises:

- *if the Final Redemption Condition is satisfied, a fixed percentage plus a final exit rate (equal to the FR Exit Rate);*
- *if the Final Redemption Condition is not satisfied and no Knock-In Event has occurred, a fixed percentage (that may differ from the above fixed percentage);*
- *if the Final Redemption Condition is not satisfied, a Knock-In Event has occurred and Option is Put or Put Spread no fixed percentage and indexation to the value of the Underlying Reference(s) below the Strike Percentage; or*
- *if the Final Redemption Condition is not satisfied, a Knock-in Event has occurred and Option is Forward, no fixed percentage and indexation to the value of the Underlying Reference(s); or*
- *if the Final Redemption Condition is not satisfied, a Knock-in Event has occurred and Option is EDS, a percentage that depends on how many Underlying Reference(s) in the basket have a value greater than the EDS Barrier Percentage. When Gearing is positive the higher the number of Underlying Reference(s) with a value above this barrier the higher the percentage.*

- *Physical Delivery may also apply.*

1.2 SPS Automatic Early Redemption Payout

If SPS Automatic Early Redemption Payout is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, the Payout per Note for the relevant Automatic Early Redemption Date is the amount in Settlement Currency, determined by the Calculation Agent as:

$$NA \times (\text{AER Redemption Percentage} + \text{AER Rate}(i))$$

Where:

AER Redemption Percentage means the percentage specified as such in the applicable Final Terms; and

AER Rate (i) means the rate or the rates (if different rates apply for different Automatic Early Redemption Valuation Dates(i)) specified as such or determined in the manner set out in the applicable Final Terms.

1.3 SPS Entitlement Amounts

The following Entitlement Amounts (each an Entitlement Amount) will apply to the Notes if specified in the applicable Final Terms, subject as provided in SPS Payout Condition 1.3(d) below:

- (a) Delivery of Worst-Performing Underlying

If Delivery of Worst-Performing Underlying is specified as applicable in the applicable Final Terms:

$$NA \times \text{Redemption Payout} / \text{Worst Performing Underlying Reference Closing Price Value}(i) \times \text{FX}(i)$$

Where:

Worst Performing Underlying Reference Closing Price Value(i) is the Underlying Reference Closing Price Value(i) on the relevant SPS Valuation Date in respect of the Underlying Reference with the Worst Value on such date; and

FX(i) is the relevant Underlying Reference FX Level(i) on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

- (b) Delivery of Best-Performing Underlying

If Delivery of Best-Performing Underlying is specified as applicable in the applicable Final Terms:

$$NA \times \text{Redemption Payout} / \text{Best Performing Underlying Reference Closing Price Value}(i) \times \text{FX}(i)$$

Where:

Best-Performing Underlying Reference Closing Price Value(i) is the Underlying Reference Closing Price Value(i) on the relevant SPS Valuation Date in respect of the Underlying Reference with the Best Value on such date; and

FX(i) is the relevant Underlying Reference FX Level on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

(c) Delivery of the Underlying

If Delivery of the Underlying is specified as applicable in the applicable Final Terms:

$NA \times \text{Redemption Payout} / (\text{Underlying Reference Closing Price Value} \times \text{FX}(i))$

Where:

Underlying Reference Closing Price Value is the Underlying Reference Closing Price Value on the relevant SPS Valuation Date; and

FX(i) is the relevant Underlying Reference FX Level on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

(d) Rounding and Residual Amount

The Entitlement Amount will be rounded down to the nearest unit of each Relevant Asset capable of being delivered and in lieu thereof the Issuer will pay an amount equal to:

$NA \times \text{Redemption Payout} - \sum_{k=1}^k \text{Number}(k,i) * \text{FX}_{(k,i)} * \text{Underlying Reference Closing Price Value}_{(k,i)}$

Number (k,i) is equal to the Entitlement Amount for the relevant Underlying Reference(k) and SPS Valuation Date(i)

Underlying Reference Closing Price Value(k,i) is the Underlying Reference Closing Price Value(i) on the relevant SPS Valuation Date in respect of the relevant Underlying Reference(k); and

FX(k,i) is the relevant Underlying Reference FX Level on the relevant SPS Valuation Date or if that is not a Business Day the immediately succeeding Business Day.

1.4 SPS Coupon Rate Payouts

The following Coupon Rate(s) will apply to the Notes if specified in the applicable Final Terms:

(a) **Coupon Rate Payout – SPS Digital Coupon**

If Coupon Rate Payout – SPS Digital Coupon is specified as applicable in the applicable Final Terms:

(i) If the Digital Coupon Condition is satisfied in respect of Interest Valuation Date(i):

$NA \times \text{Rate}(i)$; or

(ii) if the Digital Coupon Condition is not satisfied in respect of Interest Valuation Date(i):

$NA \times \text{zero}$.

Where:

Digital Coupon Condition means that the Underlying Reference Value, is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Barrier Level in respect of the relevant Interest Valuation Date.

Barrier Level means the number, amount or percentage specified as such in the applicable Final Terms.

Description of Coupon Rate Payout - Digital Coupon

A Digital Coupon provides that the Notes bear or pay interest at a specified rate for a relevant period if the Digital Coupon Condition is met. If the Digital Coupon Condition is not met then the Notes will pay no interest for the relevant period.

(b) Coupon Rate Payout – SPS Snowball Digital Coupon

If Coupon Rate Payout – SPS Snowball Digital Coupon is specified as applicable in the applicable Final Terms:

(i) if the Snowball Digital Coupon Condition is satisfied in respect of Interest Valuation Date(i):

$NA \times (\text{Rate}_{(i)} + \text{SumRate}_{(i)})$; or

(ii) if the Snowball Digital Coupon Condition is not satisfied in respect of Interest Valuation Date(i):

NA x zero.

Where:

Snowball Date means each date on which the relevant Snowball Digital Coupon Condition is satisfied;

Snowball Digital Coupon Condition means that the Underlying Reference Value is (a) greater than, (b) less than, (c) equal to or greater than or (d) less than or equal to, as specified in the applicable Final Terms, the Snowball Level in respect of the relevant Interest Valuation Date;

Snowball Level means the number, amount or percentage specified as such in the applicable Final Terms; and

SumRate(i) means the sum of Rate(i) for each Interest Valuation Date, in the period from (but excluding) the last occurring Snowball Date (or if none the Issue Date) to (but excluding) the relevant Interest Valuation Date.

Description of Coupon Rate Payout - Snowball Digital Coupon

A Snowball Digital Coupon provides that the Notes bear or pay interest on the basis of a Snowball Digital Coupon Condition being met, with a memory effect which allows any interest not paid in respect of a relevant period to be paid at a later date if certain conditions are met.

Graphical examples

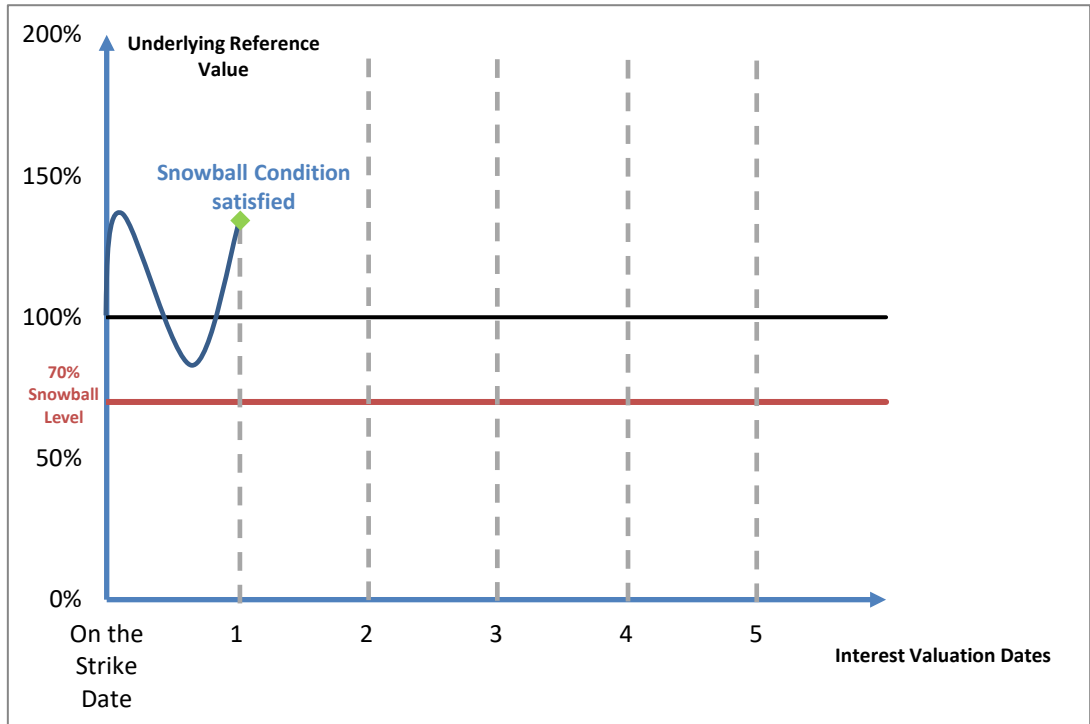
In these illustrative examples:

- *the Snowball Digital Coupon Condition is satisfied when the Underlying Reference Value (in the present example the performance of a Share) for the relevant Interest Valuation Date (each annual observation date (i) from 1 to 5) is equal to or greater than the Snowball Level (70%); and*

- The Rate is 6.5%.

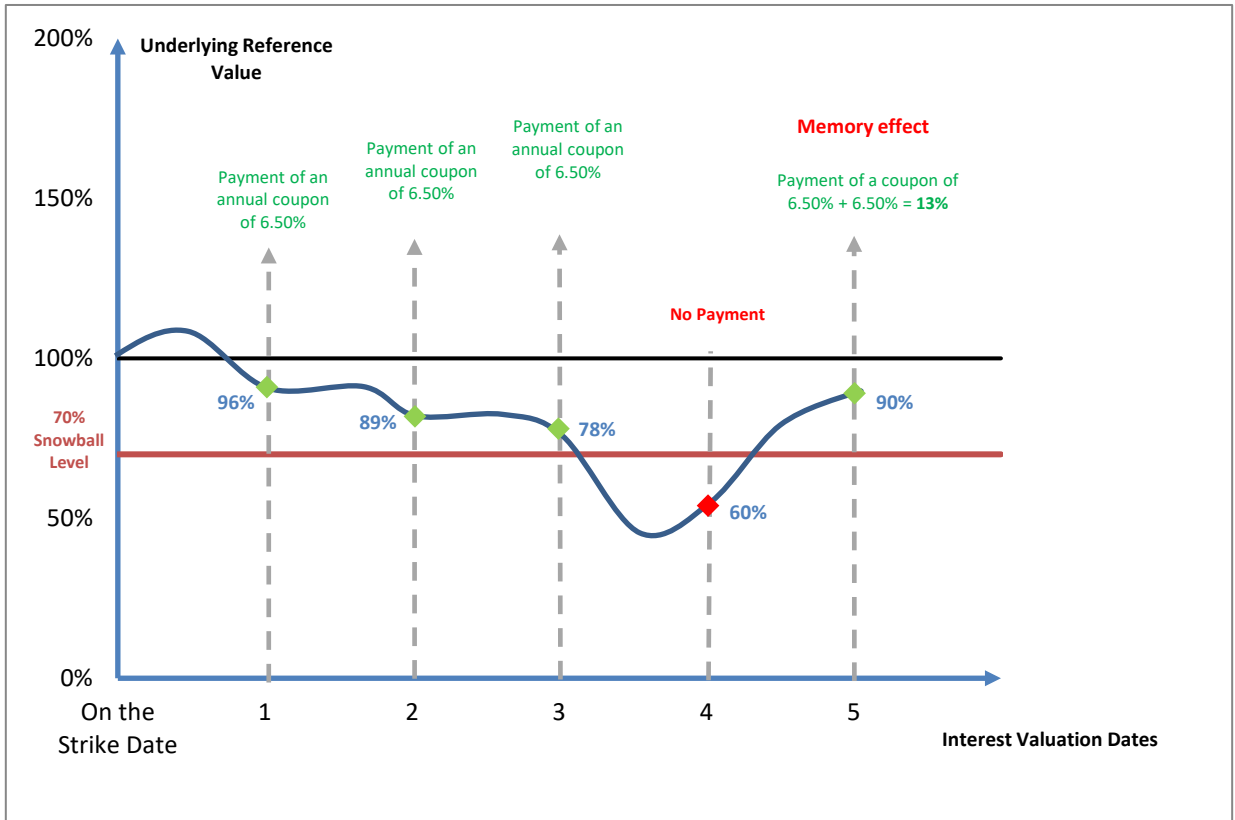
Illustration of the Snowball Digital Coupon:

The Underlying Reference Value is greater than the Snowball Level on the first annual Valuation Date.



On the first Interest Valuation Date, the Underlying Reference Value is (i) greater than the Snowball Level, the Snowball Digital Coupon Condition is satisfied, then a coupon will be paid ($Rate(i=1) = 6.5\%$; $SumRate(i=1) = 0\%$). The coupon received by the Holder of the Note is 6.5% of the Calculation Amount per Note.

Illustration of the memory effect:



The Underlying Reference Value is greater than the Snowball Level on the first three annual Valuation Dates, below the Snowball Level on the fourth Interest Valuation Date and greater than the Snowball Level on the last Interest Valuation Date.

On each Interest Valuation Date (i) from 1 to 3, the Underlying Reference Value is greater than 70%, then the Snowball Digital Coupon (i) will be equal to 6.5%. The Snowball Date will be each relevant Interest Valuation Date (i) from 1 to 3 and the Holder of Notes will receive a coupon rate of 6.5% of the Calculation Amount per Note on each relevant Interest Payment Date (i) from 1 to 3.

On the fourth Interest Valuation Date (i=4), the Underlying Reference Value is less than 70%, then the Snowball Digital Coupon Condition is not satisfied and the Snowball Digital Coupon is zero, no coupon will be paid with respect to the fourth Interest Valuation Date (i=4) and the Snowball Date is the third Interest Valuation Date (i=3).

On the fifth (last) Interest Valuation Date, the Underlying Reference Value is greater than 70%, then the Snowball Digital Coupon (i) will be equal to the sum of the 6.5% coupon for the fifth Interest Valuation Date (i=5) and the coupon of 6.5% which has not been paid in the previous year 4 (i=4) (the memory effect).

Therefore, on the last Interest Payment Date, the Holder of Notes will receive a Snowball Digital Coupon of 13% (being equal to 6.5% + 6.5% due to the memory effect) of the Calculation Amount per Note.

1.5 General Definitions for SPS Payouts

Cap Percentage means the percentage equal to, or higher than, 0% of the Strike Level as specified in the applicable Final Terms, which is used in SPS Final Payout – Vanilla Call Notes and in SPS Final Payout - Reverse Convertible Notes (if a Knock-in Event has occurred) to limit the value of the

optional component. The Put Option will apply and possibly reduce the Payout, such Put Option being capped by the Cap Percentage. A lower Cap Percentage results in a higher potential amount payable under the Payout. A higher Cap Percentage results in a lower potential amount payable under the Payout;

Constant Percentage 1 means the percentage, specified as such in the applicable Final Terms, which is used to calculate the fixed component of the SPS Final Payout – Reverse Convertible Notes (in case no Knock-in Event has occurred), of the SPS Final Payout – Vanilla Call Notes or of the Autocall Notes. A lower Constant Percentage 1 results in a lower potential amount payable under the Payout. A higher Constant Percentage 1 results in a higher potential amount payable under the Payout;

Constant Percentage 2 means the percentage, specified as such in the applicable Final Terms, which is used to calculate the optional component of the SPS Final Payout – Reverse Convertible Notes (if a Knock-in Event has occurred) or of the Autocall Notes. A lower Constant Percentage 2 results in a lower potential amount payable under the Payout. A higher Constant Percentage 2 results in a higher potential amount payable under the Payout;

Constant Percentage 3 means the percentage, specified as such in the applicable Final Terms, which is used to calculate the optional component of the Autocall Notes. A lower Constant Percentage 3 results in a lower potential amount payable under the Payout. A higher Constant Percentage 3 results in a higher potential amount payable under the Payout;

Floor Percentage means the percentage, specified as such in the applicable Final Terms, which is used to floor the optional component of the SPS Final Payout – Reverse Convertible Notes (if a Knock-in Event has occurred) or of the SPS Final Payout – Vanilla Call Notes. In the case of the SPS Final Payout – Reverse Convertible Notes, assuming a positive Gearing, a lower Floor Percentage results in a higher potential amount payable under the Payout and a higher Floor Percentage results in a lower potential amount payable under the Payout. In the case of the SPS Final Payout – Vanilla Call Notes, assuming a positive Gearing, a lower Floor Percentage results in a lower potential amount payable under the Payout and a higher Floor Percentage results in a higher potential amount payable under the Payout;

Gearing means the percentage, specified as such in the applicable Final Terms, which is used to calculate the optional component of the SPS Final Payout – Reverse Convertible Notes (if a Knock-in Event has occurred) or of the SPS Final Payout – Vanilla Call Notes. Such multiplication factor is used to determine the exposure of the Security to the optional component of such Payouts. In the case of the SPS Final Payout – Reverse Convertible Notes, a lower Gearing results in a higher potential amount payable under the Payout and a higher Gearing results in a lower potential amount payable under the Payout. In the case of the SPS Final Payout – Vanilla Call Notes, a lower Gearing results in a lower potential amount payable under the Payout and a higher Gearing results in a higher potential amount payable under the Payout;

NA means, in respect of a Note, the Calculation Amount per Note, as specified in the applicable Final Terms;

Rate(i) means, in respect of an Interest Valuation Date; the fixed rate specified in the applicable Final Terms;

Redemption Payout means the SPS Final Payout as specified in the applicable Final Terms;

SPS Final Payout means the final payouts as described under 1.1 of this Annex.

SPS Valuation Date means each Valuation Date, Knock-in Determination Day, Automatic Early Redemption Valuation Date, SPS FR Barrier Valuation Date or Strike Date, specified as such in the applicable Final Terms;

SPS Valuation Period means each period specified as such or Knock-in Determination Period specified as such in the applicable Final Terms;

Strike Percentage means the percentage, specified as such in the applicable Final Terms, used as strike in the optional component of the SPS Final Payout – Reverse Convertible Notes (if a Knock-in Event has occurred) or of SPS Final Payout – Vanilla Call Notes. In the case of the SPS Final Payout – Reverse Convertible Notes, a lower Strike Percentage results in a higher potential amount payable under the Payout and a higher Strike Percentage results in a lower potential amount payable under the Payout. In the case of the SPS Final Payout – Vanilla Call Notes, a lower Strike Percentage results in a higher potential amount payable under the Payout and a higher Strike Percentage results in a lower potential amount payable under the Payout; and

Underlying Reference means, for the purposes of the SPS Payouts, each Index or each Share to which the relevant securities relate.

1.6 Basic Value Definitions for SPS Payouts

Best Value means, in respect of a SPS Valuation Date, the highest Single Underlying Reference Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

Worst Value means, in respect of a SPS Valuation Date, the lowest Single Underlying Reference Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

Basket Value means, in respect of a SPS Valuation Date, the sum of the values calculated for each Underlying Reference in the Basket as (a) the Single Underlying Reference Value for such Underlying Reference in respect of such SPS Valuation Date multiplied by (b) the relevant Underlying Reference Weighting;

Final Redemption Value means (i) the Final Underlying Reference Value or (ii) as specified in the applicable Final Terms;

Final Underlying Reference Value means, in respect of an Underlying, the Underlying Reference Value on the Redemption Valuation Date;

Underlying Reference Value means, (i) the Single Underlying Reference Value or (ii) the Basket Value or (iii) the Best Value or (iv) the Worst Value;

Underlying Reference Weighting means, in respect of an Underlying Reference, the number, amount or percentage specified as such for such Underlying Reference in the applicable Final Terms;

Single Underlying Reference Value means, in respect of an Underlying Reference and a SPS Valuation Date, (a) (i) the Underlying Reference Closing Price Value for such Underlying Reference in respect of such SPS Valuation Date (ii) divided by the relevant Underlying Reference Strike Price and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value;

FX Value means, in respect of an Underlying Reference and a day, Underlying Reference FX Level for such day divided by Underlying Reference FX Strike Level;

Underlying Reference FX Level means, in respect of an Underlying Reference and a day, the rate of exchange between the currencies (including any rates of exchange pursuant to which the relevant rate of exchange is derived) and determined from the source(s) and at the time, in each case specified in the applicable Final Terms for such Underlying Reference on such day;

Underlying Reference FX Strike Level means in respect of an Underlying Reference: (a) the rate specified as such in the applicable Final Terms; or (b) if FX Closing Level is specified as applicable in the applicable Final Terms, the Underlying Reference FX Level for such Underlying Reference on the Strike Date;

Underlying Reference Closing Price Value means, in respect of a SPS Valuation Date:

- (a) if the relevant Underlying Reference is an Index, the Closing Level; or
- (b) if the relevant Underlying Reference is a Share, the Closing Price,

in each case in respect of such day;

Underlying Reference Strike Price means, in respect of an Underlying Reference: (i) the amount specified as such in the applicable Final Terms; or (ii) if Strike Price Closing Value is specified as applicable in the applicable Final Terms, the Underlying Reference Closing Price Value for such Underlying Reference on the Strike Date;

Underlying Reference Intraday Value means (i) the Single Underlying Reference Intraday Value or (ii) the Best Intraday Value or (ii) the Worst Intraday Value;

Best Intraday Value means, in respect of a SPS Valuation Date, the highest Single Underlying Reference Intraday Value for any Underlying Reference in the Basket in respect of such SPS Valuation Date;

Worst Intraday Value means, in respect of a SPS Valuation Date, the lowest Single Underlying Reference Intraday Value for any Underlying Reference in respect of such SPS Valuation Date;

Single Underlying Reference Intraday Value means, in respect of an Underlying Reference and a SPS Valuation Date, (a) (i) the Underlying Reference Intraday Price Value for such Underlying Reference in respect of such SPS Valuation Date (ii) divided by the relevant Underlying Reference Strike Price, and (b) if FX Conversion is specified as applicable in the applicable Final Terms, multiplied by FX Value;

Underlying Reference Intraday Price Value means: (a) if the relevant Underlying Reference is an Index, the Intraday Level; or (b) if the relevant Underlying Reference is a Share, the Intraday Price;

Intraday Price means, in respect of a Share and any time on a Scheduled Trading Day, the published or quoted price of such Share at such time on such day as determined by the Calculation Agent, subject to adjustments as provided in Condition 22; and

Intraday Level means, in respect of an Index and any time on a Scheduled Trading Day, the level of such Index at such time on such day as determined by the Calculation Agent, subject to adjustments as provided in Condition 21.

Closing Price means, in respect of a Share and a Scheduled Trading Day, the official closing price of such Share on such day as determined by the Calculation Agent, subject to adjustments as provided in Condition 22.

Closing Level means, in respect of an Index and a Scheduled Trading Day, the official closing level of such Index on such day as determined by the Calculation Agent, subject to adjustments as provided in Condition 21.

1.7 Mono Underlying Reference Value Definitions

Greatest Underlying Reference Value means, in respect of an Underlying Reference and a SPS Valuation Period, the highest Single Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

Lowest Underlying Reference Value means, in respect of an Underlying Reference and a SPS Valuation Period, the lowest Single Underlying Reference Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

Greatest Underlying Reference Intraday Value means, in respect of an Underlying Reference and a SPS Valuation Period, the highest Single Underlying Reference Intraday Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

Lowest Underlying Reference Intraday Value means, in respect of an Underlying Reference and a SPS Valuation Period, the lowest Single Underlying Reference Intraday Value for such Underlying Reference for all the SPS Valuation Dates in such SPS Valuation Period.

1.8 Multi Underlying Reference Value Definitions

Greatest Basket Value means, in respect of a SPS Valuation Period, the highest Basket Value for all the SPS Valuation Dates in such SPS Valuation Period;

Greatest Best Value means, in respect of a SPS Valuation Period, the highest Best Value for all the SPS Valuation Dates in such SPS Valuation Period;

Lowest Basket Value means, in respect of a SPS Valuation Period, the lowest Basket Value for all the SPS Valuation Dates in such SPS Valuation Period;

Lowest Worst Value means, in respect of a SPS Valuation Period, the lowest Worst Value for all the SPS Valuation Dates in such SPS Valuation Period.

Greatest Best Intraday Value means, in respect of a SPS Valuation Period, the highest Best Intraday Value for all the SPS Valuation Dates in such SPS Valuation Period;

Lowest Worst Intraday Value means, in respect of a SPS Valuation Period, the lowest Worst Intraday Value for all the SPS Valuation Dates in such SPS Valuation Period

2. FORMULAE CONSTITUENTS AND COMPLETION

The constituent parts (each a **Formula Constituent**) of any formula (each a **Formula**) used in the SPS Payout Conditions and which are to be specified in the applicable Final Terms may be replaced in the applicable Final Terms by the prescribed amount, level, percentage or other value, as applicable for such Formula Constituent.

If a Formula Constituent has a value of either 0 (zero) or 1 (one), or is not applicable in respect of the relevant Notes, then the related Formula may be simplified in the applicable Final Terms by deleting such Formula Constituent.

3. CALCULATION AGENT

The calculation or determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Notes shall (in the absence of manifest error) be final and binding on the Issuer and the Holders.

Whenever the Calculation Agent is required to make any determination it may, to the extent permitted by any applicable law, *inter alia*, decide issues of construction and legal interpretation. In performing its duties pursuant to the Notes, the Calculation Agent shall, unless otherwise specified, act in good faith and in a commercially reasonable manner. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Notes shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer shall, in the absence of wilful misconduct and gross negligence, bear any liability (to the extent permitted by any applicable law) in respect of, or consequent upon, any such delay, deferral or forbearance.

ANNEX 2

Additional provisions applicable to Index Linked Redemption Notes, Equity Linked Redemption Notes and Index Linked Interest Notes

1. Pay Off Formulae for Index Linked Redemption Notes

This Part 1 of Annex 2 applies to Index Linked Redemption Notes. For the purposes of this Part 1 of Annex 2, Underlying shall mean an Index or Indices. The Early Redemption Amount or Final Redemption Amount for Index Linked Redemption Notes shall be determined by the Issuer, or an agent appointed by it, in accordance with the below.

(a) *Autocall*

When Autocall is specified as applicable as a formula in the applicable Final Terms:

- (i) if, on any Observation Date_(t), the closing price of the Underlying is greater than or equal to the Autocall Trigger Level, the Notes will be automatically redeemed on the Early Redemption Date_(t) at their nominal amount multiplied by the Percentage Multiplier which is specified as being applicable to the Observation Date_(t) (where t = 1, 2, 3 etc.) in the applicable Final Terms; or
- (ii) if the Notes have not been redeemed early as provided in paragraph (i) above and,
 - (A) on the final Observation Date, the closing price of the Underlying is greater than or equal to the Lower Threshold Level, the Notes will be redeemed on the Maturity Date at their nominal amount multiplied by the Lower Threshold Multiplier; or
 - (B) on the final Observation Date, the closing price of the Underlying is greater than or equal to the Threshold Level, the Notes will be redeemed on the Maturity Date at their nominal amount multiplied by the Threshold Multiplier; or
 - (C) otherwise, the Notes will be redeemed on the Maturity Date at the Final Redemption Amount determined in accordance with the following formula:

$$\text{Specified Denomination} \times (\text{Final Percentage Multiplier}) \times \left(\frac{\text{Final Price}}{\text{Initial Price}} \right)$$

Where:

Autocall Trigger Level means the percentage of the Initial Price specified as such in the applicable Final Terms.

Early Redemption Date means each date specified as such in the applicable Final Terms.

Final Price means the closing price of the Underlying on the Maturity Date.

Final Percentage Multiplier means the multiplier specified as such in the applicable Final Terms.

Initial Price means the closing price of the Underlying on the Issue Date.

Lower Threshold Level means the percentage of the Initial Price specified as such in the applicable Final Terms.

Lower Threshold Multiplier means the multiplier specified as such in the applicable Final Terms.

Observation Date means each date specified as such in the applicable Final Terms.

Percentage Multiplier means, for each Observation Date, the multiplier specified as such in the applicable Final Terms.

Threshold Level means the percentage of the Initial Price specified as such in the applicable Final Terms.

Threshold Multiplier means the multiplier specified as such in the applicable Final Terms.

(b) When Autocall with Spread is specified as applicable as a formula in the applicable Final Terms:

(i) if, on any Observation Date_(t), the closing price of the Underlying is greater than or equal to the Autocall Trigger Level (as defined in 1(a) above), the Notes will be automatically redeemed on the Early Redemption Date_(t) (as defined in 1(a) above) (where t = 1, 2, 3 etc.) at the Early Redemption Amount in accordance with the following formula:

Early Redemption Amount = Specified Denomination x [100% + (Multiplier + (Multiplier x t))];

or

(ii) if the Notes have not been redeemed early as provided in (i) above and,
(A) on the final Observation Date_(t), the Spread_(t) is equal to or greater than the Autocall Trigger Level, the notes will be redeemed on the Maturity Date at the Final Redemption Amount in accordance with the following formula:

Final Redemption Amount = Specified Denomination x [100% + (Multiplier + (Multiplier x t))];

or

(B) otherwise the Notes will be redeemed on the Maturity Date at their nominal amount multiplied by the Final Percentage Multiplier.

Where:

A Index₀ means the closing price of the Underlying on the Issue Date.

A Index_(t) means the closing price of the Underlying on the Observation Date_(t).

B Index₀ means the closing price of the Underlying on the Issue Date.

B Index_(t) means the closing price of the Underlying on the Observation Date_(t).

Final Percentage Multiplier means the multiplier specified as such in the applicable Final Terms.

Multiplier means the percentage specified as such in the applicable Final Terms.

Observation Date means each date specified as such in the applicable Final Terms.

Spread_(t) is calculated using the following formula:

$$\text{Spread}_{(t)} = \frac{A \text{ Index}_t}{A \text{ Index}_0} - \frac{B \text{ Index}_t}{B \text{ Index}_0}$$

(c) *Lookback*

When Lookback is specified as applicable as a formula in the applicable Final Terms, unless previously redeemed or purchased and cancelled, the Final Redemption Amount payable by the Issuer on the Maturity Date will be an amount determined in accordance with the following formula:

$$\text{Specified Denomination} \times [100\% + \text{Multiplier} \times \text{Max} \left\{ \text{Floor Level}; \frac{\text{Index}_{x\text{Emean}} - \text{Index}_{\text{Einitial}}}{\text{Index}_{\text{Einitial}}} \right\}]$$

Where:

Floor Level means the percentage value which defines the lower threshold for the purposes of the relevant calculation, specified as such in the applicable Final Terms.

Index_{x Emean} means the arithmetic mean of the *x* highest closing levels of the Index out of all of the Observation Dates;

Index_{Einitial} means the closing level of the Index on the Issue Date.

Multiplier means the percentage specified as such in the applicable Final Terms.

Observation Date means each date specified as such in the applicable Final Terms.

x has the value ascribed to it in the applicable Final Terms.

(d) *Short-term Lookback*

When Short-term Lookback is specified as applicable as a formula in the applicable Final Terms, unless previously redeemed or purchased and cancelled, the Final Redemption Amount payable by the Issuer on the Maturity Date will be the amount determined in accordance with the following formula:

$$\text{Specified Denomination} \times \text{Multiplier} \div \text{Min} (\text{Cap Level} \times \text{Max} (\text{Floor Level}; \text{Index Performance}); \text{Short - term Look back Multiplier})$$

Where:

Cap Level means the percentage value which defines the upper threshold for the purposes of the relevant calculation, specified as such in the applicable Final Terms.

Floor Level means the percentage value which defines the lower threshold for the purposes of the relevant calculation, specified as such in the applicable Final Terms.

Index_{Average} means the arithmetic mean of the monthly closing levels of the Index for the last *x* months, as determined by the Calculation Agent on each Observation Date.

Index_{Initial} means the closing level of the Index on the Issue Date.

Index Performance means $\left(\frac{\text{Index}_{Average}}{\text{Index}_{Initial}} - 1 \right)$

Multiplier means the percentage specified as such in the applicable Final Terms.

Observation Date means each date specified as such in the applicable Final Terms.

Short-term Lookback Multiplier means the percentage specified as such in the applicable Final Terms.

x has the value ascribed to it in the applicable Final Terms.

(e) *Double Win*

When Double Win is specified as applicable as a formula in the applicable Final Terms unless previously redeemed or purchased and cancelled, the Final Redemption Amount payable by the Issuer on the Maturity Date will be the amount determined as follows:

- (i) If during the Observation Period the Index has never gone below the Barrier Level and on the Final Valuation Date the Index_{Final} is greater than or equal to Index_{Initial}, then the Final Redemption Amount per Specified Denomination will be:

$$\text{Specified Denomination} \times \left[1 + \text{Max} \left[\text{Floor Level}; \text{Min} \left(\text{Cap Level} \left(\frac{\text{Index}_{Final}}{\text{Index}_{Initial}} - 1 \right) \right) \right] \right]$$

- (ii) If during the Observation Period the Index has never gone below the Barrier Level and on the Final Valuation Date the Index_{Final} is less than Index_{Initial}, then the Final Redemption Amount per Specified Denomination will be:

$$\text{Specified Denomination} \times \left[1 + \left(1 - \frac{\text{Index}_{Final}}{\text{Index}_{Initial}} \right) \right]$$

- (iii) If during the Observation Period the Index has gone below the Barrier Level and on the Final Valuation Date the Index_{Final} is less than Index_{Initial}, then the Final Redemption Amount per Specified Denomination will be:

$$\text{Specified Denomination} \times 100\%$$

- (iv) If during the Observation Period the Index has gone below the Barrier Level and on the Final Valuation Date the Index_{Final} is greater than Index_{Initial}, then the Final Redemption Amount per Specified Denomination will be:

$$\text{Specified Denomination} \times \left[1 + \text{Max} \left[\text{Floor Level}; \text{Min} \left(\text{Cap Level} \left(\frac{\text{Index}_{Final}}{\text{Index}_{Initial}} - 1 \right) \right) \right] \right]$$

Barrier Level means the Barrier Level Multiplier multiplied by the Index_{Initial}.

Barrier Level Multiplier means the percentage specified as such in the applicable Final Terms.

Cap Level means the percentage value which defines the upper threshold for the purposes of the relevant calculation, specified as such in the applicable Final Terms.

Final Valuation Date means the date specified as such in the applicable Final Terms.

Floor Level means the percentage value which defines the lower threshold for the purposes of the relevant calculation, specified as such in the applicable Final Terms.

Index_{Initial} means the closing level of the Index on the Issue Date.

Index_{Final} means the closing level of the Index on the Final Valuation Date.

Observation Period means the period specified as such in the applicable Final Terms.

Observation Date means each date specified as such in the applicable Final Terms.

(f) *Triple Index*

(i) Where Triple Index is specified as applicable as a formula in the applicable Final Terms.

(A) If on any Observation Date_(t) the Relevant Price_i^t is greater than or equal to Relevant Price_i⁰, (for i = 1 to 3), then the Notes will be redeemed on the Early Redemption Date_(t) at the amount determined as follows:

Specified Denomination x [100% + (Multiplier x t)]

where t = (1, 2, 3 etc.)

(B) If the Notes have not been redeemed early as provided in paragraph (A) above and:

I. on the final Observation Date_(t), the Relevant Price_i^t ≥ Relevant Price_i⁰, (for i = 1 to 3), then the Notes will be redeemed as follows:

Specified Denomination x [100% + (Multiplier x t)]

II. otherwise, the Notes will be redeemed at 100%

Where:

Early Redemption Date_(t) means each date specified as such in the applicable Final Terms.

Multiplier means the percentage specified as such in the applicable Final Terms.

Observation Date means each date specified as such in the applicable Final Terms.

Relevant Price_(t) means a value based on the closing level of Index_(i) on the Observation Date_(t).

Relevant Price_i^t means the closing level of Index_(i) on the Observation Date_(t).

Relevant Price_i⁰ means the closing level of the Index_(i) on the Issue Date.

(g) *Asian Call*

When Asian Call is specified as applicable as a formula in the applicable Final Terms, unless previously redeemed or purchased and cancelled, the Final Redemption Amount payable by the Issuer on the Maturity Date will be an amount determined in accordance with the following formula:

$$100\% + \text{Max} \left[\text{Floor Level}; \text{Multiplier} \times \left[\frac{\text{Index}_{\text{Average}}}{\text{Index}_{\text{Initial}}} - 1 \right] \right]$$

Where:

Cap Level means the percentage value which defines the upper threshold for the purposes of the relevant calculation, specified as such in the applicable Final Terms.

Floor Level means the percentage value which defines the lower threshold for the purposes of the relevant calculation, specified as such in the applicable Final Terms.

Index_{Initial} means the closing level of the Index on the Issue Date.

Index_{Average} means the arithmetic mean as determined by the Calculation Agent of the closing level of the Index on each Observation Date.

Multiplier means the percentage specified as such in the applicable Final Terms.

Observation Date means each date specified as such in the applicable Final Terms.

2. Pay Off Formula for Equity Linked Redemption Notes

This Part 2 of Annex 2 applies to Equity Linked Redemption Notes. For the purposes of this Part 2 of Annex 2, Underlying shall mean a Share or Shares. The Final Redemption Amount shall be determined by the Calculation Agent as follows:

- (a) If on the final Observation Date, the closing price of the Underlying is greater than or equal to the Strike, the Notes will be redeemed on the Maturity Date at 100% of their nominal amount; or
- (b) If on the final Observation Date, the closing price of the Underlying is lower than the Strike, the Notes will be redeemed on the Maturity Date by delivery of a number of Shares determined in accordance with the following formula:

Specified Denomination/Initial Price

Where:

Initial Price means the closing price of the Underlying on the Issue Date.

Share(s) means the share(s) specified in the applicable Final Terms, which, in the case of Notes other than Exempt Notes, will not be shares in the Issuer or in an entity belonging to the Issuer's group and will not consist in equity of a third party issuer that is not admitted to trading on a regulated market (within the meaning of the Prospectus Regulation).

Strike means the percentage of the Initial Price specified as such in the applicable Final Terms.

3. Pay Off Formula for Inflation Linked Interest Notes

This Part 3 of Annex 2 applies to Inflation Linked Interest Notes.

The Interest Amount for each Interest Period shall be calculated on the Interest Determination Date (specified in the applicable Final Terms) by the Calculation Agent in accordance with following formula:

Specified Denomination \times Percentage Multiplier \times $\{ \text{Min} [\text{Max} (\text{Floor Level}; \text{Annual Perf Inflation})]; \text{Cap Level} \}$

Where:

Annual Perf Inflation means $\left(\frac{HICP_{Final} - HICP_{Initial}}{HICP_{Initial}} \right)$

Cap Level means the percentage value which defines the upper threshold for the purposes of the relevant calculation, specified as such in the applicable Final Terms.

Euro-zone means the region comprised of those member states of the European Union that have adopted or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992) and the Amsterdam Treaty of October 2, 1997, as further amended.

Floor Level means the percentage value which defines the lower threshold for the purposes of the relevant calculation, specified as such in the applicable Final Terms.

HICP means the Unrevised Harmonised Indices of Consumer Prices (excluding tobacco) of the Euro-zone (HICP), as published for every month by EUROSTAT (Eurostat, Statistical Office of the European Communities) and displayed on the Bloomberg screen page CPTFEMU or any successor page thereto.

HICP_{Initial} means the HICP fixing level for each month which is 15 months prior to the Interest Payment Date relating to such Interest Period.

HICP_{Final} means the HICP fixing level for each month which is 3 months prior to the Interest Payment Date relating to such Interest Period.

PercentageMultiplier means the percentage multiplier specified as such in the applicable Final Terms.

ANNEX 3

Additional provisions applicable to Credit Linked Notes

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If specified as applicable in the applicable Final Terms, the terms and conditions applicable to Notes specified in the applicable Final Terms as Credit Linked Notes shall comprise the terms and conditions of the Notes (the **Notes Conditions**) and the Additional provisions applicable to Credit Linked Notes set out below (the **Credit Linked Conditions**), in each case together with the additional provisions contained in any of the other Annexes to the Notes Conditions that are specified in the applicable Final Terms as applying to the Notes and subject, in each case, to completion in the applicable Final Terms or Pricing Supplement (as applicable) and, in the case of Exempt Notes only, supplement or amendment in the applicable Pricing Supplement. In the case of Credit Linked Notes which are Exempt Notes, in the event of any inconsistency between (i) the Notes Conditions, and (ii) the Credit Linked Conditions, the Credit Linked Conditions shall prevail. In the case of Credit Linked Notes which are not Exempt Notes, in the event of any inconsistency between the Notes Conditions, and (ii) the Credit Linked Conditions, the Notes Conditions, shall prevail. In the event of any inconsistency between (i) the Notes Conditions and/or the Credit Linked Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail.

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

In the case of Credit Linked Notes for which more than one Reference Entity is specified in the applicable Final Terms, all references to "the Reference Entity" herein shall be construed to refer to the Reference Entity in respect of which the relevant determination falls to be made at any relevant time and all related provisions and determinations will be construed accordingly.

For the avoidance of doubt no Credit Linked Notes will be considered frustrated, or otherwise void or voidable (whether for mistake or otherwise) solely because:

- (a) any relevant Reference Entity does not exist on, or ceases to exist on or following, the Trade Date; and/or
- (b) Obligations, Deliverable Obligations or the Reference Obligation do not exist on, or cease to exist on or following, the Trade Date.

For the avoidance of doubt, the application of any of Credit Linked Conditions 6, 7, 8, 9, and 11 below shall not preclude the application of any other such Credit Linked Condition either contemporaneously or subsequently and in the event that any such Credit Linked Conditions are inconsistent or the Calculation Agent becomes entitled to exercise a discretion under one or more of such Credit Linked Conditions, the Calculation Agent may elect in its discretion which Credit Linked Condition shall apply and under which Credit Linked Condition or Credit Linked Conditions it shall exercise its discretion.

1. Redemption of Credit Linked Notes

Unless previously redeemed or purchased and cancelled and subject as provided in Credit Linked Condition 2, Credit Linked Condition 3, Credit Linked Condition 4, Credit Linked Condition 5 and Credit Linked Condition 18, as applicable, each nominal amount of Credit Linked Notes equal to the Calculation Amount set out in the applicable Final Terms will be redeemed by the Issuer at its relevant Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

2. Auction Settlement

Where Auction Settlement is specified as the applicable Settlement Method in the applicable Final Terms and a Credit Event Determination Date occurs on or prior to the Auction Final Price Determination Date, the Issuer shall give notice (such notice an **Auction Settlement Notice**) to the Noteholders in accordance with Notes Condition 14 and, subject to (i) any adjustment in accordance

with Credit Linked Condition 14 and (ii) any prior redemption in accordance with Credit Linked Condition 18, redeem all but not some only of the Notes and pay in respect of each nominal amount of Credit Linked Notes equal to the Calculation Amount set out in the applicable Final Terms, the Credit Event Redemption Amount in the relevant Specified Currency on the Credit Event Redemption Date.

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

- (i) an Auction Cancellation Date occurs;
- (ii) a No Auction Announcement Date occurs (and in circumstances where such No Auction Announcement Date occurs pursuant to paragraphs (b) or (c)(ii) of the definition of No Auction Announcement Date, the Issuer has not exercised the Movement Option);
- (iii) a DC Credit Event Question Dismissal occurs; or
- (iv) a Credit Event Determination Date was determined pursuant to paragraph (a)(i) of the definition of Credit Event Determination Date or paragraph (a) of the definition of Non-Standard Event Determination Date and no Credit Event Resolution Request Date has occurred in respect of the relevant Credit Event on or prior to the date falling three Business Days after such Credit Event Determination Date; or
- (v) if the Issuer (or an Affiliate acting on behalf of the Issuer) otherwise determines that this is appropriate by reference to its and/or any of its Affiliates' Hedging Arrangements,

then:

- (A) if Fallback Settlement Method – Cash Settlement is specified as applicable in the applicable Final Terms, the Issuer shall redeem the Notes in accordance with Credit Linked Condition 3 below; or
- (B) if Fallback Settlement Method – Physical Delivery is specified as applicable in the applicable Final Terms, the Issuer shall redeem the Notes in accordance with Credit Linked Condition 4 below.

If a Credit Event Determination Date has occurred and the Notes become redeemable or are cancelled in accordance with this Credit Linked Condition 2, upon payment of the Credit Event Redemption Amounts in respect of the Notes, the Issuer shall have discharged its obligations in respect of the Notes and shall have no other liability or obligation whatsoever in respect thereof. The Credit Event Redemption Amount may be less than the Calculation Amount of a Credit Linked Note. Any shortfall shall be borne by the Noteholders and no liability shall attach to the Issuer.

3. Cash Settlement

If a Credit Event Determination Date occurs, then where Cash Settlement is specified as the applicable Settlement Method in the applicable Final Terms or if Credit Linked Condition 2(A) above applies then, subject to any prior redemption in accordance with Credit Linked Condition 18, the Issuer shall give notice (such notice a **Cash Settlement Notice**) to the Noteholders in accordance with Notes Condition 14 and redeem all but not some only of the Notes, and pay in respect of each nominal amount of Credit Linked Notes equal to the Calculation Amount set out in the applicable Final Terms, the Credit Event Redemption Amount in the relevant Specified Currency on the Credit Event Redemption Date. If "Weighted Highest" is specified as the Valuation Method in the applicable Final Terms, the Final Price used for the purposes of calculating the Credit Event Redemption Amount shall be calculated in respect of one or more Valuation Obligations (as defined below) selected by the Calculation Agent in its sole discretion in lieu of the Reference Obligation. For such purposes,

references to the term "Reference Obligation" in the definitions of "Final Price", "Quotation", "Quotation Amount", "Full Quotation", "Weighted Average Quotation" and all related definitions shall, as the case requires, be deemed to refer to each relevant Valuation Obligation. **Valuation Obligation** means the relevant Reference Obligation and/or one or more Deliverable Obligations selected by the Calculation Agent in accordance with this Credit Linked Condition 3. The Calculation Agent shall select the relevant Valuation Obligations and determine their respective weightings on or prior to the relevant Valuation Date, and for such purposes shall determine the applicable Deliverable Obligations in accordance with the definition of "Deliverable Obligation" in Credit Linked Condition 13 below and terms relating to Physical Delivery below. The Calculation Agent is not required to select more than one Valuation Obligation and may select the "cheapest" obligation of the Reference Obligation and/or Deliverable Obligations as the relevant Valuation Obligation(s). Notwithstanding the fact that the Calculation Agent may determine the Deliverable Obligations for the purposes of selecting the Valuation Obligations, in no event will the Notes be physically settled and the Calculation Agent is not obliged to select any such Deliverable Obligations as Valuation Obligations.

If a Credit Event Determination Date has occurred and the Notes become redeemable or are cancelled in accordance with this Credit Linked Condition 3, upon payment of the Credit Event Redemption Amounts in respect of the Notes, the Issuer shall have discharged its obligations in respect of the Notes and shall have no other liability or obligation whatsoever in respect thereof. The Credit Event Redemption Amount may be less than the Calculation Amount of a Credit Linked Note. Any shortfall shall be borne by the Noteholders and no liability shall attach to the Issuer.

4. Physical Settlement

If a Credit Event Determination Date occurs, then where Physical Delivery is specified as the applicable Settlement Method in the applicable Final Terms or if Credit Linked Condition 2(B) above applies then, subject to any prior redemption in accordance with Credit Linked Condition 18, the Issuer shall, following the receipt of a Calculation Agent Physical Settlement Notice, give notice (such notice a **Notice of Physical Settlement**) to the Noteholders in accordance with Notes Condition 14 and redeem all but not some only of the Notes and Deliver in respect of each nominal amount of Credit Linked Notes equal to the Calculation Amount, the Deliverable Obligations comprising the Entitlement on the Credit Settlement Date, subject to and in accordance with the Notes Conditions and these Credit Linked Conditions. The provisions of Notes Condition 5.7 will apply to the Notes in this case and references in Notes Condition 5.7 to the Asset Amount will be deemed to refer to the Entitlement and to Relevant Assets will be deemed to refer to the Deliverable Obligations. The Asset Transfer Notice requirements of Notes Condition 5.7 will apply to the delivery of the Entitlement to each Noteholder.

The Notice of Physical Settlement shall include (i) details of the relevant Reference Entity, (ii) a description of each Deliverable Obligation comprising the Entitlement that the Issuer reasonably expects to Deliver and (iii) the Outstanding Principal Balance or Due and Payable Amount, as applicable, or the equivalent amount in the Settlement Currency (in each case the relevant **Outstanding Amount**) and, if different, the face amount, of each such Deliverable Obligation. The aggregate Outstanding Amount of all Deliverable Obligations specified in the Notice of Physical Settlement that the Issuer intends to Deliver shall be the relevant **Aggregate Outstanding Amount**. For the avoidance of doubt, the Issuer shall be entitled to select any of the Deliverable Obligations to constitute the Entitlement, irrespective of their market value.

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

applicable Final Terms and the relevant ISDA Physical Settlement Matrix states that the "2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions" is applicable, it shall be deemed that no Package Observable Bond exists with respect to a Reference Entity that is a Sovereign (even if such a Package Observable Bond has been published by ISDA) and accordingly, Asset Package Delivery shall not apply thereto. Where Asset Package Delivery applies, the provisions of paragraph (b) of the definition of "Deliver" below shall apply and the Calculation Agent may make any adjustment in relation to provisions for physical delivery and determination of the Entitlement that it determines to be necessary or desirable to take account of the relevant Asset Package.

The Issuer may, from time to time, following receipt of a Calculation Agent Physical Settlement Amendment Notice, amend a Notice of Physical Settlement by delivering a notice to Noteholders in accordance with Notes Condition 14 (each such notification, a **Physical Settlement Amendment Notice**) that the Issuer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior Physical Settlement Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such Physical Settlement Amendment Notice is effective). A Physical Settlement Amendment Notice shall specify each replacement Deliverable Obligation that the Issuer will Deliver (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 Physical Settlement 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 the Physical Settlement Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. The Outstanding Amount of the Replacement Deliverable Obligation(s) specified in any Physical Settlement Amendment Notice in aggregate with the Outstanding Amount of the Deliverable Obligation(s) specified in the Notice of Physical Settlement or any earlier Physical Settlement Amendment Notice which, in each case, are not being replaced must not be greater than the Aggregate Outstanding Amount. Each such Physical Settlement Amendment Notice must be effective on or prior to the Credit Settlement Date (determined without reference to any change resulting from such Physical Settlement Amendment Notice). Notwithstanding the foregoing, (i) the Issuer may correct any errors or inconsistencies contained in the Notice of Physical Settlement or any Physical Settlement Amendment Notice, as applicable, by notice to Noteholders in accordance with Notes Condition 14, prior to the relevant Delivery Date; and (ii) if Asset Package Delivery is applicable, the Issuer shall prior to the Delivery Date, notify the Noteholders (in accordance with Notes Condition 14) of the detailed description of the Asset Package, if any, that the Issuer will Deliver in lieu of the Prior Deliverable Obligation or Package Observable Bond, if any, specified in the Notice of Physical Settlement or Physical Settlement Amendment Notice, as applicable, it being understood in each case that any such notice of correction shall not constitute a Physical Settlement Amendment Notice.

If "Mod R" is specified as applicable in the applicable Final Terms and Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may be included in the Entitlement only if it (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date in each case as of each such date as the Calculation Agent determines relevant for purposes of the Hedging Arrangements.

If "Mod Mod R" is specified as applicable in the applicable Final Terms and Restructuring is the only Credit Event specified in a Credit Event Notice, then unless the Deliverable Obligation is a Prior Deliverable Obligation and Asset Package Delivery applies due to a Governmental Intervention, a Deliverable Obligation may be included in the Entitlement 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, in each case, as of each such date as the Calculation Agent determines relevant for purposes of the Hedging Arrangements. For the purposes of this paragraph only and notwithstanding the foregoing, in the case of a Restructured Bond or Loan with a final maturity date on or prior to the 10-year Limitation Date, the final maturity date of such Bond or Loan shall be deemed to be the earlier of such final maturity date or the final maturity date of such Bond or Loan immediately prior to the relevant Restructuring.

If a Credit Event Determination Date has occurred and the Notes become redeemable or are cancelled in accordance with this Credit Linked Condition 4, upon Delivery of the relevant Deliverable Obligations and/or payment of the Partial Cash Settlement Amounts, as the case may be, the Issuer shall have discharged its obligations in respect of the Notes and shall have no other liability or obligation whatsoever in respect thereof. The value of such Deliverable Obligations and/or the Partial Cash Settlement Amount, as the case may be, may be less than the Calculation Amount of a Credit Linked Note. Any shortfall shall be borne by the Noteholders and no liability shall attach to the Issuer.

5. Portfolio Credit Linked Notes

This Credit Linked Condition 5 applies only in respect of Portfolio Credit Linked Notes, and in this case the provisions of Credit Linked Condition 2, Credit Linked Condition 3 and Credit Linked Condition 4 will not apply.

(a) Outstanding Nominal Amount Reduction

If a Credit Event Determination Date occurs with respect to a Reference Entity, the Calculation Agent will thereupon reduce the Outstanding Nominal Amount by an amount equal to the Credit Event Reduction Amount in respect of such Reference Entity with effect on and from the relevant Credit Event Determination Date (notwithstanding, where applicable, its later determination), and the Issuer will redeem each Note equal to the Calculation Amount on the Credit Event Redemption Date at the relevant Credit Event Redemption Amount, provided that if within 45 calendar days of the date on which a Credit Event Determination Date occurs (or, in either case, if earlier, by the Maturity Date) in accordance with the definition thereof the relevant Credit Event Determination Date is subsequently deemed (A) to have occurred on a different date or (B) not to have occurred, the reduction of the Outstanding Nominal Amount shall be deemed to have taken effect on such different date or, as applicable, shall be reversed and the Notes shall continue in accordance with their terms on that basis, subject in either case to such adjustment(s) as the Calculation Agent determines in accordance with the definition of Credit Event Determination Date.

For the purposes of the definition of Credit Event Determination Date in Credit Linked Condition 13, Auction Settlement will be deemed to be the applicable Settlement Method in respect of the Credit Linked Notes.

Subject as provided above and in Credit Linked Condition 14, a Credit Event Notice may only be delivered on one occasion and a Credit Event Determination Date may occur once only in each case with respect to any Reference Entity (unless subsequent to the occurrence of a Credit Event Determination Date with respect to any Reference Entity, that Reference Entity becomes the Successor to one or more other Reference Entities in respect of which a Credit Event Determination Date has not occurred, in which case a Credit Event Determination Date may occur again).

As soon as practicable after a Credit Event Determination Date, the Issuer will notify the Noteholders of the occurrence of a Credit Event in accordance with Notes Condition 14. The Issuer will also give notice to the Noteholders in accordance with Notes Condition 14 if the relevant Credit Event Determination Date is deemed not to have occurred (in each case as applicable) as soon as practicable thereafter.

If on the occurrence of a Credit Event Determination Date, the Outstanding Nominal Amount is equal to zero and the relevant reduction is not reversed as provided above, the Issuer's obligations in respect of the Notes will be discharged and the Issuer will have no further liability in respect thereof. The Issuer will notify the Noteholders of this as soon as practicable thereafter in accordance with Notes Condition 14.

For the avoidance of doubt any failure by the Issuer to provide a notice pursuant to this Credit Linked Condition 5 will not constitute an Event of Default under the Notes and will not affect the validity of any of the above provisions.

Notwithstanding any provision of the Credit Linked Conditions, where Reference Entities are determined by reference to an Index then the Calculation Agent may (but is not required to) elect to follow the determination of the relevant Index Sponsor specified in the applicable Final Terms for purposes of identifying any Substitute Reference Obligation(s) or Successor(s) in relation to any Reference Entity instead of applying the relevant provisions set out in the Credit Linked Conditions.

If a Credit Event Determination Date occurs, the Notes will not be redeemed by payment or delivery of any amount or asset and instead the Outstanding Nominal Amount will be reduced in accordance with this Credit Linked Condition 5, proportionately to the weighting of the relevant Reference Entity, and (other than in the case of Zero Recovery Portfolio Credit Linked Notes) the applicable Final Price or Auction Final Price, thereby reducing the amounts repayable to Noteholders. In the event that the Outstanding Nominal Amount is reduced to zero, the Issuer's obligations in respect of the Notes will be discharged and the Issuer will have no further liability in respect thereof.

(b) Interest

If the Portfolio Credit Linked Notes are interest-bearing Notes, for the purposes of Notes Condition 4, and notwithstanding anything to the contrary therein, interest shall be calculated on:

- (i) in the case of Notes which are represented by a Global Note, the Outstanding Nominal Amount as of the last day of the relevant period for which the interest is being calculated multiplied by the number of Notes of the Calculation Amount represented by such Global Note; or
- (ii) in the case of Notes in definitive form, the Outstanding Nominal Amount as of the last day of the relevant period for which the interest is being calculated.

6. Repudiation/Moratorium Extension

If "Repudiation/Moratorium" is specified as a Credit Event in the applicable Final Terms, the provisions of this Credit Linked Condition 6 shall apply.

Where a Credit Event Determination Date has not occurred on or prior to the Scheduled Maturity Date but the Repudiation/Moratorium Extension Condition has been satisfied on or prior to the Scheduled Maturity Date or, if Credit Linked Condition 9(y) applies, the Postponed Cut-Off Date (as defined in Credit Linked Condition 9) and the Repudiation/Moratorium Evaluation Date in respect of such Potential Repudiation/Moratorium may, in the opinion of the Calculation Agent, fall after the Scheduled Maturity Date, then the Calculation Agent shall notify the Noteholders in accordance with Notes Condition 14 that a Potential Repudiation/Moratorium has occurred and:

- (i) where a (A) Repudiation/Moratorium has not occurred on or prior to the Repudiation/Moratorium Evaluation Date or (B) a Repudiation/Moratorium has occurred on or prior to the Repudiation/Moratorium Evaluation Date but a Credit Event Determination Date has not occurred:

- (A) each nominal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer at the Final Redemption Amount or, in the case of Portfolio Credit Linked Notes, where applicable at the Credit Event Redemption Amount in each case on the fifth Business Day following the Repudiation/Moratorium Evaluation Date; and
 - (B) in the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date or, if none, the Interest Commencement Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the fifth Business Day following the Repudiation/Moratorium Evaluation Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; or
- (ii) where a Repudiation/Moratorium has occurred on or prior to the Repudiation/Moratorium Evaluation Date and a Credit Event Determination Date has occurred, the provisions of Credit Linked Condition 2, Credit Linked Condition 3, Credit Linked Condition 4 or Credit Linked Condition 5, as applicable, shall apply to the Credit Linked Notes.

7. Grace Period Extension

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

Where a Credit Event Determination Date has not occurred on or prior to the Scheduled Maturity Date but, in the determination of the Calculation Agent, a Potential Failure to Pay has occurred with respect to one or more Obligation(s) in respect of which a Grace Period is applicable on or prior to the Scheduled Maturity Date (and such Grace Period(s) is/are continuing as at the Scheduled Maturity Date), then the Calculation Agent shall notify the Noteholders in accordance with Notes Condition 14 that a Potential Failure to Pay has occurred and:

- (i) where (A) a Failure to Pay has not occurred on or prior to the Grace Period Extension Date or (B) a Failure to Pay has occurred on or prior to the Grace Period Extension Date but a Credit Event Determination Date has not occurred:
- (A) each nominal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer at the Final Redemption Amount or, in the case of Portfolio Credit Linked Notes, where applicable at the Credit Event Redemption Amount in each case on the fifth Business Day following the Grace Period Extension Date; and
 - (B) in the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date or, if none, the Interest Commencement Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the fifth Business Day following the Grace Period Extension Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; or
- (ii) where a Failure to Pay has occurred on or prior to the Grace Period Extension Date and a Credit Event Determination Date has occurred, the provisions of Credit Linked Condition 2, Credit Linked Condition 3, Credit Linked Condition 4 or Credit Linked Condition 5, as applicable, shall apply to the Credit Linked Notes.

8. Credit Derivatives Determinations Committee Extension

If, in the determination of the Calculation Agent, a Credit Event Resolution Request Date or a Potential Credit Event has occurred and the Credit Derivatives Determinations Committee has not made its determination on or prior to the Scheduled Maturity Date then the Calculation Agent shall notify Noteholders in accordance with Notes Condition 14 that the Maturity Date has been postponed to a date (the **DC Determination Postponement Date**) being the day falling five Business Days after: (i) if the Credit Derivatives Determinations Committee Resolves that a Credit Event has occurred, 15 Business Days following the relevant DC Credit Event Announcement; (ii) if the Credit Derivatives Determinations Committee Resolves that a Credit Event has not occurred, the second Business Day following the relevant DC No Credit Event Announcement; or, as applicable, (iii) 15 Business Days following the DC Credit Event Question Dismissal (the date of the relevant DC Credit Event Announcement, DC No Credit Event Announcement or DC Credit Event Dismissal, as applicable, the **DC Determination Cut-off Date**) and:

- (i) where (A) a Credit Event has not occurred on or prior to the DC Determination Cut-off Date or (B) a Credit Event has occurred on or prior to the DC Determination Cut-off Date but a Credit Event Determination Date does not occur:
 - (A) each nominal amount of Credit Linked Notes equal to the Calculation Amount will be redeemed by the Issuer at the Final Redemption Amount or, in the case of Portfolio Credit Linked Notes, where applicable at the Credit Event Redemption Amount in each case on the DC Determination Postponement Date; and
 - (B) in the case of interest bearing Notes, the Issuer shall be obliged to pay interest calculated as provided herein, accruing from (and including) the Interest Payment Date immediately preceding the Scheduled Maturity Date or if none the Interest Commencement Date to (but excluding) the Scheduled Maturity Date but shall only be obliged to make such payment of interest on the DC Determination Postponement Date and no further or other amount in respect of interest shall be payable and no additional amount shall be payable in respect of such delay; or
- (ii) where a Credit Event has occurred on or prior to the DC Determination Cut-off Date and a Credit Event Determination Date occurs, the provisions of Credit Linked Condition 2, Credit Linked Condition 3, Credit Linked Condition 4, or Credit Linked Condition 5, as applicable, shall apply to the Credit Linked Notes.

9. Maturity Date Extension in the case of Credit Linked Notes

The following provisions of this Credit Linked Condition 9 apply to Credit Linked Notes and, for the avoidance of doubt, may be applied on more than one occasion:

Without prejudice to Credit Linked Condition 11, if:

- (x) on or prior to (A) the Scheduled Maturity Date, (B), if applicable, the Repudiation/Moratorium Evaluation Date, (C) if Grace Period Extension is specified as applying in the applicable Final Terms, the Grace Period Extension Date, (D) the last day of the Notice Delivery Period or (E) if applicable, the DC Determination Cut-off Date, as the case may be, a Credit Event Determination Date has not occurred but a Credit Event or Potential Credit Event may have occurred or may occur; or
- (y) on or prior to the Scheduled Maturity Date a Potential Repudiation/Moratorium may have occurred or may occur,

the Calculation Agent may at its option notify the Noteholders in accordance with Notes Condition 14 that (A) in the case of (x) above, the redemption of the Notes has been postponed and the Repudiation/Moratorium Evaluation Date, the Grace Period Extension Date, the last day of the Notice Delivery Period (which for these purposes shall apply in the case of both (x)(A) and (x)(D) above) or the DC Determination Cut-off Date, as the case may be, has been postponed to the Postponed Cut-Off Date (as defined below) or (B) in the case of (y) above, the redemption of the Notes has been postponed; and:

where:

(i) in the case of Credit Linked Condition 9(x), a Credit Event Determination Date has not occurred on or prior to the Postponed Cut-Off Date or, in the case of Credit Linked Condition 9(y), the Repudiation/Moratorium Extension Condition is not satisfied on or prior to the Postponed Cut-Off Date:

(A) subject as provided below, each nominal amount of Notes equal to the Calculation Amount will be redeemed by the Issuer at the Final Redemption Amount or, in the case of Portfolio Credit Linked Notes, where applicable at the Credit Event Redemption Amount in each case on the Postponed Maturity Date; and

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

(ii) where:

(A) in the case of Credit Linked Condition 9(x), a Credit Event Determination Date occurs on or prior to the Postponed Cut-Off Date, the provisions of Credit Linked Condition 2, Credit Linked Condition 3, Credit Linked Condition 4 or Credit Linked Condition 5, as applicable, shall apply to the Credit Linked Notes; or

(B) in the case of Credit Linked Condition 9(y), the Repudiation/Moratorium Extension Condition is satisfied on or prior to the Postponed Cut-Off Date, the provisions of Credit Linked Condition 6 shall apply to the Credit Linked Notes.

For the purposes hereof:

Postponed Cut-off Date means (i) in the case of Credit Linked Condition 8(x), the fifteenth (15th) Business Day after the Scheduled Maturity Date, the relevant Repudiation/Moratorium Evaluation Date, the Grace Period Extension Date, the last day of the Notice Delivery Period or the DC Determination Cut-off Date, as the case may be; or (ii) in the case of Credit Linked Condition 8(y), the fifteenth (15th) Business Day after the Scheduled Maturity Date or, in each case, if such day is not a Business Day the immediately succeeding Business Day.

Postponed Maturity Date means the fifth Business Day following the Postponed Cut-off Date.

10. Partial Cash Settlement

If all or a portion of the Obligations comprising the Entitlement are Undeliverable Obligations and/or Hedge Disruption Obligations that have not been Delivered by the Final Delivery Date, the Issuer shall give notice (a **Partial Cash Settlement Notice**) to the Noteholders in accordance with Notes

Condition 14 and the Issuer shall pay in respect of each Undeliverable Obligation and/or Hedge Disruption Obligation, as the case may be, the Partial Cash Settlement Amount on the Partial Cash Settlement Date.

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

For the purposes of this Credit Linked Condition 10 only the following terms shall be defined as follows (unless, in the case of Exempt Notes only, otherwise specified in the applicable Final Terms):

Indicative Quotation means, in accordance with the Quotation Method, each quotation obtained from a Quotation Dealer at the Valuation Time for (to the extent reasonably practicable) an amount of the Undeliverable Obligation or Hedge Disruption Obligations, as the case may be, equal to the Quotation Amount, which reflects such Quotation Dealer's reasonable assessment of the price of such Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, based on such factors as such Quotation Dealer may consider relevant, which may include historical prices and recovery rates.

Market Value means, with respect to an Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, on a Valuation Date, (i) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (ii) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (iii) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations; (iv) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation; (v) if Indicative Quotations are specified as applying in the applicable Final Terms and exactly three Indicative Quotations are obtained, the Indicative Quotation remaining after disregarding the highest and lowest Indicative Quotations (and, if more than one such Indicative Quotations have the same highest or lowest value, then one of such highest or lowest Indicative Quotations shall be disregarded); (vi) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained (and, if Indicative Quotations are applicable, fewer than three Indicative Quotations are obtained) then, subject to paragraph (ii) of the definition of "Quotation" below, an amount as determined by the Calculation Agent on the next Business Day on which at least two Full Quotations or a Weighted Average Quotation or, if applicable, three Indicative Quotations are obtained; and (vii) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained (and, if Indicative Quotations are applicable, fewer than three Indicative Quotations are obtained) on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Market Value shall be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations (or, if applicable, Indicative Quotations) were not obtained on such day.

Partial Cash Settlement Amount is deemed to be, for an Undeliverable Obligation or a Hedge Disruption Obligation, as the case may be, an amount calculated by the Calculation Agent equal to the greater of (i) (A) the Outstanding Principal Balance, the Due and Payable Amount or the Currency Amount, as applicable, of each Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, multiplied by (B) the Final Price with respect to such Undeliverable Obligation or Hedge Disruption Obligation, as the case may be, determined as provided in this Credit Linked Condition, less (C) Unwind Costs, if any, (but excluding any Unwind Costs already taken into account in

calculating the relevant Entitlement), and (ii) zero, provided that where (i) a relevant Undeliverable Obligation or Hedge Disruption Obligation forms part of the Asset Package and (ii) the Calculation Agent determines in its sole discretion that a Final Price cannot be reasonably determined in respect of such Undeliverable Obligation or Hedge Disruption Obligation, then the Partial Cash Settlement Amount (i) shall be an amount calculated by the Calculation Agent in its sole discretion equal to the fair market value of the relevant Undeliverable Obligation or Hedge Disruption Obligation less Unwind Costs, if any, (but excluding any Unwind Costs already taken into account in calculating the relevant Entitlement) by reference to such source(s) as it determines appropriate and (ii) may be zero.

Partial Cash Settlement Date is deemed to be the date falling three Business Days after (a) the date on which the Calculation Agent determines that the provisions of this Credit Linked Condition apply to the relevant Undeliverable Obligation or Hedge Disruption Obligation or, if later, (b) the calculation of the Final Price.

Quotation means each Full Quotation, the Weighted Average Quotation and, if Indicative Quotations are specified as applying in the applicable Final Terms, each Indicative Quotation obtained and expressed as a percentage of the Outstanding Principal Balance or Due and Payable Amount, as applicable, of the relevant Undeliverable Obligation or Hedge Disruption Obligation with respect to a Valuation Date in the manner that follows:

- (a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Quotation Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Quotation Dealers, and, if two or more Full Quotations are not available, a Weighted Average Quotation. If two or more such Full Quotations or a Weighted Average Quotation are not available on any such Business Day and Indicative Quotations are specified as applying in the applicable Final Terms, the Calculation Agent shall attempt to obtain three Indicative Quotations from five or more Quotation Dealers.
- (b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation (or, if Indicative Quotations are specified as applying in the applicable Final Terms, three Indicative Quotations) on the same Business Day on or prior to the tenth Business Day following the Valuation Date, the Quotations shall be deemed to be any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day or, if no Full Quotation is obtained, the weighted average of any firm quotations (or, if applicable, Indicative Quotations) for the Undeliverable Obligation or the Hedge Disruption Obligation, as the case may be, obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations (or, if applicable, Indicative Quotations) were not obtained on such day.
- (c) All Quotations shall be obtained in accordance with the specification or determination made pursuant to the definition of Accrued Interest in Credit Linked Condition 13 below.

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

Quotation Method is deemed to be Bid.

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

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

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

Weighted Average Quotation means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Quotation Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Undeliverable Obligation or the Hedge Disruption Obligation, as the case may be, with an Outstanding Principal Balance or Due and Payable Amount, as applicable, of as large a size as available but less than the Quotation Amount that in aggregate are approximately equal to the Quotation Amount.

11. Settlement Suspension

(i) Suspension

Without prejudice to Credit Linked Condition 9 above, if the Calculation Agent determines that the necessary conditions for determining a Credit Event Determination Date have occurred or may have occurred, the Calculation Agent may, at its option, determine that the applicable timing requirements of the Notes Conditions and these Credit Linked Conditions, including, without limitation, the definitions of Interest Payment Date, Credit Event Redemption Date, Valuation Date, Maturity Date, any other redemption or settlement date, Physical Settlement Period and PSN Cut-off Date and any other Credit Linked Condition provision(s) as determined by the Calculation Agent, shall toll and be suspended and remain suspended (such period of suspension, a **Suspension Period**) until (as applicable) the date of the relevant DC Credit Event Announcement or DC Credit Event Question Dismissal or the Calculation Agent has determined that such necessary conditions or a Credit Event Determination Date have not occurred. During such suspension period none of the Issuer, the Calculation Agent or any Noteholder are obliged to, nor are they entitled to, take any action in connection with the settlement of the Credit Linked Notes. The relevant timing requirements of the Notes Conditions and these Credit Linked Conditions that have previously tolled or been suspended shall resume on the Business Day following the end of the Suspension Period with the Issuer having the benefit of the full day notwithstanding when the tolling or suspension began in accordance with this Credit Linked Condition 11.

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

(ii) Interest

In the case of interest bearing Notes:

- (A) if a Suspension Period falls in any one or more Interest Period(s), then no interest (or any interest on any delayed payment of interest) shall accrue during each portion of an Interest Period during which a Suspension Period exists;
- (B) if an Interest Payment Date falls in a Suspension Period, such Interest Payment Date will be deferred until such date as determined by the Calculation Agent falling no earlier than the first Payment Day and no later than the fifth Payment Day following the end of the Suspension Period, all subject to the provisions of Notes Condition 4 and Credit Linked Conditions 6, 7, 8 and 9; and
- (C) for the avoidance of doubt, no additional amount of interest will accrue or be payable as a result of any delayed payment of interest.

12. Redemption following a Merger Event

If "Merger Event" is specified as applying in the applicable Final Terms, in the event that in the determination of the Calculation Agent a Merger Event has occurred, the Issuer may give notice to the Noteholders in accordance with Notes Condition 14, and redeem, as applicable, all but not some only of the Notes and pay in respect of each nominal amount of the Notes equal to the Calculation Amount, the Merger Event Redemption Amount on the Merger Event Redemption Date.

13. Definitions

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

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

Accrued Interest means for the purpose of these Credit Linked Conditions:

- (a) in respect of any Notes for which "Physical Delivery" is specified to be the Settlement Method in the applicable Final Terms (or for which Physical Delivery is applicable as the Fallback Settlement Method in accordance with Credit Linked Condition 2), the Outstanding Principal Balance of the Deliverable Obligations being Delivered will exclude accrued but unpaid interest, unless "Include Accrued Interest" is specified in the applicable Final Terms, in which case, the Outstanding Principal Balance of the Deliverable Obligations being Delivered will include accrued but unpaid interest (as the Calculation Agent shall determine in its reasonable discretion);
- (b) in respect of any Notes for which "Cash Settlement" is specified to be the applicable Settlement Method in the applicable Final Terms (or for which Cash Settlement is applicable as the Fallback Settlement Method in accordance with Credit Linked Condition 2), and:
 - (i) "Include Accrued Interest" is specified in the applicable Final Terms, the Outstanding Principal Balance of the Reference Obligation shall include accrued but unpaid interest;
 - (ii) "Exclude Accrued Interest" is specified in the applicable Final Terms, the Outstanding Principal Balance of the Reference Obligation shall not include accrued but unpaid interest; or
 - (iii) neither "Include Accrued Interest" nor "Exclude Accrued Interest" is specified in the applicable Final Terms, the Calculation Agent shall determine, based on the then current market practice in the market of the Reference Obligation whether the Outstanding Principal Balance of the Reference Obligation shall include or exclude accrued but unpaid interest and, if applicable, the amount thereof; or

- (c) if Credit Linked Condition 10 applies, the Calculation Agent shall determine, based on the then current market practice in the market of the relevant Undeliverable Obligation or Hedge Disruption Obligation (as applicable), whether such Quotations shall include or exclude accrued but unpaid interest.

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 Outstanding Amount has the meaning given to that term in Credit Linked Condition 4.

Annex Date is as specified in the applicable Final Terms.

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

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

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

Asset Package Credit Event means:

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

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

Associated Costs means an amount per nominal amount of the Notes equal to the Calculation Amount equal to such Notes' *pro rata* share of the total amount of any and all costs associated or incurred by the Issuer and/or any Affiliate in connection with the redemption or early redemption of the Notes, including, without limitation, any costs associated with unwinding, substituting, settling, re-establishing and/or incurring any funding relating to the Notes and/or any costs associated with unwinding, substituting, settling, re-establishing and/or incurring any Hedging Arrangements, all as determined by the Calculation Agent.

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

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

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

Auction Final Price means the lesser of (i) 100 per cent. and (ii) the Auction Final Price as shall be set forth or referred to in the relevant Transaction Auction Settlement Terms.

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

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

Auction Settlement Notice has the meaning given to that term in Credit Linked Condition 2.

Bankruptcy means the Reference Entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement, scheme or composition with or for the benefit of its creditors generally, or such a general assignment, arrangement, scheme or composition becomes effective;
- (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other similar relief under any bankruptcy or insolvency law or other law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within 30 calendar days of the institution or presentation thereof or before the Scheduled Maturity Date, whichever is earlier;
- (e) has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days thereafter or before the Scheduled Maturity Date, whichever is earlier; or

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

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

Calculation Agent Physical Settlement Amendment Notice means a notice by the Calculation Agent to the Issuer containing material information required to be included in a Physical Settlement Amendment Notice to be given by the Issuer.

Calculation Agent Physical Settlement Notice means a notice from the Calculation Agent to the Issuer containing material information required to be included in a Notice of Physical Settlement to be given by the Issuer.

Cash Settlement Notice has the meaning given to that term in Credit Linked Condition 3.

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

Conforming Reference Obligation means a Reference Obligation which is a Deliverable Obligation determined in accordance with paragraph (a) of the definition of Deliverable Obligation below.

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

Credit Derivatives Determinations Committee (and each a **Credit Derivatives Determinations Committee**) means each committee established pursuant to the DC Rules for purposes of reaching certain DC Resolutions in connection with credit derivative transactions.

Credit Event means the occurrence of any 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, Restructuring or Governmental Intervention, or (in the case of Exempt Notes) 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 the Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;

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

Credit Event Backstop Date means:

- (a) for purposes of any event that constitutes a Credit Event (or with respect to a Repudiation/Moratorium, if applicable, the event described in paragraph (b) of the definition of Repudiation/Moratorium) for the purposes of the relevant Notes, 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) if the Notice Delivery Date occurs during the Notice Delivery Period, the Notice Delivery Date; and
 - (ii) if the Notice Delivery Date occurs during the Post Dismissal Additional Period, the Credit Event Resolution Request Date,

provided that, if Credit Event Backstop Date Amendment is specified as applicable in the applicable Final Terms, in the case of either sub-paragraph (a) or sub-paragraph (b), the Credit Event Backstop Date shall not occur prior to the Trade Date.

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

Credit Event Determination Date means, with respect to a Credit Event with respect to which:

- (a) Auction Settlement is the applicable Settlement Method:
 - (i) subject to paragraph (a)(ii) of this definition, the Notice Delivery Date if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (A) a DC Credit Event Announcement has occurred nor (B) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
 - (ii) notwithstanding paragraph (a)(i) of this definition, if a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date), such date falling on or after the Credit Event Resolution Request Date as may be determined by the Calculation Agent in its sole and absolute discretion and as specified by the Calculation Agent in the Credit Event Notice.
- (b) paragraph (a) of this definition does not apply, the Non-Standard Credit Event Determination Date,

provided that no Credit Event Determination Date will occur, and any Credit Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a Valuation Date, the Credit Settlement Date, the Credit Event Redemption Date or the Maturity Date, a DC No Credit Event Announcement Date occurs with respect to the relevant event.

If, in accordance with the provisions above, (i) following the determination of a Credit Event Determination Date, such Credit Event Determination Date is deemed (A) to have occurred on a date that is different from the date that was originally determined to be the Credit Event Determination Date or (B) not to have occurred or (ii) a Credit Event Determination Date is deemed to have occurred prior to one or more preceding Interest Payment Dates, the Calculation Agent will determine (1) such adjustment(s) to these Credit Linked Conditions (including any adjustment to payment amounts) as may be required to reflect (I) such deemed date of occurrence or (II) such deemed non-occurrence, of such Credit Event Determination Date and (2) the effective date of such adjustment(s). For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any adjustment to payment amounts.

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

Any Credit Event Notice that describes a Credit Event that occurred after the Scheduled Maturity Date, must relate to the relevant Potential Failure to Pay, in the case of a Grace Period Extension Date, or the relevant Potential Repudiation/Moratorium, in the case of a Repudiation/Moratorium Evaluation Date.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective. .

Credit Event Redemption Amount means (i) the amount in the Specified Currency specified as such in the applicable Final Terms or (ii) if no such amount is specified in the applicable Final Terms, (A) in the case of Portfolio Credit Linked Notes, the Outstanding Nominal Amount as of the Credit Event Redemption Date minus Unwind Costs or (B) in all other cases, an amount in the Specified Currency calculated by the Calculation Agent equal to:

$$(A \times B) - C$$

where:

"A" is the Calculation Amount;

"B" is the Final Price or the Auction Final Price, as applicable; and

"C" is Unwind Costs,

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

Credit Event Redemption Date means (A) in the case of Portfolio Credit Linked Notes, subject as provided in Credit Linked Condition 5, the Maturity Date, or (B) in all other cases, subject to Credit Linked Condition 11, the day falling the number of Business Days specified in the applicable Final Terms (or, if a number of Business Days is not so specified, ten (10) Business Days) following the latest of (i) the Auction Settlement Date or the calculation of the Final Price (if Cash Settlement applies or is applicable as the Fallback Settlement Method) and (ii) the Credit Event Determination Date.

Credit Event Reduction Amount means, in respect of a Reference Entity, an amount in the Specified Currency (rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention) calculated by the Calculation Agent equal to;

- (i) in the case of Zero Recovery Portfolio Credit Linked Notes, the product of (a) the Calculation Amount and (b) the Weighting in respect of such Reference Entity; or
- (ii) in the case of Market Recovery Portfolio Credit Linked Notes, the product of (a) the Calculation Amount, (b) the Weighting in respect of such Reference Entity and (c) 100% minus the Relevant Final Price in respect of such Reference Entity.

Credit Event Resolution Request Date means, with respect to a DC Credit Event Question, the date, as publicly announced by the DC Secretary, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which the DC Credit Event Question was effective and on which the relevant Credit Derivatives Determinations Committee was in possession of Publicly Available Information with respect to such DC Credit Event Question.

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

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

If no Business Day Convention is specified in the applicable Final Terms, the Following Business Day Convention shall apply.

Credit Settlement Date means the 5th Business Day following the PSN Cut-off Date (the **Scheduled Credit Settlement Date**) provided that if a Hedge Disruption Event has occurred and is continuing on the second Business Day immediately preceding the Scheduled Credit Settlement Date, the Credit Settlement Date shall be the earlier of (i) the second Business Day following the date on which no Hedge Disruption Event subsists and (ii) the day falling two calendar years following the Scheduled Credit Settlement Date.

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

Currency Rate means, with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement or any Physical Settlement Amendment Notice, as applicable, 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 Calculation Agent and (b) a Replacement Deliverable Obligation specified in a Physical Settlement Amendment Notice, the Revised Currency Rate.

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

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

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

DC Credit Event Question means a notice to the DC Secretary requesting that a Credit Derivatives Determinations Committee be convened to Resolve whether an event that constitutes a Credit Event has occurred.

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

DC Determination Cut-off Date has the meaning given to that term in Credit Linked Condition 8.

DC Determination Postponement Date has the meaning given to that term in Credit Linked Condition 8.

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

DC Resolution has the meaning given to that term in the DC Rules.

DC Rules means the Credit Derivatives Determinations Committees Rules, as published by ISDA on its website at www.isda.org (or any successor website thereto) from time to time and as amended from time to time in accordance with the terms thereof.

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

Default Requirement means the amount specified as such in the applicable Final Terms or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency or, if no such amount is specified in the applicable Final Terms, USD10,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Credit Event.

Deliver means:

- (a) to deliver, novate, transfer (including, in the case of a Guarantee, transfer of the benefit of the Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title (or, with respect to Deliverable Obligations where only equitable title is customarily conveyed, all equitable title) and interest in the Entitlement to the relevant Holder free and clear of any and all liens, charges, claims or encumbrances (excluding any liens routinely imposed on all securities in a relevant clearance system, but including without limitation any counterclaim, defence (other than a counterclaim or defence based on the factors set out in (a) to (d) in the definition of "Credit Event" above) or right of set-off by or of the Reference Entity or any applicable Underlying Obligor) provided that (i) if all or a portion of the Entitlement consists of Direct Loan Participations, "Deliver" means to create (or procure the creation of) a participation in favour of the relevant Holder and (ii) if a Deliverable Obligation is a Guarantee, "Deliver" means to Deliver both the Underlying Obligation and the Guarantee, provided further that if the Guarantee has a Fixed Cap, "Deliver" means to Deliver the Underlying Obligation, the Guarantee and all claims to any amounts which are subject to such Fixed Cap. "Delivery" and "Delivered" will be construed accordingly. In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time.
- (b) If Asset Package Delivery applies, (i) Delivery of a Prior Deliverable Obligation or a Package Observable Bond specified in the Notice of Physical Settlement or Physical Settlement Amendment Notice, as applicable, may be satisfied by Delivery of the related Asset Package, and such Asset Package shall be treated as having the same currency, Outstanding Principal Balance or Due and Payable Amount, as applicable, as the Prior Deliverable Obligation or Package Observable Bond to which it corresponds had immediately prior to the Asset Package Credit Event, (ii) paragraph (a) above shall be deemed to apply to each Asset in the Asset Package provided that if any such Asset is not a Bond, it shall be treated as if it were a Loan for these purposes, (iii) if the Asset Package is zero, the Outstanding Amount of the Prior Deliverable Obligation or Package Observable Bond shall be deemed to have been Delivered in full three Business Days following the date on which the Issuer has notified the Noteholders in accordance with Credit Linked Condition 4 of the detailed description of the Asset Package that it intends to Deliver, (iv) the Issuer may satisfy its obligation to make Delivery of the Prior Deliverable Obligation or Package Observable Bond in part by Delivery of each Asset in the Asset Package in the correct proportion and (v) if the relevant Asset is a Non-Transferable Instrument or Non-Financial Instrument, the Asset shall be deemed to be an amount of cash equal to the Asset Market Value and the term "Asset Package" shall be construed accordingly.

Deliverable Obligation means:

- (a) any obligation of the Reference Entity (either directly or as provider of a Relevant Guarantee) determined pursuant to the method described in "(A) Method for Determining Deliverable Obligations" below;
- (b) the Reference Obligation;
- (c) solely in relation to a Restructuring Credit Event applicable to a Reference Entity which is a Sovereign, and unless Asset Package Delivery is applicable, any Sovereign Restructured Deliverable Obligation; and

- (d) if Asset Package Delivery is applicable, (i) if Financial Reference Entity Terms is specified as applicable in the applicable Final Terms, any Prior Deliverable Obligation, or (ii) if the Reference Entity is a Sovereign, any Package Observable Bond,

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

(A) *Method for Determining Deliverable Obligations.* For the purposes of the definition of "Deliverable Obligation", the term "Deliverable Obligation" may be defined as each obligation of the Reference Entity described by the Deliverable Obligation Category specified in the applicable Final Terms, and, subject to paragraph (B) below, having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms, in each case, as of each such date the Calculation Agent determines relevant for purposes of the Hedging Arrangements. The following terms shall have the following meanings:

- (1) **Deliverable Obligation Category** means one of Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan (each as defined in the definition of "Obligation" below, except that, for the purpose of determining Deliverable Obligations, the definition of "Reference Obligation Only" shall be amended to state that no Deliverable Obligation Characteristics shall be applicable to Reference Obligation Only).
- (2) **Deliverable Obligation Characteristics** means any one or more of Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Domestic Issuance (each as defined in the definition of "Obligation" below), Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer, where:
 - (i) **Assignable Loan** means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction or organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if the Reference Entity is guaranteeing such Loan) or any agent;
 - (ii) **Consent Required Loan** means a Loan that is capable of being assigned or novated with the consent of the Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if the Reference Entity is guaranteeing such loan) or any agent;
 - (iii) **Direct Loan Participation** means a Loan in respect of which, pursuant to a participation agreement, the Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Holder that provides each Holder 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 Holder and either (A) the Issuer (to the extent that the Issuer 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);

- (iv) **Transferable** means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:
 - (a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation);
 - (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds; or
 - (c) restrictions in respect of blocked periods on or around payment dates or voting periods;
- (v) **Maximum Maturity** means an obligation that has a remaining maturity of not greater than the period specified in the applicable Final Terms (or if no such period is specified, thirty years);
- (vi) **Accelerated or Matured** means an obligation under which the principal amount owed, whether by reason of maturity, acceleration, termination or otherwise, is due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws; and
- (vii) **Not Bearer** means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Euroclear, Clearstream, International or any other internationally recognised clearing system.

(B) *Interpretation of Provisions.*

- (1) If either of the Obligation Characteristics "Listed" or "Not Domestic Issuance" is specified in the applicable Final Terms, the Final Terms shall be construed as though the relevant Obligation Characteristic had been specified as an Obligation Characteristic only with respect to Bonds.
- (2) If (i) either of the Deliverable Obligation Characteristics "Listed", "Not Domestic Issuance" or "Not Bearer" is specified in the applicable Final Terms, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds; (ii) the Deliverable Obligation Characteristic "Transferable" is specified in the applicable Final Terms, the 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; 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 Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans.

- (3) If more than one of "Assignable Loan", "Consent Required Loan" and "Direct Loan Participation" are specified as Deliverable Obligation Characteristics in the applicable Final Terms, 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.
- (4) If an Obligation or a Deliverable Obligation is a Relevant Guarantee, the following will apply:
 - (i) for purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Relevant Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation;
 - (ii) for purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Relevant Guarantee and the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: "Not Subordinated", "Credit Linked Specified Currency", "Not Sovereign Lender", "Not Domestic Currency" and "Not Domestic Law";
 - (iii) for purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date or dates each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: "Listed", "Not Domestic Issuance", "Assignable Loan", "Consent Required Loan", "Direct Loan Participation", "Transferable", "Maximum Maturity", "Accelerated or Matured" and "Not Bearer"; and
 - (iv) for 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.
- (5) For purposes of the application of the Deliverable Obligation Characteristic "Maximum Maturity", remaining maturity shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the remaining maturity shall be zero.
- (6) If "Financial Reference Entity Terms" and "Governmental Intervention" are specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy a particular Obligation Characteristic or Deliverable Obligation Characteristic, the existence of any terms in the relevant obligation in effect at the time of making the determination which permit the Reference

Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention, shall not cause such obligation to fail to satisfy such Obligation Characteristic or Deliverable Obligation Characteristic.

- (7) For purposes of determining the applicability of Deliverable Obligation Characteristics and the requirements specified in the paragraphs commencing "If "Mod R" ..." and "If "Mod Mod R" ..." in Credit Linked Condition 4 to a Prior Deliverable Obligation or a Package Observable Bond, any such determination shall be made by reference to the terms of the relevant obligation in effect immediately prior to the Asset Package Credit Event.
- (8) If "Subordinated European Insurance Terms" is specified as applicable in the applicable Final Terms, if an obligation would otherwise satisfy the "Maximum Maturity" Deliverable Obligation Characteristic, the existence of any Solvency Capital Provisions in such obligation shall not cause it to fail to satisfy such Deliverable Obligation Characteristic.

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

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

Delivery Date means, with respect to a Deliverable Obligation or an Asset Package, the date such Deliverable Obligation is Delivered (or deemed to be Delivered pursuant to the definition of "Deliver" above).

Domestic Currency means the currency specified as such in the applicable Final Terms and any successor currency thereto (or if no such currency is specified, the lawful currency and any successor currency of (a) the Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the Reference Entity is organised, if the Reference Entity is not a Sovereign).

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

Downstream Affiliate means an entity whose outstanding Voting Shares were, at the date of issuance of the Qualifying Guarantee, more than 50 per cent. owned, directly or indirectly, by the Reference Entity. As used herein, **Voting Shares** shall mean those shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

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

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

Eligible Transferee means:

- (a) any
 - (i) bank or other financial institution;
 - (ii) insurance or reinsurance company;
 - (iii) mutual fund, unit trust or similar collective investment vehicle (other than an entity described in sub-paragraph (c)(i) below); and
 - (iv) registered or licensed broker or dealer (other than a natural person or proprietorship), provided, however, in each case that such entity has total assets of at least U.S.\$500 million;
- (b) an Affiliate of an entity specified in paragraph (a);
- (c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
 - (i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that (A) has total assets of at least U.S.\$100 million or (B) is one of a group of investment vehicles under common control or management having, in aggregate, total assets of at least U.S.\$100 million; or
 - (ii) that has total assets of at least U.S.\$500 million; or
 - (iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support, or other agreement by an entity described in sub-paragraphs (a), (b), (c)(i) or (d); or
- (d) any Sovereign; or
- (e) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

All references in this definition to U.S.\$ include equivalent amounts in other currencies in each case as determined by the Calculation Agent.

Entitlement means, in respect of each nominal amount of Credit Linked Notes equal to the Calculation Amount, Deliverable Obligations, as selected by the Calculation Agent, with:

- (a) in the case of Deliverable Obligations that are Borrowed Money, an Outstanding Principal Balance; or
- (b) in the case of Deliverable Obligations that are not Borrowed Money, a Due and Payable Amount,

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

Excluded Deliverable Obligation means:

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

Excluded Obligation means:

- (a) any obligation of a Reference Entity specified as such or of a type described in the applicable Final Terms;
- (b) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and (i) the relevant Reference Obligation or Prior Reference Obligation, as applicable, is a Senior Obligation, or (ii) there is no Reference Obligation or Prior Reference Obligation, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Subordinated Obligation; and
- (c) if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms and the relevant Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, then for purposes of determining whether a Governmental Intervention or Restructuring has occurred, any Further Subordinated Obligation.

Exercise Cut-off Date means either:

- (a) with respect to an M(M)R Restructuring and any Note to which paragraph (a) of the definition of Credit Event Determination Date above applies:
 - (i) if the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is five Relevant City Business Days following the date on which such Final List is published; or
 - (ii) otherwise, the date that is 14 calendar days following the relevant No Auction Announcement Date; or
- (b) with respect to a Credit Event where paragraph (a) of the definition of Credit Event Determination Date does not apply, the relevant Non-Standard Exercise Cut-off Date,

or, in each case, such other date as the relevant Credit Derivatives Determinations Committee Resolves.

Extension Date means the latest of:

- (a) the Scheduled Maturity Date (for the purposes of this definition of Extension Date, the Scheduled Termination Date);
- (b) the Grace Period Extension Date if (i) "Failure to Pay" and "Grace Period Extension" are specified as applying in the applicable Final Terms and (ii) the Potential Failure to Pay with respect to the relevant Failure to Pay occurs on or prior to the Scheduled Termination Date; and

- (c) the Repudiation/Moratorium Evaluation Date (if any) if "Repudiation/Moratorium" is specified as applicable in the applicable Final Terms, as applicable.

Failure to Pay means after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations in accordance with the terms of such Obligations at the time of such failure provided that, if an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination.

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

Final List has the meaning given in the DC Rules.

Final Price means the price of the relevant Reference Obligation(s), as the case may be, expressed as a percentage of its Outstanding Principal Balance or Due and Payable Amount, as applicable, which shall be the lesser of (i) 100 per cent. and (ii) the price determined in accordance with the Valuation Method specified in the applicable Final Terms or, where applicable, Credit Linked Condition 10. The Calculation Agent shall as soon as practicable after obtaining all Quotations for a Valuation Date, make available for inspection by Noteholders at the specified office of the Principal Agent (i) each such Quotation that it receives in connection with the calculation of the Final Price and (ii) a written computation showing its calculation of the Final Price.

Financial Transaction Type means each of Standard European Financial Corporate, Standard Australia Financial Corporate, Standard New Zealand Financial Corporate, Standard Japan Financial Corporate, Standard Singapore Financial Corporate and Standard Asia Financial Corporate as applicable.

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

Full Quotation means, in accordance with the Quotation Method each firm quotation obtained from a Quotation Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation with an Outstanding Principal Balance or Due and Payable Amount equal to the Quotation Amount.

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

Further Subordinated Obligation means, in respect of a Reference Entity, if the relevant Reference Obligation or Prior Reference Obligation, as applicable, is a Subordinated Obligation, any obligation which is Subordinated thereto.

Governmental Authority means:

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

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

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

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

Grace Period means:

- (a) subject to paragraphs (b) and (c) below, the applicable grace period with respect to payments under and in accordance with the terms of the relevant Obligation in effect as of the date as of which such Obligation is issued or incurred;

- (b) if "Grace Period Extension" is specified as applying in the applicable Final Terms, a Potential Failure to Pay has occurred on or prior to the Scheduled Maturity Date and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Maturity Date, the Grace Period will 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 in the applicable Final Terms, thirty calendar days; and
- (c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified as applying in the applicable Final Terms, such deemed Grace Period shall expire no later than the Scheduled Maturity Date.

Grace Period Business Day means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and if a place or places are not so specified (a) if the Obligation Currency is the euro, a day on which the TARGET2 System is open, or (b) otherwise, a day on which commercial banks and foreign exchange markets are generally open to settle payments in the principal financial city in the jurisdiction of the Obligation Currency.

Grace Period Extension Date means, if:

- (a) "Grace Period Extension" is specified as applying in the applicable Final Terms; and
- (b) a Potential Failure to Pay occurs on or prior to the Scheduled Maturity Date,

the date falling 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.

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

Hedging Arrangements means any underlying or related transaction(s), asset purchase(s), asset(s), trading position(s) or arrangement(s) the Issuer and/or any of its Affiliates or agents may enter into or hold from time to time (including, if applicable, on a portfolio basis) to hedge directly or indirectly and whether in whole or in part the credit or other risks or funding of the Issuer issuing and performing its obligations with respect to the Credit Linked Notes.

Hedge Disruption Event means in the opinion of the Calculation Agent any event or circumstances (including, without limitation, any delay in settlement of any Auction) as a result of which the Issuer and/or any of its Affiliates and/or its agents (a) have not received the relevant Deliverable Obligation(s) under the terms of the Hedging Arrangements and/or (b) cannot maintain, adjust, enter into or exercise rights under its Hedging Arrangements in each case in such a manner as is necessary to meet its obligations in full as these fall due solely with amounts or assets which it is entitled to receive under the Hedging Arrangements on the relevant due date(s) therefor.

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

Index means the index, if applicable, specified in the applicable Final Terms.

Index Annex means the list for the Index with the relevant Annex Date, as published by the Index Publisher (which can be accessed at <http://www.markit.com> or any successor website thereto).

Index Publisher is as specified in the applicable Final Terms.

ISDA means the International Swaps and Derivatives Association, Inc.

ISDA Physical Settlement Matrix means the Credit Derivatives Physical Settlement Matrix as published by ISDA on the Date of the Physical Settlement Matrix specified in the applicable Final Terms.

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

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

Limitation Date means the first of 20 March, 20 June, 20 September or 20 December in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the **2.5-year Limitation Date**), 5 years, 7.5 years, 10 years (the **10-year Limitation Date**), 12.5 years, 15 years, or 20 years, as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Credit Linked Business Day Convention.

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

Market Recovery Portfolio Credit Linked Notes means Portfolio Credit Linked Notes in respect of which Market Recovery is specified to apply in the applicable Final Terms.

Market Value means, with respect to the Reference Obligation on a Valuation Date:

- (a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);
- (b) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded);
- (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations;
- (d) if fewer than two Full Quotations and a Weighted Average Quotation is obtained, such Weighted Average Quotation;
- (e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained, subject as provided in the definition of Quotation, an amount the Calculation Agent shall determine on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation is obtained; and
- (f) if two or more Full Quotations or a Weighted Average Quotation are not obtained on or prior to the tenth Business Day following the applicable Valuation Date the Market Value shall be

any Full Quotation obtained from a Quotation Dealer at the Valuation Time on such tenth Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Quotation Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.

Merger Event means that at any time during the period from (and including) the Trade Date to (but excluding) the Scheduled Maturity Date, either (A) the Issuer or a Reference Entity (any such entity, the **Mergor**) consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to (i) where the Mergor is the Issuer, a Reference Entity or (ii) where the Mergor is a Reference Entity, the Issuer or (B) (i) either of the Issuer and (ii) a Reference Entity become Affiliates.

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 such amount is so specified, the lower of (a) USD1,000,000 (or its equivalent in the relevant Obligation Currency) and (b) the Quotation Amount.

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

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

Subject to the foregoing, if the Scheduled Maturity Date, is later than the 10-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Maturity Date.

In connection with the above, the final maturity date shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

Movement Option means, with respect to an M(M)R Restructuring for which a No Auction Announcement Date has occurred pursuant to paragraph (b) or (c)(ii) of the definition of No Auction Announcement Date, the option of the Issuer to apply to the Notes, for purposes of settlement, the Parallel Auction Settlement Terms, if any, for purposes of which the Permissible Deliverable Obligations are more limited than the Deliverable Obligations that could apply in respect of the Reference Transaction (provided that if more than one such set of Parallel Auction Settlement Terms are published, the Parallel Auction Settlement Terms specifying the greatest number of such Permissible Deliverable Obligations shall apply). If no Notice to Exercise Movement Option is delivered by the Issuer on or prior to the Movement Option Cut-off Date, the Notes will be settled in accordance with the Fallback Settlement Method. If a Notice to Exercise Movement Option is delivered by the Issuer on or prior to the Movement Option Cut-off Date, such event will be notified to Noteholders in accordance with Notes Condition 14.

Movement Option Cut-off Date means the date that is one Relevant City Business Day following the Exercise Cut-off Date, or such other date as the relevant Credit Derivatives Determinations Committee has Resolved.

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 Physical Settlement Amendment Notice or relevant Partial Cash Settlement Notice, as applicable, is effective.

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

- (a) no Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published;
- (b) following the occurrence of an M(M)R Restructuring no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published; or
- (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held following a prior public announcement by the DC Secretary to the contrary, in circumstances where either:
 - (i) no Parallel Auction will be held; or
 - (ii) one or more Parallel Auctions will be held.

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

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

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

Non-Standard Credit Event Determination Date means with respect to a Credit Event:

- (a) subject to paragraph (b) of this definition, the Notice Delivery Date, if the Notice Delivery Date occurs during either the Notice Delivery Period or the Post Dismissal Additional Period, provided that neither (i) a DC Credit Event Announcement has occurred nor (ii) a DC No Credit Event Announcement has occurred, in each case, with respect to the Credit Event specified in the Credit Event Notice; or
- (b) notwithstanding paragraph (a) of this definition, if a DC Credit Event Announcement has occurred and the Credit Event Resolution Request Date has occurred on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date), such date falling on or after the Credit Event Resolution Request Date as may be determined by the Calculation Agent in its sole and absolute discretion and as specified by the Calculation Agent in the Credit Event Notice.

Non-Standard Exercise Cut-off Date means, with respect to a Credit Event to which paragraph (a) of the definition of Credit Event Determination Date does not apply:

- (a) if such Credit Event is not an M(M)R Restructuring, either:
 - (i) the Relevant City Business Day prior to the Auction Final Price Determination Date, if any;
 - (ii) the Relevant City Business Day prior to the Auction Cancellation Date, if any; or

- (iii) the date that is fourteen calendar days following the No Auction Announcement Date, if any, as applicable; or
- (b) if such Credit Event is an M(M)R Restructuring and:
 - (i) the DC Secretary publishes a Final List applicable to the Transaction Auction Settlement Terms and/or Parallel Auction Settlement Terms, the date that is five Relevant City Business Days following the date on which such Final List is published; or
 - (ii) otherwise, the date that is fourteen calendar days following the relevant No Auction Announcement Date.

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

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

Notice Delivery Date means the first date on which both a Credit Event Notice and, unless "Notice of Publicly Available Information" is specified as not applicable in the applicable Final Terms, a Notice of Publicly Available Information, have been delivered by the Calculation Agent.

Notice Delivery Period means the period from and including the Trade Date to and including the date that is fifteen Business Days after the Extension Date.

Notice of Physical Settlement has the meaning given to that term in Credit Linked Condition 4.

Notice of Publicly Available Information means a notice from the Calculation Agent to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. The notice given must contain a copy or description in reasonable detail, of the relevant Publicly Available Information. If "Notice of Publicly Available Information" is specified as applicable in the applicable Final Terms and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information. A Notice of Publicly Available Information shall be subject to the requirements regarding notices in Credit Linked Condition 16.

Notice to Exercise Movement Option means, with respect to Notes for which (a) an M(M)R Restructuring applies and (b) the Fallback Settlement Method would otherwise be applicable pursuant to the Auction Settlement provisions, a notice from the Issuer to the Calculation Agent that (i) specifies the Parallel Auction Settlement Terms applicable in accordance with the definition of Movement Option and (ii) is effective on or prior to the Movement Option Cut-off Date.

Obligation means:

- (a) any obligation of the Reference Entity (either directly or as a provider of a Relevant Guarantee) determined pursuant to the method described in "Method for Determining Obligations" below; and
- (b) the Reference Obligation,

in each case unless it is an Excluded Obligation.

Method for Determining Obligations. For the purposes of paragraph (a) of this definition of Obligation, the term "Obligation" may be defined as each obligation of the 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, immediately prior to the Credit Event which is the subject of either the Credit Event Notice or the DC Credit Event Question resulting in the occurrence of the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

- (A) **Obligation Category** means Payment, Borrowed Money, Reference Obligation Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the applicable Final Terms, where:
- (1) **Payment** means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money;
 - (2) **Borrowed Money** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit);
 - (3) **Reference Obligation Only** means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligation Only;
 - (4) **Bond** means any obligation of a type included in the "Borrowed Money" Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money;
 - (5) **Loan** means any obligation of a type included in the "Borrowed Money" Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money; and
 - (6) **Bond or Loan** means any obligation that is either a Bond or a Loan.
- (B) **Obligation Characteristics** means any one or more of Not Subordinated, Credit Linked Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance specified in the applicable Final Terms, where:
- (1) (a) **Not Subordinated** means an obligation that is not Subordinated to (I) the Reference Obligation or, (II) the Prior Reference Obligation, if applicable;
 - (b) **Subordination** means, with respect to an obligation (the **Second Obligation**) and another obligation of the Reference Entity to which such obligation is being compared (the **First Obligation**), a contractual, trust or other similar arrangement providing that (I) upon the liquidation, dissolution, reorganisation or winding-up of the Reference Entity, claims of the holders of the First Obligation are required to be satisfied prior to the claims of the holders of the Second Obligation or (II) the holders of the Second Obligation will not be entitled to receive or retain principal payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in

payment arrears or is otherwise in default under the First Obligation. "Subordinated" will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, (x) the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement or security arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign and (y) in the case of the Reference Obligation or the Prior Reference Obligation, as applicable, the ranking in priority of payment shall be determined as of the date as of which it was issued or incurred (or in circumstances where the Reference Obligation or a Prior Reference Obligation is the Standard Reference Obligation and "Standard Reference Obligation" is applicable, then the priority of payment of the Reference Obligation or the Prior Reference Obligation, as applicable, shall be determined as of the date of selection) and, in each case, shall not reflect any change to such ranking in priority of payment after such date; and

- (c) **Prior Reference Obligation** means, in circumstances where there is no Reference Obligation applicable to the relevant Notes, (I) the Reference Obligation most recently applicable thereto, if any, and otherwise, (II) the obligation specified in the applicable Final Terms as the Reference Obligation, if any, if such Reference Obligation was redeemed on or prior to the Trade Date and otherwise, (III) any unsubordinated Borrowed Money obligation of the Reference Entity;
- (2) **Credit Linked Specified Currency** means an obligation that is payable in the currency or currencies specified as such in the applicable Final Terms (or, if Credit Linked Specified Currency is specified in the applicable Final Terms and no currency is so specified, any Standard Specified Currency) provided that if the euro is a Credit Linked Specified Currency, "Credit Linked Specified Currency" shall also include an obligation that was previously payable in the euro, regardless of any redenomination thereafter if such redenomination occurred as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority;
- (3) **Not Sovereign Lender** means any obligation that is not primarily owed to (A) a Sovereign or (B) any entity or organisation established by treaty or other arrangement between two or more Sovereigns including, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development, which shall include, without limitation, obligations generally referred to as "Paris Club debt";
- (4) **Not Domestic Currency** means any obligation that is payable in any currency other than applicable Domestic Currency provided that a Standard Specified Currency shall not constitute the Domestic Currency;
- (5) **Not Domestic Law** means any obligation that is not governed by applicable Domestic Law, provided that the laws of England and the laws of the State of New York shall not constitute a Domestic Law;
- (6) **Listed** means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange; and

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

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

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

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

Original Non-Standard Reference Obligation means the obligation of the Reference Entity (either directly or as provider of a guarantee) which is specified as the Reference Obligation in respect of such Reference Entity in the applicable Final Terms (if any is so specified) provided that if an obligation is not an obligation of the Reference Entity, such obligation will not constitute a valid Original Non-Standard Reference Obligation for purposes of the relevant Notes (other than for the purposes of determining the Seniority Level and for the "Not Subordinated" Obligation Characteristic or "Not Subordinated" Deliverable Obligation Characteristic) unless (a) in respect of a Series of Notes that are Exempt Notes only, this definition of "Original Non-Standard Reference Obligation" is specifically amended or overridden in the applicable Final Terms, or (b) the relevant Notes are Reference Obligation Only Notes.

Outstanding Amount has the meaning given to that term in Credit Linked Condition 4.

Outstanding Nominal Amount means the Calculation Amount, subject to reduction in accordance with Credit Linked Condition 5, subject to a minimum of zero.

Outstanding Principal Balance means the outstanding principal balance of an obligation which will be calculated as follows:

- (a) first, by determining, in respect of the obligation, the amount of the Reference Entity's principal payment obligations and, where applicable in accordance with the definition of Accrued Interest above, the Reference Entity's accrued but unpaid interest payment obligations (which, in the case of a Guarantee will be the lower of (i) the Outstanding Principal Balance (including accrued but unpaid interest, where applicable) of the Underlying Obligation (determined as if references to the Reference Entity were references to the Underlying Obligor) and (ii) the amount of the Fixed Cap, if any);
- (b) second, by subtracting all or any portion of such amount which, pursuant to the terms of the obligation, (i) is subject to any Prohibited Action, or (ii) may otherwise be reduced as a result of the effluxion of time or the occurrence or non-occurrence of an event or circumstance (other than by way of (A) payment or (B) a Permitted Contingency) (the amount determined in

accordance with paragraph (a) above less any amounts subtracted in accordance with this paragraph (b), the **Non-Contingent Amount**); and

- (c) third, by determining the Quantum of the Claim, which shall then constitute the Outstanding Principal Balance,

in each case, determined:

- (i) unless otherwise specified, in accordance with the terms of the obligation in effect on either (A) such date as the Calculation Agent determines appropriate taking into account the Hedging Arrangements, or (B) the relevant Valuation Date; and
- (ii) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

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

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

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

Parallel Auction Settlement Terms means, following the occurrence of an M(M)R Restructuring, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such M(M)R Restructuring, and for which (i) the Deliverable Obligation Terms are the same as the Reference Transaction and (ii) the Reference Transaction would not be an Auction Covered Transaction provided that if no such Credit Derivatives Auction Settlement Terms are published, the Calculation Agent may select in its sole discretion the applicable Credit Derivatives Auction Settlement Terms.

Parallel Notice of Physical Settlement Date means "Notice of Physical Settlement Date" as defined in the relevant Parallel Auction Settlement Terms.

Payment Requirement means the amount specified as such in the applicable Final Terms or its equivalent in the relevant Obligation Currency or, if no such amount is specified in the applicable Final Terms, USD1,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

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

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

- (a) as a result of the application of:

- (i) any provisions allowing a transfer, pursuant to which another party may assume all of the payment obligations of the Reference Entity;
 - (ii) provisions implementing the Subordination of the obligation;
 - (iii) provisions allowing for a Permitted Transfer in the case of a Qualifying Guarantee (or provisions allowing for the release of the Reference Entity from its payment obligations in the case of any other Guarantee);
 - (iv) if "Subordinated European Insurance Terms" are specified as applicable in the applicable Final Terms, any Solvency Capital Provisions;
 - (v) if "Limited Recourse Terms" are specified as applicable in the applicable Final Terms, provisions which (A) limit recourse in respect of the obligation to the proceeds of specified assets or the proceeds resulting from the enforcement of security or collateral arrangements and/or (B) extinguish any obligation that remains outstanding following the disposal of specified assets and/or the enforcement of the security or collateral arrangements and in each case the application of the resulting proceeds (and in this case, then for the purpose of determining whether such obligation is an Obligation or a Deliverable Obligation such obligation is deemed to satisfy "Not Subordinated"); or
 - (vi) if "Financial Reference Entity Terms" are specified as applicable in the applicable Final Terms, provisions which permit the Reference Entity's obligations to be altered, discharged, released or suspended in circumstances which would constitute a Governmental Intervention; or
- (b) which is within the control of the holders of the obligation or a third party acting on their behalf (such as an agent or trustee) in exercising their rights under or in respect of such obligation.

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

Physical Settlement Amendment Notice has the meaning given to that term in Credit Linked Condition 4.

Physical Settlement Period means, subject to Credit Linked Condition 11, 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 comprising the Entitlement, the longest number of Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the Calculation Agent provided that if the Issuer has notified the Noteholders in accordance with Credit Linked Condition 4 that it will Deliver an Asset Package in lieu of a Prior Deliverable Obligation or a Package Observable Bond, the Physical Settlement Period shall be 35 Business Days.

Portfolio Credit Linked Notes means any Credit Linked Note where Portfolio Credit Linked Notes is specified as applicable in the applicable Final Terms.

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

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

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

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

Prior Deliverable Obligation means:

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

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

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

PSN Cut-off Date means subject, where applicable, to Credit Linked Condition 11 the later of:

- 1. (a) subject to paragraph (b) below, the later of:
 - (i) the thirtieth calendar day after the Credit Event Determination Date; and
 - (ii) the tenth calendar day after either the date of the relevant DC Credit Event Announcement or of the relevant DC Credit Event Question Dismissal, if any (or, if the relevant Credit Event is an M(M)R Restructuring, the tenth calendar day after the Non-Standard Exercise Cut-off Date); or
- (b) if, in accordance with the terms of Credit Linked Condition 2, Credit Linked Condition 2B applies as a result of the occurrence of (a) an Auction Cancellation Date or (b) a No Auction Announcement Date and:

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

provided that in the case of paragraphs (ii) and (b) above, the relevant Credit Event Resolution Request Date, if any, occurred on or prior to the date described in paragraph (i) above, and

- 2. the 115th Business Day following the relevant Credit Event Determination Date or such earlier day as the Issuer may select taking into account the Hedging Arrangements.

PSN Effective Date means the date on which a Calculation Agent Physical Settlement Notice or Calculation Agent Physical Settlement Amendment Notice, as the case may be, is delivered to the Issuer.

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

Publicly Available Information means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or a Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice have occurred and which:

- (a) has been published in or on not less than the Specified Number of Public Sources (regardless of whether the reader or user thereof pays a fee to obtain such information); or
- (b) is information received from or published by (i) the Reference Entity (or, if the Reference Entity is a Sovereign, any agency, instrumentality, ministry, department or other authority thereof acting in a governmental capacity (including, without limiting the foregoing, the central bank) of such Sovereign) or (ii) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; or
- (c) is information contained in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body,

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

In relation to any information of the type described in paragraphs (b) or (c) above, the Calculation Agent may assume that such information has been disclosed to it without violating any law, agreement, understanding or other restriction regarding the confidentiality of such information and that the entity disclosing such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to the party receiving such information.

Without limitation, Publicly Available Information need not state:

- (i) in relation to the definition of "Downstream Affiliate", the percentage of Voting Shares owned by the Reference Entity; and
- (ii) that the relevant 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.

In relation to a Repudiation/Moratorium Credit Event, Publicly Available Information must relate to the events described in paragraphs (a) and (b) of the definition of Repudiation/Moratorium below.

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

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

A Qualifying Guarantee shall not include any guarantee:

- (a) which is structured as a surety bond, financial guarantee insurance policy or letter of credit (or any legal arrangement which is equivalent thereto in form); or
- (b) pursuant to the terms applicable thereto, the principal payment obligations of the Reference Entity can be discharged, released, reduced, assigned or otherwise altered as a result of the occurrence or non-occurrence of an event or circumstance, in each case, other than:
 - (i) by payment;
 - (ii) by way of Permitted Transfer;
 - (iii) by operation of law;
 - (iv) due to the existence of a Fixed Cap; or
 - (v) due to:
 - (A) provisions permitting or anticipating a Governmental Intervention, if "Financial Reference Entity Terms" is specified as applicable in the applicable Final Terms; or
 - (B) any Solvency Capital Provisions, if "Subordinated European Insurance Terms" is specified as applicable in the applicable Final Terms.

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

In order for a guarantee to constitute a Qualifying Guarantee:

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

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.

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

Quotation means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage of the Outstanding Principal Balance or Due and Payable Amount, as applicable, of the Reference Obligation with respect to a Valuation Date in the manner that follows:

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

Quotation Amount means the amount specified as such in the applicable Final Terms (which may be specified by reference to an amount in a currency or by reference to "Representative Amount") or, if no amount is specified in the applicable Final Terms, the amount selected by the Calculation Agent in respect of each Reference Obligation or Deliverable Obligation selected by the Calculation Agent provided that the aggregate of all such amounts (or the equivalents of such amounts in the Specified Currency converted by the Calculation Agent by reference to exchange rates at or about the relevant Valuation Date) shall not exceed the aggregate Nominal Amount of the Notes, or in the case of Portfolio Credit Linked Notes, the aggregate Nominal Amount of the Notes multiplied by the relevant Weighting in respect of the applicable Reference Entity, on or about the relevant Valuation Date.

Quotation Dealer means a dealer in obligations of the type of Obligation(s) for which Quotations are to be obtained including each Quotation Dealer specified in the applicable Final Terms. If no Quotation Dealers are specified in the applicable Final Terms, the Calculation Agent shall select the Quotation Dealers. Upon a Quotation Dealer no longer being in existence (with no successors), or not being an active dealer in the obligations of the type for which Quotations are to be obtained, the Calculation Agent may substitute any other Quotation Dealer(s) for such Quotation Dealer(s).

Quotation Method means the applicable Quotation Method specified in the applicable Final Terms by reference to one of the following terms:

- (a) **Bid** means that only bid quotations shall be requested from Quotation Dealers;
- (b) **Offer** means that only offer quotations shall be requested from Quotation Dealers; or

- (c) **Mid-market** means that bid and offer quotations shall be requested from Quotation Dealers and shall be averaged for purposes of determining a relevant Quotation Dealer's quotation.

If a Quotation Method is not specified in the applicable Final Terms, Bid shall apply.

Reference Entity means the entity specified as such in the applicable Final Terms. Any Successor to the Reference Entity either (a) identified pursuant to the definition of "Successor" on or following the Trade Date or (b) identified pursuant to a DC Resolution in respect of a Successor Resolution Request Date and publicly announced by the DC Secretary on or following the Trade Date shall, in each case, with effect from the Succession Date, be the Reference Entity for the purposes of the relevant Series.

Reference Entity Nominal Amount in the case of Portfolio Credit Linked Notes at any time means the product of the then applicable aggregate Nominal Amount of the Notes and the relevant Weighting for such Reference Entity.

Reference Obligation means the Standard Reference Obligation, if any, unless:

- (a) "Standard Reference Obligation" is specified as not applicable in the applicable Final Terms, in which case the Reference Obligation will be the Non-Standard Reference Obligation, if any; or
- (b) (i) "Standard Reference Obligation" is specified as applicable in the applicable Final Terms (or no election is specified in the applicable Final Terms), (ii) there is no Standard Reference Obligation and (iii) a Non-Standard Reference Obligation is specified in the applicable Final Terms, in which case the Reference Obligation will be (A) the Non-Standard Reference Obligation to but excluding the first date of publication of the Standard Reference Obligation and (B) the Standard Reference Obligation from such date onwards, provided that the Standard Reference Obligation that is published would have been eligible to be selected as a Substitute Reference Obligation.

If the Standard Reference Obligation is removed from the SRO List, such obligation shall cease to be the Reference Obligation and the Calculation Agent will select as a substitute Reference Obligation any Deliverable Obligation with the same level of seniority as the relevant Seniority Level. In addition, (i) the Calculation Agent may replace the Reference Obligation with any further Deliverable Obligation with the same level of seniority as the relevant Seniority Level from time to time and (ii) if a new obligation is placed on the SRO List, in respect of the relevant Reference Entity, then the Calculation Agent may, but is not obliged to, select the new Standard Reference Obligation in respect of the Reference Entity as the Reference Obligation. The provisions of this definition may be applied by the Calculation Agent on more than one occasion and are without prejudice to the right of the Calculation Agent to determine a Substitute Reference Obligation.

Reference Obligation Only Notes means any Notes in respect of which (a) "Reference Obligation Only" is specified as the Obligation Category and, if applicable, the Deliverable Obligation Category in the applicable Final Terms and (b) "Standard Reference Obligation" is specified as not applicable in the applicable Final Terms.

Reference Transaction means a hypothetical credit derivative transaction:

- (a) for which the Deliverable Obligation Terms, the Reference Obligation and the Reference Entity are (i) the same as in respect of the Notes (if Deliverable Obligation Terms and a Reference Obligation are specified in the applicable Final Terms) or (ii) if and to the extent Deliverable Obligation Terms and/or a Reference Obligation are not so specified, the Deliverable Obligation Terms and Reference Obligation determined by the Calculation Agent to be appropriate in respect of a credit derivative transaction linked to the relevant Reference Entity;

- (b) with a scheduled termination date matching the Scheduled Maturity of the Notes; and
- (c) otherwise having such other characteristics as the Calculation Agent may determine appropriate by reference to, without limitation, the Hedging Arrangements and/or any credit derivative elections made in relation to the Notes.

Relevant City Business Day has the meaning given in the DC Rules.

Relevant Guarantee means a Qualifying Affiliate Guarantee or, if "All Guarantees" is specified as applicable in the applicable Final Terms, a Qualifying Guarantee.

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

Relevant Final Price means (1) the Auction Final Price or (2) if any of the circumstances set out in items (i)-(v) (inclusive) of Credit Linked Condition 2 occurs or exists, the Final Price determined as if Credit Linked Condition 3 applied.

Relevant Obligations means the Obligations of the Reference Entity which fall within the Obligation Category "Bond or Loan" and which are outstanding immediately prior to the Succession Date (or, if there is a Steps Plan, immediately prior to the legally effective date of the first succession), provided that:

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

Replaced Deliverable Obligation Outstanding Amount has the meaning given to that term in Credit Linked Condition 4.

Replacement Deliverable Obligation has the meaning given to that term in Credit Linked Condition 4.

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

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

- (a) an authorised officer of the Reference Entity or a Governmental Authority:
 - (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
- (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

Repudiation/Moratorium Evaluation Date means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Maturity Date (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 Scheduled Maturity Date, unless the Repudiation/Moratorium Extension Condition is satisfied.

Repudiation/Moratorium Extension Condition will be satisfied:

- (i) if the DC Secretary publicly announces, pursuant to a valid request that was delivered and effectively received on or prior to the date that is 14 calendar days after the Scheduled Maturity Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity and that such event occurred on or prior to the Scheduled Maturity Date; or
- (ii) otherwise, by the delivery by the Calculation Agent to the Issuer of a Repudiation/Moratorium Extension Notice and, unless "Notice of Publicly Available Information" is specified as not applicable in the applicable Final Terms, a Notice of Publicly Available Information that are each effective on or prior to the date that is fourteen calendar days after the Scheduled Maturity Date.

In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or not capable of being satisfied, if, or to the extent that, the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that either (A) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the Reference Entity, or (B) an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the Reference Entity but that such event occurred after the Scheduled Maturity Date.

Repudiation/Moratorium Extension Notice means a notice from the Calculation Agent to the Issuer (which the Calculation Agent has the right but not the obligation to deliver) that describes a Potential

Repudiation/Moratorium that occurred on or prior to the Scheduled Maturity Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

Resolve has the meaning set out in the DC Rules, and **Resolved** and **Resolves** shall be construed accordingly.

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

Restructuring means, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all the holders of the Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation (including, in each case, in respect of Bonds only, by way of an exchange), and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date applicable to the relevant Notes and the date as of which such Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals (including by way of redenomination);
- (ii) a reduction in the amount of principal or premium payable at redemption (including by way of redenomination);
- (iii) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest, or (B) the payment of principal or premium;
- (iv) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
- (v) any change in the currency of any payment of interest, principal or premium to any currency other than the lawful currency of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies (which in the case of the euro, shall mean the currency which succeeds to and replaces the euro in whole).

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

- (a) the payment in euro of interest, principal or premium in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
- (b) the redenomination from euros into another currency, if (i) the redenomination occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority and (ii) a freely available market rate of conversion between euros and such other currency existed at the time of such redenomination and there is no reduction in the rate or amount of interest, principal or premium payable, as determined by reference to such freely available market rate of conversion;

- (c) the occurrence of, agreement to or announcement of any of the events described in (i) to (v) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
- (d) the occurrence of, agreement to or announcement of any of the events described in (i) to (v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity, provided that in respect of paragraph (v) above only, no such deterioration in the creditworthiness or financial condition of the Reference Entity is required where the redenomination is from euros into another currency and occurs as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.

For purposes of this definition of Restructuring and Credit Linked Condition 15, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Guarantee. In the case of a Guarantee and an Underlying Obligation, references to the Reference Entity in paragraphs (i) to (v) of this definition of Restructuring shall be deemed to refer to the Underlying Obligor and the references to the Reference Entity in paragraphs (a) to (d) of this definition of Restructuring shall continue to be deemed to refer to the Reference Entity.

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

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

Restructuring Maturity Limitation Date means with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Maturity Date. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5 year Limitation Date (such Restructured Bond or Loan, a Latest Maturity Restructured Bond or Loan) and the Scheduled Maturity Date occurs prior to the final maturity date of such Latest Maturity Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan. For these purposes, the final maturity date shall be determined on the basis of the terms of the Deliverable Obligation in effect at the time of making such determination and, in the case of a Deliverable Obligation that is due and payable, the final maturity date shall be deemed to be the date on which such determination is made.

Revised Currency Rate means, with respect to a Replacement Deliverable Obligation specified in a Physical Settlement Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time or (b) if such rate is not available at such time, by the Calculation Agent.

Seniority Level means, with respect to an obligation of the Reference Entity:

- (a) "Senior Level" or "Subordinated Level" as specified in the applicable Final Terms; or
- (b) if no such seniority level is specified in the applicable Final Terms, "Senior Level" if the Original Non-Standard Reference Obligation is a Senior Obligation or "Subordinated Level" if the Original Non-Standard Reference Obligation is a Subordinated Obligation, failing which;

(c) "Senior Level".

Senior Obligation means any obligation which is not Subordinated to any unsubordinated Borrowed Money obligation of the relevant Reference Entity.

Settlement Currency means the currency specified as such in the applicable Final Terms, or if no currency is specified in the applicable Final Terms, the Specified Currency of the Notes.

Settlement Method means, if (a) Auction Settlement is specified as the applicable Settlement Method in the applicable Final Terms or if no Settlement Method is specified in the applicable Final Terms, Auction Settlement, (b) Cash Settlement is specified as the applicable Settlement Method in the applicable Final Terms, Cash Settlement, or (c) Physical Delivery is specified as the applicable Settlement Method in the applicable Final Terms, Physical Delivery.

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

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

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

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

Specified Number means the number of Public Source(s) specified in the applicable Final Terms, or if no such number is specified in the applicable Final Terms, two.

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

Standard Reference Obligation means the obligation of the Reference Entity with the relevant Seniority Level which is specified from time to time on the SRO List.

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

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

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

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

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

- II. is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of Deliverable Obligation above; or if no such obligation is available,
 - III. is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,
 - IV. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of Deliverable Obligation above; or
- (C) if the Non-Standard Reference Obligation was a Loan which was a Non-Conforming Reference Obligation when incurred and/or immediately prior to the Substitution Event Date:
- I. is a Non-Conforming Substitute Reference Obligation which is a Loan (other than a Private-side Loan); or if no such obligation is available,
 - II. is a Non-Conforming Substitute Reference Obligation (other than a Loan); or if no such obligation is available,
 - III. is a Deliverable Obligation (other than a Loan) determined in accordance with paragraph (a) of the definition of Deliverable Obligation above; or if no such obligation is available,
 - IV. is a Loan (other than a Private-side Loan) which constitutes a Deliverable Obligation determined in accordance with paragraph (a) of the definition of Deliverable Obligation above.
- (d) If more than one potential Substitute Reference Obligation is identified pursuant to the process described in paragraph (c) above, the Substitute Reference Obligation will be the potential Substitute Reference Obligation that most closely preserves the economic equivalent of the delivery and payment obligations of the Issuer under the Notes as determined by the Calculation Agent. The Calculation Agent will notify the Noteholders in accordance with Notes Condition 14 of the Substitute Reference Obligation as soon as reasonably practicable after it has been identified in accordance with paragraph (c) above and the Substitute Reference Obligation shall replace the Non-Standard Reference Obligation.
- (e) If a Substitution Event has occurred with respect to the Non-Standard Reference Obligation and the Calculation Agent determines that no Substitute Reference Obligation is available for the Non-Standard Reference Obligation then, subject to paragraph (a) above and notwithstanding the fact that the Non-Standard Reference Obligation may have ceased to be the Reference Obligation in accordance with paragraph (b) above, the Calculation Agent shall continue to attempt to identify the Substitute Reference Obligation until the Extension Date although the Calculation Agent is not obliged to select a Substitute Reference Obligation at any time. If (A) either (i) Cash Settlement is specified as the Settlement Method in the applicable Final Terms (or is applicable pursuant to the Fallback Settlement Method) and the Credit Event Redemption Amount is determined by reference to a Reference Obligation or (ii) either Auction Settlement or Physical Delivery is specified as the Settlement Method in the applicable Final Terms (or, in the case of Physical Delivery, is applicable pursuant to the Fallback Settlement Method) and, in each case, the Reference Obligation is the only Deliverable Obligation and (B) on or prior to the Extension Date, a Substitute Reference Obligation has not been identified, then the Issuer shall have the right on or after the Extension

Date to redeem the Notes at the Early Redemption Amount (determined by the Calculation Agent taking into account the creditworthiness of the Reference Entity at the time of the early redemption) by notice to Noteholders in accordance with Notes Condition 14, such payment to be made as specified in such notice. Such notice shall contain details of the procedures and due date for such early redemption.

- (f) For the avoidance of doubt, no Substitute Reference Obligation shall be determined in respect of any Credit Linked Notes that are Reference Obligation Only Notes.

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

Substitution Event means, with respect to the Non-Standard Reference Obligation:

- (a) the Non-Standard Reference Obligation is redeemed in whole; or
- (b) provided that the Credit Linked Notes to which the Non-Standard Reference Obligation relates are not Reference Obligation Only Notes:
- (i) the aggregate amounts due under the Non-Standard Reference Obligation have been reduced by redemption or otherwise below USD 10,000,000 (or its equivalent in the relevant Obligation Currency, as determined by the Calculation Agent); or
- (ii) for any reason, other than due to the existence or occurrence of a Credit Event, the Non-Standard Reference Obligation is no longer an obligation of the Reference Entity (either directly or as provider of a guarantee).

For purposes of identification of the Non-Standard Reference Obligation, any change in the Non-Standard Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, constitute a Substitution Event. If an event described in paragraphs (a) or (b)(i) above has occurred on or prior to the Trade Date, then a Substitution Event shall be deemed to have occurred pursuant to paragraphs (a) or (b)(i) above as the case may be, on the Trade Date.

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

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

Successor means:

- (a) subject to paragraph (b) below, the entity or entities, if any, determined as follows:
- (i) subject to paragraph (vii) below, if one entity succeeds, either directly or as a provider of a Relevant Guarantee, to 75 per cent. or more of the Relevant Obligations of the Reference Entity, that entity will be the sole Successor;
- (ii) if only one entity succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. (but less than 75 per cent.) of the Relevant Obligations of

the Reference Entity, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than 25 per cent. of the Relevant Obligations will be the sole Successor;

- (iii) if more than one entity each succeeds, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. of the Relevant Obligations of the Reference Entity, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entities that succeed to more than 25 per cent. of the Relevant Obligations will each be a Successor and these Terms and Conditions and/or the applicable Final Terms will be adjusted as provided below;
 - (iv) if one or more entities each succeed, either directly or as a provider of a Relevant Guarantee, to more than 25 per cent. of the Relevant Obligations of the Reference Entity, and more than 25 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 and these Terms and Conditions and/or the applicable Final Terms will be adjusted as provided below;
 - (v) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor and the Reference Entity will not be changed in any way as a result of such succession;
 - (vi) if one or more entities succeed, either directly or as a provider of a Relevant Guarantee, to a portion of the Relevant Obligations of the Reference Entity, but no entity succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity ceases to exist, the entity which succeeds to the greatest percentage of Relevant Obligations will be the Successor (provided that if two or more entities succeed to an equal percentage of Relevant Obligations, each such entity will be a Successor and these Terms and Conditions and/or the applicable Final Terms will be adjusted as provided below); and
 - (vii) in respect of a Reference Entity which is not a Sovereign, if one entity assumes all of the obligations (including at least one Relevant Obligation) of the Reference Entity, and at the time of the determination either (A) the Reference Entity has ceased to exist, or (B) the Reference Entity is in the process of being dissolved (howsoever described) and the Reference Entity has not issued or incurred any Borrowed Money obligation at any time since the legally effective date of the assumption, such entity (the Universal Successor) will be the sole Successor; and
- (b) An entity may only be a Successor if:
- (i) either (A) the related Succession Date occurs on or after the Successor Backstop Date, or (B) such entity is a Universal Successor in respect of which the Succession Date occurred on or after 1 January 2014;
 - (ii) the Reference Entity had at least one Relevant Obligation outstanding immediately prior to the Succession Date and such entity succeeds to all or part of at least one Relevant Obligation of the Reference Entity; and
 - (iii) where the Reference Entity is a Sovereign, such entity succeeded to the Relevant Obligations by way of a Sovereign Succession Event.

The Calculation Agent will be responsible for determining, as soon as reasonably practicable after delivery of a Successor Notice and with effect from the Succession Date, any Successor or Successors under paragraph (a) above, provided that the Calculation Agent will not make any such determination if, at the time of determination, the DC Secretary has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that there is no Successor based on the relevant succession to Relevant Obligations.

The Calculation Agent will make all calculations and determinations required to be made under this definition of Successor on the basis of Eligible Information and will, as soon as practicable after such calculation or determination, make such calculation or determination available for inspection by Noteholders at the specified office of the Principal Agent. In calculating the percentages used to determine whether an entity qualifies as a Successor under paragraph (a) above, if there is a Steps Plan, the Calculation Agent shall consider all related successions in respect of such Steps Plan in aggregate as if forming part of a single succession.

Where pursuant to paragraph (a)(iii), (a)(iv), (a)(vi) or (b) above, more than one Successor has been identified, the Calculation Agent shall adjust such of these Terms and Conditions and/or the applicable Final Terms as it shall determine to be appropriate to reflect that the Reference Entity has been succeeded by more than one Successor and shall determine the effective date of that adjustment. The Calculation Agent shall be deemed to be acting in a commercially reasonable manner if it adjusts such of these Terms and Conditions and/or the applicable Final Terms in such a manner as to reflect the adjustment to and/or division of any credit derivative transaction(s) related to or underlying the Notes under the provisions of the 2014 ISDA Credit Derivatives Definitions.

Upon the Calculation Agent making such adjustment and notifying the Issuer of such adjustment, the Issuer shall give notice as soon as practicable to Noteholders in accordance with Notes Condition 14 stating the adjustment to these Terms and Conditions and/or the applicable Final Terms and giving brief details of the relevant Successor event.

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

For the purposes of this definition of "Successor", "succeed" means, with respect to the Reference Entity and its Relevant Obligations, that an entity other than the Reference Entity (i) assumes or becomes liable for such Relevant Obligations whether by operation of law or pursuant to any agreement (including, with respect to a Reference Entity that is a Sovereign, any protocol, treaty, convention, accord, concord, entente, pact or other agreement), or (ii) issues Bonds or incurs Loans (the **Exchange Bonds** or **Loans**) that are exchanged for Relevant Obligations, and in either case the Reference Entity is not thereafter a direct obligor or a provider of a Relevant Guarantee with respect to such Relevant Obligations or such Exchange Bonds or Loans, as applicable. For purposes of this definition of "Successor", "succeeded" and "succession" shall be construed accordingly. In the case of an exchange offer, the determinations required pursuant to paragraph (a) of this definition of "Successor" shall be made on the basis of the outstanding principal balance of Relevant Obligations exchanged and not on the basis of the outstanding principal balance of the Exchange Bonds or Loans.

Successor Backstop Date means for purposes of any Successor determination determined by DC Resolution, the date that is ninety calendar days prior to the Successor Resolution Request Date otherwise, the date that is ninety calendar days prior to the earlier of (i) the date on which the Successor

Notice is effective and (ii) in circumstances where (A) a Successor Resolution Request Date has occurred, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination and (C) the Successor Notice is delivered not more than fourteen calendar days after the day on which the DC Secretary publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to make a Successor determination, the Successor Resolution Request Date. The Successor Backstop Date shall not be subject to adjustment in accordance with any Credit Linked Business Day Convention.

Successor Notice means a notice from the Calculation Agent to the Issuer that describes a succession (or, in relation to a Reference Entity that is a Sovereign, a Sovereign Succession Event) in respect of which a Succession Date has occurred and pursuant to which one or more Successors to the Reference Entity can be determined.

A Successor Notice must contain a description in reasonable detail of the facts relevant to the determination to be made pursuant to paragraph (a) of the definition of Successor above.

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

Trade Date means the date specified as such in the applicable Final Terms.

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

Transaction Type means, in respect of a Reference Entity, the Transaction Type specified in respect of such Reference Entity in the applicable Final Terms.

Undeliverable Obligation means a Deliverable Obligation included in the Entitlement which, on the Credit Settlement Date for such Deliverable Obligation, the Calculation Agent determines for any reason (including without limitation, failure of the relevant clearance system or due to any law, regulation, court order, contractual restrictions, statutory restrictions or market conditions but excluding the non-receipt of any requisite consents with respect to the Delivery of Loans or non-delivery of an Asset Transfer Notice or any information by a Holder) it is impossible or illegal to Deliver on the Credit Settlement Date.

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

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

Unwind Costs means the amount specified in the applicable Final Terms or if "Standard Associated Costs" are specified in the applicable Final Terms, any Associated Costs as defined in Credit Linked Condition 13 in respect of the Notes. Notwithstanding this definition, if Unwind Costs are specified as Not Applicable in the applicable Final Terms then for purposes of the Credit Linked Conditions Unwind Costs will be deemed to be zero.

Valuation Date means, subject to Credit Linked Condition 11:

- (a) where Physical Delivery is specified as applying in the applicable Final Terms, the day falling two Business Days after the Final Delivery Date (as such term is defined in the Physical Delivery Notes Conditions) or such other earlier date determined by the Calculation Agent by reference to the Hedging Arrangements (if any), or, otherwise;
- (b)
 - (i) if "Single Valuation Date" is specified in the applicable Final Terms and subject to Credit Linked Condition 11, a date selected by the Calculation Agent in its sole discretion falling in the period from and including the Credit Event Determination Date (or if the Credit Event Determination Date occurs pursuant to paragraph (a)(ii) of the definition of Credit Event Determination Date above, the day on which the DC Credit Event Announcement occurs) to and including the day falling the number of Business Days specified in the Final Terms (or, if the number of Business Days is not so specified, ninety Business Days) after such date (or, if "Cash Settlement" is applicable pursuant to the Fallback Settlement Method, in accordance with paragraphs (i) or (ii) of Credit Linked Condition 2 above, a date selected by the Calculation Agent in its sole discretion falling in the period from and including the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable, to and including the day falling the number of Business Days specified in the Final Terms (or, if the number of Business Days is not so specified, ninety Business Days) after such date); and
 - (ii) if "Multiple Valuation Dates" is specified in the applicable Final Terms, each of the following dates:
 - (A) subject to Credit Linked Condition 11, a date selected by the Calculation Agent in its sole discretion falling in the period from and including the Credit Event Determination Date (or if the Credit Event Determination Date occurs pursuant to paragraph (a)(ii) of the definition of Credit Event Determination Date above, the day on which the DC Credit Event Announcement occurs) to and including the day falling the number of Business Days specified in the Final Terms (or, if the number of Business Days is not so specified, ninety Business Days) after such date (or if Cash Settlement is the applicable Fallback Settlement Method, in accordance with paragraphs (i) or (ii) of Credit Linked Condition 2 above, a date selected by the Calculation Agent in its sole discretion falling in the period from and including the Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable to and including the day falling the number of Business Days specified in the Final Terms (or, if the number of Business Days is not so specified, ninety Business Days) after such date); and
 - (B) each successive date that is the number of Business Days specified in the applicable Final Terms (or, if the number of Business Days is not so specified, five Business Days) after the date on which the Calculation Agent obtains a Market Value with respect to the immediately preceding Valuation Date.

When "Multiple Valuation Dates" is specified in the applicable Final Terms, the total number of Valuation Dates shall be equal to the number of Valuation Dates specified in the applicable Final Terms (or, if the number of Valuation Dates is not so specified, five Valuation Dates).

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

Valuation Method:

- (a) The following Valuation Methods may be specified in the applicable Final Terms with only one Valuation Date:
 - (i) **Market** means the Market Value determined by the Calculation Agent with respect to the Valuation Date;
 - (ii) **Highest** means the highest Quotation obtained by the Calculation Agent with respect to the Valuation Date; or
 - (iii) **Weighted Highest** means the weighted arithmetic mean of the highest Quotations obtained for each relevant Valuation Obligation provided that if "Weighted Highest" is specified in the applicable Final Terms and only one Valuation Obligation is selected by the Calculation Agent pursuant to Credit Linked Condition 3 for the purposes of valuation, the relevant Valuation Method shall be deemed to be "Highest".

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 with more than one Valuation Date:
 - (i) **Average Market** means the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to each Valuation Date; or
 - (ii) **Highest** means the highest Quotation obtained by the Calculation Agent with respect to any Valuation Date; or
 - (iii) **Average Highest** means the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent with respect to each Valuation Date.

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

- (c) Notwithstanding paragraphs (a) and (b) above, if Quotations include Weighted Average Quotations or fewer than two Full Quotations, the Valuation Method shall be Market or Average Market, as the case may be.
- (d) Where applicable, the applicable Final Terms may specify an alternative Valuation Method which shall be applicable in respect of the relevant Notes.

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

Weighting means, in respect of each Reference Entity the relevant Weighting Percentage as set out in the applicable Final Terms or otherwise the relevant percentage set out in the Index, provided that if a Successor is identified in respect of a Reference Entity the Weightings of all affected Reference

Entities will be subject to adjustment by the Calculation Agent as provided in the definition of "Successor". If a Successor is identified in relation to a Reference Entity which results in more than one Successor, the Weighting in respect of such Reference Entity will be *pro-rated* amongst each of the Successors.

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

Weighting Percentage means, with respect to a Reference Entity, the relevant Weighting Percentage as set out in the applicable Final Terms or otherwise the relevant percentage set out in the Index.

Zero Recovery Portfolio Credit Linked Notes means Portfolio Credit Linked Notes in respect of which Zero Recovery is specified to apply in the applicable Final Terms.

14. **Credit Event Notice after Restructuring Credit Event**

If this Credit Linked Condition 14 is specified as applicable in the applicable Final Terms, then, notwithstanding anything to the contrary in these Credit Linked Conditions, upon the occurrence of an M(M)R Restructuring:

- (i) The Calculation Agent may deliver multiple Credit Event Notices in respect of such M(M)R Restructuring, each such Credit Event Notice setting forth an amount (the **Partial Redemption Amount**) that may be less than the aggregate Nominal Amount of the Notes or, in the case of Portfolio Credit Linked Notes, the Reference Entity Nominal Amount outstanding immediately prior to the delivery of such Credit Event Notice. In such circumstances the Credit Linked Conditions and related provisions shall be deemed to apply to the Partial Redemption Amount only and, other than in respect of Portfolio Credit Linked Notes, each such Note shall be redeemed in part (such redeemed part being equal to the Partial Redemption Amount). In the case of Portfolio Credit Linked Notes, the relevant Credit Event Reduction Amount will be adjusted by multiplying the amount determined pursuant to the definition thereof by a fraction equal to (i) the relevant Partial Redemption Amount (as numerator) and (ii) the Reference Entity Nominal Amount (as denominator).
- (ii) For the avoidance of doubt (A), other than in respect of Portfolio Credit Linked Notes, the nominal amount of each such Note not so redeemed in part shall remain outstanding and interest shall accrue on the nominal amount outstanding of such Note as provided in Notes Condition 4 (adjusted in such manner as the Calculation Agent determines to be appropriate), (B) the Credit Linked Conditions and related provisions shall apply to such nominal amount outstanding of such Note (or, in the case of Portfolio Credit Linked Notes) to the outstanding Notes in the event that subsequent Credit Event Notices are delivered in respect of the Reference Entity that was the subject of the Restructuring Credit Event and (C) if, following a Restructuring Credit Event, different Credit Event Determination Dates have been determined with respect to different portions of amounts payable or deliverable to Noteholders under the relevant Series, the Calculation Agent will (x) determine such adjustment(s) to these Terms and Conditions as may be required to achieve as far as practicable the same economic effect as if each such portion was a separate series or otherwise reflect or account for the effect of the above provisions of this Credit Linked Condition 14 the effective date of such adjustment(s).

- (iii) If the provisions of this Credit Linked Condition 14 apply in respect of the Notes, on redemption of part of each such Note the relevant Note or, if the Notes are represented by a Global Note, such Global Note, shall be endorsed to reflect such part redemption.

15. Provisions relating to Multiple Holder Obligation

Unless this Credit Linked Condition 15 is specified as not applicable in the applicable Final Terms, then, notwithstanding anything to the contrary in the definition of Restructuring and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub-paragraphs (i) to (v) of the definition of **Restructuring** shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation.

Multiple Holder Obligation means an Obligation that (i) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other and (ii) (A) is a Bond and/or (B) is an Obligation 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.

16. Determinations and Notices

(a) Determinations and interpretation

The Calculation Agent will determine the day on which an event occurs for purposes of these Credit Linked Conditions on the basis that the demarcation of days shall be made by reference to Greenwich Mean Time (or, if the Reference Entity has a material connection to Japan for these purposes, Tokyo time), irrespective of the time zone in which such event occurred. Any event occurring at midnight shall be deemed to have occurred immediately prior to midnight.

In addition, if a payment is not made by the Reference Entity on its due date or, as the case may be, on the final day of the relevant Grace Period, then such failure to make a payment shall be deemed to have occurred on such day prior to midnight Greenwich Mean Time (or, if the Reference Entity has a material connection to Japan for these purposes, Tokyo time), irrespective of the time zone of its place of payment.

(b) Notices

Any notice to be delivered by the Calculation Agent to the Issuer pursuant to these Credit Linked Conditions may be given in writing (including by facsimile and/or email) and will be effective when given. Any notice required to be sent or delivered by the Issuer may be sent or delivered on behalf of the Issuer by any of the Issuer's Affiliates and/or service providers, and any determination or exercise of a discretion required to be made by the Issuer may be delegated by it and made on its behalf by any of the Issuer's Affiliates and/or service providers.

17. Amendment of Credit Linked Conditions in accordance with Market Convention

The Calculation Agent may from time to time amend any provision of these Credit Linked Conditions and the applicable Final Terms in any manner which the Calculation Agent determines in a commercially reasonable manner is necessary or desirable from the perspective of the Issuer, the Calculation Agent or a Hedging Party (i) to incorporate and/or reflect (x) further or alternative documents or protocols from time to time published by ISDA with respect to the documentation, trading or settlement of credit derivative transactions and/or (y) the operation or application of determinations by the Credit Derivatives Determinations Committees and/or (ii) to reflect or account for market practice for credit derivative transactions and/or reflect the Hedging Arrangements of the Issuer or any of its Affiliates. Any amendment made in accordance with this Credit Linked Condition 17 shall be notified to the Noteholders in accordance with Notes Condition 14.

18. Early redemption or exercise of Reference Obligation Only Notes following a Substitution Event

If the Notes are Reference Obligation Only Notes relating to a single Reference Entity and the event set out in paragraph (a) of the definition of Substitution Event above occurs with respect to the Reference Obligation, then:

- (i) interest (if any) shall cease to accrue on the Credit Linked Notes from and including the Interest Payment Date immediately preceding the relevant Substitution Event Date or, if no Interest Payment Date has occurred, no interest will accrue on the Credit Linked Notes; and
- (ii) each nominal amount of Credit Linked Notes equal to the Calculation Amount set out in the applicable Final Terms will be redeemed by the Issuer at its relevant Reference Obligation Only Termination Amount specified in, or determined in the manner specified in, the applicable Final Terms in the Specified Currency on the Maturity Date, which for the purposes of this Credit Linked Condition 18 shall be the day falling five Business Days following the relevant Substitution Event Date.

19. DC Resolution Adjustment Events

If following the publication of a DC Resolution (the **Prior DC Resolution**), a further DC Resolution (the relevant **Further DC Resolution**) is published the effect of which would be to reverse all or part of the Prior DC Resolution or if any DC Resolution would reverse any determination made by the Calculation Agent and/or the occurrence of a Credit Event Determination Date, notwithstanding any other provisions of these Credit Linked Conditions the Calculation Agent may, in its sole and absolute discretion, make any adjustment(s) that the Calculation Agent determines is necessary or desirable to the Notes Conditions, or these Credit Linked Conditions to reflect the publication of such Further DC Resolution or DC Resolution, including, without limitation, as a result of the impact or effect of such Further DC Resolution or DC Resolution on the Hedging Arrangements.

20. Hedging Disruption

(a) Hedging Disruption Adjustment

In the event that:

- (i) the Issuer and/or any of its Affiliates or agents 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 risk of the Issuer issuing and performing its obligations with respect to the Notes, or
 - (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s);
- (ii) the Reference Obligation no longer exists or other circumstances exist as described in paragraphs (a) or (b) of the definition of Substitution Event and no Substitute Reference Obligation is determined (which the Calculation Agent may determine not to do in its sole discretion); or
- (iii) the existing Hedging Arrangements of the Issuer or any Affiliate, or the ability of the Issuer or any Affiliate to enter into new Hedging Arrangements, are affected by any change in any standard terms used in any relevant market (such standard terms including, without limitation, any version of the ISDA Credit Derivative Definitions, any supplements thereto or any other terms or documentation that may be published by ISDA from time to time, and such a change including, without limitation, any amendment to or reinterpretation of any standard terms or

the publication or introduction of new standard terms) or in market practice in any relevant market,

(each of the events described in paragraphs (i) to (iii) above, a **Hedging Adjustment Event**) the Issuer may make such adjustment to the Conditions of the Notes (including, for the avoidance of doubt, these Credit Linked Conditions) as the Issuer determines is appropriate to account for such Hedging Adjustment Event and determine the effective date of that adjustment. Any adjustment made in accordance with this Credit Linked Condition 20 shall be notified to the Noteholders in accordance with Notes Condition 14.

(b) Hedging Disruption Termination

Notwithstanding the provisions of Credit Linked Condition 20(a) above, if the Issuer determines that no adjustment that it could make under Credit Linked Condition 20(a) above would be sufficient (in the Issuer's opinion) to reflect the occurrence of the relevant Hedging Adjustment Event, the Issuer may redeem all but not some only of the Notes as of such date as the Issuer shall determine by notice given to the Noteholders in accordance with Notes Condition 14, each Note being redeemed at the Early Redemption Amount.

21. Physical Settlement Matrix

(a) Applicability of the provisions of the ISDA Physical Settlement Matrix

If Physical Settlement Matrix is specified as applicable in the applicable Final Terms, each item in the Final Terms in respect of which "See Physical Settlement Matrix" is specified shall, in respect of a Reference Entity, be construed to have the meaning given to it for the relevant Transaction Type in the ISDA Physical Settlement Matrix (as defined in Credit Linked Condition 13 above) but in each case (if relevant) as such provisions of the ISDA Physical Settlement Matrix are amended in accordance with paragraph (b) of this Credit Linked Condition 21. Any relevant item in the Final Terms will be deemed to be "Applicable" in respect of a Reference Entity if such item states "See Physical Settlement Matrix" and, in respect of the relevant Transaction Type for that Reference Entity, the ISDA Physical Settlement Matrix specifies substantially the same term as is specified in the relevant item of the Final Terms, all as determined by the Calculation Agent.

For the avoidance of doubt, none of the other provisions of the relevant Physical Settlement Matrix shall be relevant in determining the terms of the Notes.

(b) Amendments to the provisions of the ISDA Physical Settlement Matrix

To the extent applicable in accordance with paragraph (a) above, the following provisions of the relevant ISDA Physical Settlement Matrix shall be amended as follows:

Provision	Amendment
Credit Events	References to "Floating Rate Payer Calculation Amount" shall be deemed to be references to "Calculation Amount".
Obligation Characteristics/Deliverable Obligation Characteristics	References to "Specified Currency" shall be deemed to be references to "Credit Linked Specified Currency".
Physical Settlement Period	References to "Section 8.19 of the Definitions" shall be deemed to be references to "the

definition of Physical Settlement Period in Credit Linked Condition 13".

CoCo Reference Entities

References to "2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014) " shall be deemed to be references to Credit Linked Condition 22 (Provisions taken from the 2014 CoCo Supplement to the 2014 Credit Derivatives Definitions (published on 15 September 2014)).

Senior Non-Preferred Reference Obligations

References to "Additional Provisions for Senior Non-Preferred Reference Obligations (published on December 8, 2017)" shall be deemed to be references to Credit Linked Condition 23 (Provisions taken from the ISDA Supplement titled "Additional Provisions for Senior Non-Preferred Reference Obligations" (published on 8 December, 2017)).

2019 Narrowly Tailored Credit Event Provisions

References to "2019 NTCE Supplement to the 2014 ISDA Credit Derivatives Definitions (July 15, 2019)" shall be deemed to be references to Credit Linked Condition 24 (2019 Narrowly Tailored Credit Event Provisions).

22. Provisions taken from the 2014 CoCo Supplement to the 2014 ISDA Credit Derivatives Definitions (published on 15 September 2014)

If this Credit Linked Condition 22 is specified as applicable in the applicable Final Terms in respect of the Reference Entity, notwithstanding anything to the contrary in the Credit Linked Conditions, the following provisions will apply to the Reference Entity:

- (a) If, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, the operation of one or more CoCo Provisions results in (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, such event shall be deemed to constitute a Governmental Intervention as defined in Credit Linked Condition 13.
- (b) A CoCo Provision shall be deemed to be a provision which permits a Governmental Intervention for all purposes under the Credit Linked Conditions.
- (c) The following terms shall have the following meanings:

Coco Provision means, with respect to an Obligation, a provision which requires (i) a permanent or temporary reduction of the amount of principal payable at redemption or (ii) a conversion of principal into shares or another instrument, in each case, if the Capital Ratio is at or below the Trigger Percentage.

Trigger Percentage means the trigger percentage specified in respect of the Reference Entity (or if no such trigger percentage is specified, 5.25 per cent.).

Capital Ratio means the ratio of capital to risk weighted assets applicable to the Obligation, as described in the terms thereof in effect from time to time.

23. Provisions taken from the ISDA supplement titled "Additional Provisions for Senior Non-Preferred Reference Obligations" (published on 8 December 2017)

Notwithstanding anything to the contrary in the Credit Linked Conditions, the provisions of this Credit Linked Condition 23 will apply:

- (A) to the Reference Entity in respect of any Credit Linked Notes for which a single Reference Entity is specified in the applicable Final Terms and either (i) this Credit Linked Condition 23 is specified as "Applicable" in item 34 (xl) of the applicable Final Terms or (ii) "See Physical Settlement Matrix" is specified in item 34 (xl) of the applicable Final Terms and the "Transaction Type" for the Reference Entity is either "Standard European Senior Non-Preferred Financial Corporate" or "European Senior Non-Preferred Financial Corporate"; or
- (B) where there is more than one Reference Entity specified in respect of the relevant Credit Linked Notes in the applicable Final Terms, only to those Reference Entities in respect of which (i) if this Credit Linked Condition 23 is specified as "Applicable" in item 34 (xl) of the applicable Final Terms, the "Seniority Level" is specified as "Senior Non-Preferred Level" in the Table annexed to the applicable Final Terms or (ii) if "See Physical Settlement Matrix" is specified in item 34 (xl) of the applicable Final Terms, the "Transaction Type" is either "Standard European Senior Non-Preferred Financial Corporate" or "European Senior Non-Preferred Financial Corporate".

The provisions of this Credit Linked Condition 23 will not apply in any other circumstances or in respect of any other Reference Entities.

(a) Amendments to the definitions

(i) Reference Obligation

The definition of "Reference Obligation" in Credit Linked Condition 13 is amended by the insertion of the following language after the words "if any" in the first line of such definition:

"provided that, irrespective of any Original Non-Standard Reference Obligation specified in the applicable Final Terms, if (i) a Senior Non-Preferred Level Standard Reference Obligation of the Reference Entity is specified on the SRO List, such Standard Reference Obligation shall be deemed to constitute the Reference Obligation, or (ii) no such Senior Non-Preferred Level Standard Reference Obligation of the Reference Entity is specified on the SRO List but such Standard Reference Obligation has previously been specified on the SRO List, there shall be deemed to be no Reference Obligation applicable to the Credit Linked Notes and such previously specified Senior Non-Preferred Level Standard Reference Obligation of the Reference Entity shall be deemed to constitute the Prior Reference Obligation".

(ii) Seniority Level

The definition of "Seniority Level" in Credit Linked Condition 13 shall be deleted and replaced with the following:

Seniority Level means Senior Non-Preferred Level.

For the avoidance of doubt, any specification of the "Seniority Level" as "Senior Non-Preferred Level" in the applicable Final Terms shall apply only to those Reference Entities to which the provisions of this Credit Linked Condition 23 apply.

(b) Additional definitions

The following terms shall have the following meanings:

Senior Non-Preferred Obligation means any obligation of the Reference Entity which is Subordinated only to any unsubordinated Borrowed Money Obligations of the Reference Entity but not further or otherwise, or which would be so Subordinated if any unsubordinated Borrowed Money Obligations of the Reference Entity existed, and which ranks above Traditional Subordinated Obligations of the Reference Entity or which would so rank if any Traditional Subordinated Obligations of the Reference Entity existed;

Tier 2 Subordinated Obligation means any obligation of the Reference Entity which meets the conditions set out in Article 63 of Regulation 575/2013 of the European Parliament and of the Council of 26 June 2013, as such Article may be amended or replaced from time to time (the CRR) or which are (or were at any time) otherwise eligible as a Tier 2 item in accordance with the CRR; and

Traditional Subordinated Obligation means each of:

- (i) Tier 2 Subordinated Obligations of the Reference Entity;
- (ii) any obligations of the Reference Entity which rank or are expressed to rank pari passu with any Tier 2 Subordinated Obligations of the Reference Entity; and
- (iii) any obligations of the Reference Entity which are Subordinated to the obligations thereto described in (i) and (ii) above.

(c) Subordinated Obligation

A Senior Non-Preferred Obligation shall constitute a Subordinated Obligation for the purposes of the Credit Linked Conditions and it shall be deemed that there is a relevant Reference Obligation which is a Subordinated Obligation for the purposes of the definitions of "Excluded Obligation" and "Relevant Obligations" in Credit Linked Condition 13.

(d) Further Subordinated Obligation

A Traditional Subordinated Obligation shall constitute a Further Subordinated Obligation for the purposes of the Credit Linked Conditions.

(e) Subordination

"Subordination" shall have the meaning ascribed to it in the definition of "Obligation" in Credit Linked Condition 13 and such term shall be applied in the assessment of any Obligation without regard to how the Obligation is described by the laws of any relevant jurisdiction, including any characterisation of the Obligation as senior or unsubordinated by the laws of any relevant jurisdiction.

24. 2019 Narrowly Tailored Credit Event Provisions

If this Credit Linked Condition 24 is specified as applicable in the applicable Final Terms, the following provisions will apply:

- (a) The definition of "Failure to Pay" in Credit Linked Condition 13 shall be deleted and replaced with the following:

"Failure to Pay means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the

Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure provided that, if an occurrence that would constitute a Failure to Pay (a) is a result of a redenomination that occurs as a result of action taken by a Governmental Authority which is of general application in the jurisdiction of such Governmental Authority and (b) a freely available market rate of conversion existed at the time of the redenomination, then such occurrence will be deemed not to constitute a Failure to Pay unless the redenomination itself constituted a reduction in the rate or amount of interest, principal or premium payable (as determined by reference to such freely available market rate of conversion) at the time of such redenomination. If "Credit Deterioration Requirement" is specified as applicable in the applicable Final Terms, then, notwithstanding the foregoing, it shall not constitute a Failure to Pay if such failure does not directly or indirectly either result from, or result in, a deterioration in the creditworthiness or financial condition of the Reference Entity. In the event that the Calculation Agent makes any such determination, it may take into account the guidance note set out in paragraph 3 (Interpretive Guidance) of the ISDA 2019 Narrowly Tailored Credit Event Supplement to the 2014 ISDA Credit Derivatives Definitions (published on July 15, 2019)."

- (b) The definition of "Outstanding Principal Balance" in Credit Linked Condition 13 shall be deleted and replaced with the following

"Outstanding Principal Balance means the outstanding principal balance of an obligation which will be calculated as follows:

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

in each case, determined:

- (i) unless otherwise specified, in accordance with the terms of the obligation in effect on either (A) such date as the Calculation Agent determines appropriate taking into account the Hedging Arrangements or (B) the relevant Valuation Date; and
- (ii) with respect to the Quantum of the Claim only, in accordance with any applicable laws (insofar as such laws reduce or discount the size of the claim to reflect the original issue price or accrued value of the obligation).

For the purposes of paragraph (ii) above, **applicable laws** shall include any bankruptcy or insolvency law or other law affecting creditors' rights to which the relevant obligation is, or may become, subject.

If "Fallback Discounting" is specified as applicable in the applicable Final Terms, then, notwithstanding the above, if (i) the Outstanding Principal Balance of an obligation is not reduced or

discounted under paragraph (ii) above, (ii) that obligation is either a Bond that has an issue price less than ninety-five per cent of the principal redemption amount or a Loan where the amount advanced is less than ninety-five per cent of the principal repayment amount, and (iii) such Bond or Loan does not include provisions relating to the accretion over time of the amount which would be payable on an early redemption or repayment of such Bond or Loan that are customary for the applicable type of Bond or Loan as the case may be, then the Outstanding Principal Balance of such Bond or Loan shall be the lesser of (a) the Non-Contingent Amount; and (b) an amount determined by straight line interpolation between the issue price of the Bond or the amount advanced under the Loan and the principal redemption amount or principal repayment amount, as applicable.

For the purposes of determining whether the issue price of a Bond or the amount advanced under a Loan is less than ninety-five per cent of the principal redemption amount or principal repayment amount (as applicable) or, where applicable, for applying straight line interpolation:

- (x) where such Bond or Loan was issued as a result of an exchange offer, the issue price or amount advanced of the new Bond or Loan resulting from the exchange shall be deemed to be equal to the aggregate Outstanding Principal Balance of the original obligation(s) that were tendered or exchanged (the **Original Obligation(s)**) at the time of such exchange (determined without regard to market or trading value of the Original Obligation(s)); and
- (y) in the case of a Bond or Loan that is fungible with a prior debt obligation previously issued by the Reference Entity, such Bond or Loan shall be treated as having the same issue price or amount advanced as the prior debt obligation.

In circumstances where a holder would have received more than one obligation in exchange for the Original Obligation(s), the Calculation Agent will determine the allocation of the aggregate Outstanding Principal Balance of the Original Obligation(s) amongst each of the resulting obligations for the purpose of determining the issue price or amount advanced of the relevant Bond or Loan. Such allocation will take into account the interest rate, maturity, level of subordination and other terms of the obligations that resulted from the exchange and shall be made by the Calculation Agent in accordance with the methodology (if any) determined by the relevant Credit Derivatives Determinations Committee."

USE OF PROCEEDS

Notes generally

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, which include making a profit. If in respect of an issue, there is a particular identified use of proceeds this will be stated in the applicable Final Terms.

Green Bonds

In particular, if so specified in the relevant Final Terms, the Issuer intends to apply the net proceeds from an issue of Notes specifically for Green Projects. Such Notes may also be referred to as **Green Bonds**.

DESCRIPTION OF BANQUE ET CAISSE D'EPARGNE DE L'ETAT, LUXEMBOURG

The Issuer (also referred to herein as **BCEE**, **Spuerkeess** and the **Bank**) is a public autonomous establishment having a legal personality (*établissement public autonome doté de la personnalité juridique*) created for an indefinite period pursuant to the Luxembourg Act dated 21 February 1856 concerning, inter alia, the creation of a savings bank, as amended and presently governed by the Luxembourg Act dated 24 March 1989 relating to Banque et Caisse d'Epargne de l'Etat, Luxembourg, as amended. The Issuer is registered with the trade and companies register at the district court in Luxembourg under number B30775. Its registered office is at 1-2 Place de Metz, L-2954 Luxembourg; Tel: 00 352 40151.

The history of Banque et Caisse d'Epargne de l'Etat, Luxembourg – the State and Savings Bank, Luxembourg (**BCEE**) – is inextricably linked to that of the Grand Duchy of Luxembourg (**Luxembourg**). Created in 1856 to meet the people's needs in the areas of savings and the development of credit, BCEE has made a major contribution to the economic expansion and improved standard of living of Luxembourg.

Today, BCEE is the only major financial establishment in Luxembourg whose equity capital is entirely and directly owned by the State. Ultimate responsibility for the institution lies with the Government Minister who heads the Treasury. The competent minister exercises supreme supervision over the Bank's activities of public interest, in particular those specified in Article 5 of the Law dated 24 March 1989, in accordance with the following provisions:

- (a) by having all decisions taken by the Board communicated directly to him; and
- (b) by deciding on those decisions which are subject to his approval. Furthermore, a post of Supervisory Commissioner is established, whose procedure for appointment and powers are laid down in Article 28 of the above-mentioned Law.

As far as the Issuer is aware there are no arrangements which may result in a change of control of BCEE. In addition, BCEE promotes economic growth by providing financing for business development and public infrastructure.

Over the past decades, BCEE has developed mainly in a European and international context. As a "universal bank", covering the whole range of banking activities, it plays an active part in the Euromarkets. It has developed a network of correspondent banks worldwide.

BCEE is also a member of the "*Institut Mondial des Caisses d'Epargne*" (World Savings Bank Institute) and the "*Groupement Européen des Caisses d'Epargne*" (European Savings Bank Group), whose offices are in Brussels.

In the field of international clearing, BCEE is a member of the two international systems for clearing negotiable securities, Clearstream, Luxembourg and the Euroclear clearing system. Since the establishment of the latter, BCEE has played a very active role as a depositary bank.

THE GROUP

BCEE is the parent company of the Group. The consolidation scope comprises BCEE as the parent company, its subsidiaries and ad hoc entities over which the Group directly or indirectly exercises effective control over financial and operational policies. Subsidiaries are consolidated from their date of acquisition, when the Bank, as the parent company, has the power to direct their financial policies. They are deconsolidated on the date such control ceases.

Fully consolidated subsidiaries

A subsidiary is a company in which the Group holds at least a 50% stake of the voting rights or any company over which the Group directly or indirectly has the power of control regarding management and financial and operational policies.

List of subsidiaries included in the consolidation scope:

Name	% of voting rights held	
	31 December 2021	31 December 2022
Lux-Fund Advisory S.A.	89.55	89.31
BCEE Asset Management S.A.	90.00	90.00
Bourbon Immobilière S.A.	100.00	100.00
Luxembourg State and Savings Bank Trust Company S.A.	100.00	100.00
Spuerkeess Ré S.A.	100.00	100.00

Investments in associates

Associates are companies over which the Group exercises significant influence and are accounted for using the equity method. Significant influence means the Group has the power to direct a company's financial and operating policies in order to obtain a substantial share of the economic benefits. Significant influence is presumed when the Group holds, directly or indirectly through its subsidiaries, 20% or more of the voting rights.

Investments in associates are recognised at cost, and the book value is subsequently adjusted to reflect the investor's share of the net profit or loss of the associate after the acquisition date.

The Group's share of the associate's profit or loss is recognised in the income statement.

Equity-method consolidation ceases when the Group no longer has significant influence over the shareholding, unless the Group has incurred legal or constructive obligations to assume or guarantee commitments on behalf of the associate.

INVESTMENTS IN ASSOCIATES OF THE GROUP:

Associates	% of capital held	
	31 December 2021	31 December 2022
<i>Direct interests</i>		
Société Nationale de Circulation Automobile S.à r.l.	20.00	20.00
Luxair S.A.	21.81	21.81
Société de la Bourse de Luxembourg S.A.	25.35	25.35

Associates	% of capital held	
	31 December 2021	31 December 2022
Europay Luxembourg S.C.	30.10	30.10
European Fund Administration S.A.	31.51	N/A
LuxHub S.A.	32.50	32.50
i-hub S.A.	N/A	20.00
Visalux S.C.	35.36	35.36
Lalux Group S.A.	40.00	40.00

BANKING LICENCE

The Issuer is regulated by the Law of 24 March 1989 on Banque et Caisse d'Epargne de l'Etat, Luxembourg (as amended) which states in its article 4 that the object of the Issuer is to carry out, alone or jointly, either for itself or on behalf of third parties, all financial and banking activities with any person, whether physical or legal, as well as all analogous, related or ancillary transactions.

SHAREHOLDER STRUCTURE

As at 31 December 2022 the Issuer had a share capital of €173,525,467 other items of comprehensive income of €765,247,562 and consolidated reserves of €4,200,838,422. The own funds of the Bank consist of the capital and the reserves. The capital belongs to the State. No shares have been issued. Any modifications can only be made by a Grand Ducal regulation adopted following an opinion of the State Council and the agreement of the relevant commission of the Parliament.

EMPLOYEES

As of 31 December 2022, the number of BCEE employees was approximately 1,843.

BUSINESS ACTIVITIES

BCEE is entitled to carry out, alone or jointly, either on behalf of itself or for third parties, with any physical or legal person, any financial or banking operations as well as all operations analogous, connected or accessory thereto.

In addition, BCEE is entitled to carry out any other operations directly or indirectly related to its purpose or intended to facilitate the achievement thereof.

As well as being the state bank, BCEE aims to contribute, by way of its activities, particularly its financing activities, to the economic and social development of the country and the promotion of saving in all its forms. As well as being a universal bank, BCEE offers both its national and international clients the banking services which they are entitled to expect today from a financial intermediary.

It has been the traditional objective of BCEE to promote the construction of housing and to facilitate the acquisition of real estate. In the context of its mission of promoting savings in all possible forms, BCEE offers numerous savings instruments, including private banking facilities such as foreign currency accounts, precious metal and custody accounts. BCEE is also active in the sector of investment funds and offers its services both as a custodian bank for funds and as a promoter and manager.

The activities of the Bank are focused on the retail market, the wealth management market, as well as the property market, and on small and medium-sized corporate customers in Luxembourg and the surrounding regions. These activities include the traditional banking business areas of loans, deposits, investment in securities, payments handling (both in Luxembourg and abroad) and guarantees.

BUSINESS OVERVIEW

Please refer to the Financial Statements incorporated by reference to this Prospectus (pages 50 and 51 above).

OUTLOOK FOR 2023

The topic of inflation dominated the news on the financial markets in 2022. Inflation, which is measured as the change in consumer prices over a rolling 12-month period, rose in Luxembourg from 4.14% at end-December 2021 to 5.37% at end-December 2022. It remained consistently above 5% throughout 2022, with the exception of January when it was 3.58%. Inflation hit its peak in June at 7.43%.

STATEC forecasts inflation will remain in check in Luxembourg in 2023, due mainly to state measures designed to curb the rise in the price of energy products. In its medium-term projections published on 24 February 2023, STATEC forecast growth in GDP in volume terms of 2.2% for 2023, i.e. below the forecast for 2022 of 2.5%. Lastly, STATEC expects unemployment to increase slightly from 4.8% of the working population in 2022 to 5% in 2023.

Against the backdrop of persistently high inflation, the European Central Bank (ECB) raised its key rates by 250 basis points in 2022 and is expected to continue to tighten its monetary policy in 2023.

The Bank's Executive Committee confirms that, in 2023, Spuerkeess will continue to assume its mission of supporting the national economy, which is facing slowdowns in certain sectors, such as construction. As a responsible financial actor, Spuerkeess will play an even greater role in the sustainable development of the Luxembourg economy and the ecological transition, in accordance with the commitments it made when it signed the Principles for Responsible Banking and joined the Net Zero Banking Alliance.

EVENTS AFTER THE REPORTING PERIOD

In the first quarter, the ECB further tightened its monetary policy and announced for its key rates two additional increases of 50 basis points each as well as one additional increase of 25 basis points in the second quarter.

In Luxembourg, STATEC measured annual inflation at 4.83% in January and 4.31% in February 2023, i.e. below 5% for the first time in a year. At the meeting of the Tripartite Coordination Committee of 3 March 2023, the Government and social partners took additional measures to avoid an inflationary shock in early 2024, a risk that STATEC had predicted if the State measures on energy product prices were allowed to expire.

Within the eurozone, average inflation was 8.6% at end-January and 8.5% at end-February. In a context of low growth in domestic GDP and, in particular, lower inflation than in neighbouring countries, the ECB's monetary policy tightening could have a larger impact on the domestic economy, in particular through the construction market. However, the current situation has not led to downward revisions of the growth outlook described above.

The failures of Silicon Valley Bank (SVB) and Signature Bank in the United States in early March 2023 led to a panic on the financial markets. The US authorities responded quickly and announced a series of measures, including a guarantee on all SVB deposits. After this panic in the United States, the markets turned to the more fragile players in Europe, including the Crédit Suisse Group. On 19 March, the Swiss authorities brokered the merger between UBS Group and Crédit Suisse Group to calm the financial markets and strengthen the stability of the Swiss banking industry. As of the date of this report, this situation on the financial markets has not had a significant impact on the normal course of Spuerkeess' business. Management is closely monitoring these developments in order to be in a position to respond to any unanticipated consequences.

Other than the above, no significant events occurred after the 31 December 2022 reporting date that could impact the normal course of the BCEE Group's business.

GOVERNING BODIES OF THE ISSUER

The organisation of Banque et Caisse d'Epargne de l'Etat, Luxembourg, founded in 1856, is governed the law of 24 March 1989, which defined the respective powers of the Board of Directors and the Executive Committee. Pursuant to Article 8 of this organic law, "*the Board of Directors defines the Bank's general policy and is responsible for management control of the Executive Committee. All administrative acts and measures necessary or relevant to the Bank's purpose fall within the responsibility of the Executive Committee, subject to such approvals as are required by virtue of this law*".

BOARD OF DIRECTORS

As of 30 June 2023, the Board of Directors is composed as follows:

CHAIRMAN	Camille FOHL
VICE-CHAIRMAN	Simone DELCOURT
BOARD MEMBERS	Nima AHMADZADEH
	Bettina BLINN
	Marie-Paule GILLEN-SNYERS
	François THILL
	Jean-Pierre ZIGRAND
STAFF REPRESENTATIVE	Marilène MARQUES
	Carmen JAFFKE
SUPERVISORY COMMISSIONER	Bob KIEFFER

EXECUTIVE COMMITTEE

As of 30 June 2023, the Executive Committee is composed as follows:

CHAIRMAN	Françoise THOMA	Chief Executive Officer
MEMBERS	Aly KOHLL	Deputy Chief Executive Officer
	Doris ENGEL	Director
	Olivier WANTZ	Director
	Romain WEHLES	Director

The business address of each of the Directors and members of the Executive Committee is 1-2 Place de Metz, L-2954 Luxembourg.

The Issuer is not aware of any potential conflicts of interest between the duties to the Issuer of the persons listed under "Board Of Directors", "Supervisory Commissioner" and "Executive Committee" above and their private interests or other duties.

TAXATION

Tax legislation, including in the country where the investor is domiciled or tax resident and in the Issuer's country of incorporation, may have an impact on the income that an investor receives from the Notes.

Grand Duchy of Luxembourg General

The following information is of a general nature only and is based on the laws in force in Luxembourg as of the date of this Prospectus. It does not purport to be a comprehensive description of all tax implications that might be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should consult their professional advisers with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu*). Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax and municipal business tax invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Taxation of the holders of Notes

Withholding Tax

- Non-resident holders of Notes

Under the Luxembourg tax laws currently in force, there is no withholding tax on payments of interest (including accrued but unpaid interest) made to a Luxembourg non-resident holder of the Notes. There is also no Luxembourg withholding tax, upon repayment of the principal, or upon redemption or exchange of the Notes.

- Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the "**Law**"), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes. The term "interest" and "paying agent" used hereafter have the same meaning as in the Law.

Under the Law, a 20% withholding tax is levied on interest payments (or similar income) made or ascribed by a Luxembourg paying agent to or for the immediate benefit of a beneficial owner who is a resident of Luxembourg. This withholding tax also applies on accrued interest received upon sale, redemption or repurchase of the Notes. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding tax will be assumed by the Luxembourg paying agent.

Furthermore, Luxembourg resident individuals acting in the course of the management of their private wealth who are the beneficial owners of interest payments (or similar income) made by a paying agent

established outside Luxembourg in a Member State of the European Union or the EEA may opt for a final 20% levy. The option for the 20% final levy must cover all interest payments made by paying agents to the beneficial owner during the entire civil year.

Tax residence

A holder of Notes will not become resident, or be deemed to be resident in Luxembourg by reason only of the holding of the Notes, or the execution, performance, delivery and/or enforcement of the Notes.

Income tax

For the purposes of this paragraph, a disposal may include a sale, an exchange, a contribution, a redemption and any other kind of transfer of the Notes.

- Non-resident holders of Notes

A non-resident holder of Notes, not having a permanent establishment or a permanent representative in Luxembourg to which or whom the Notes are attributable, is not subject to Luxembourg income tax on interest received or accrued on the Notes, nor on payments upon redemption or repayment of principal. A gain realised by such non-resident holder of Notes, on the sale or disposal, redemption, repurchase or exchange, in any form whatsoever, of Notes is also not subject to Luxembourg income tax.

Non-resident corporate or individual holders of Notes who have a permanent establishment or a permanent representative in Luxembourg to which or whom the Notes are attributable, must include any interest accrued or received on the Notes, any redemption premiums received at maturity as well as any gains realised upon the sale or disposal, in any form whatsoever, of the Notes, in their taxable income for Luxembourg tax assessment purposes.

- Resident holders of Notes

Holders of Notes who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

- Luxembourg resident individual holders of Notes

An individual holder of Notes acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts under the Notes, except if (i) withholding tax has been levied on such payments in accordance with the Law, or (ii) the individual holder of the Notes has opted for the application of a 20% final levy in full discharge of income tax in accordance with the Law, which applies if a payment of interest has been made or ascribed by a paying agent established in a EU Member State (other than Luxembourg), or in a Member State of the EEA (other than a EU Member State).

Individual Luxembourg holders of Notes receiving the interest as business income must include this interest in their taxable basis. If applicable, the 20 % Luxembourg withholding tax levied will be credited against their final income tax liability.

Under Luxembourg domestic tax law, gains realised upon the disposal of the Notes by an individual holder of the Notes, who is a resident of Luxembourg for tax purposes and who acts in the course of the management of his/her private wealth, on the disposal of the Notes are not subject to Luxembourg income tax, provided the disposal takes place more than six months after the acquisition of the Notes and the Notes do not constitute Zero Coupon Notes. Gains realised by an individual holder of Zero Coupon Notes who acts in the course of the management of his/her private wealth and who is a resident of Luxembourg for tax purposes

must include the difference between the sale, repurchase, exchange or redemption price and the issue price of a Zero Coupon Note in his taxable income.

An individual holder of the Notes, who acts in the course of the management of his/her private wealth and who is a resident of Luxembourg for tax purposes, has further to include the portion of the gains realised on the Notes corresponding to accrued but unpaid income in respect of the Notes in his/her taxable income, insofar as the accrued but unpaid interest is indicated separately in the agreement, except if a final withholding tax or levy has been levied in accordance with the Law.

Gains realised upon a disposal of the Notes by an individual holder of the Notes acting in the course of the management of a professional or business undertaking and who is a resident of Luxembourg for tax purposes are subject to Luxembourg income taxes.

- Luxembourg corporate resident holders of Notes

Luxembourg resident corporate holders of Notes must include any interest received or accrued, as well as any gain realised on the sale, disposal or redemption of the Notes, in their taxable income for Luxembourg income tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price (including accrued but unpaid interest) and the lower of the cost or book value of the Notes sold or redeemed.

A corporate holder of Notes that is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, by the law of 13 February 2007 on specialised investment funds, as amended, or by the law of 23 July 2016 on reserved alternative investment funds, as amended, and which does not fall under the special tax regime set out in article 48 thereof is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realised on the sale or disposal, in any form whatsoever, of the Notes.

Other Taxes

- Registration taxes and stamp duties

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by the holders of Notes as a consequence of the issuance of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer, redemption or repurchase of the Notes. However, a fixed or *ad valorem* registration duty may be due upon the registration of the Notes in Luxembourg in the case where the Notes are physically attached to a public deed or to any other document subject to mandatory registration, as well as in the case of a registration of the Notes on a voluntary basis.

- Value added tax

There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Notes or in respect of the payment of interest or principal under the Notes or the transfer of the Notes. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer of the Notes if, for Luxembourg value added tax purposes, such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

- Net wealth tax

Luxembourg corporate resident holders of Notes and corporate non-resident holders of Notes who have a permanent establishment or a permanent representative in Luxembourg to which or whom the Notes are attributable, are subject to Luxembourg net wealth tax on such Notes, except if the holder of Notes is governed by the law of 11 May 2007 on family estate management companies, as amended, by the law of 17 December 2010 on undertakings for collective investment, as amended, by the law of 13 February 2007 on specialised investment funds, as amended, by the law of 23 July 2016 on reserved alternative investment funds, as amended, or is a securitisation company governed by the law of 22 March 2004 on securitisation, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended¹¹.

An individual holder of Notes, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Notes.

- Inheritance and gift taxes

No estate or inheritance taxes are levied on the transfer of the Notes, upon death of an individual holder of Notes in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes at the time of his death. Gift tax may be due on a gift or donation of Notes, if the gift is recorded in a deed passed in front of a Luxembourg notary or registered in Luxembourg.

CRS

Capitalised terms used in this section should have the meaning as set forth in the CRS Law (as defined below), unless otherwise provided herein.

The Issuer may be subject to the Common Reporting Standard (the "CRS") as set out in the Luxembourg law of 18 December 2015, as amended or supplemented from time to time (the "CRS Law") implementing Directive 2014/107/EU which provides for an automatic exchange of financial account information between Member States of the European Union as well as the OECD's multilateral competent authority agreement on automatic exchange of financial account information signed on 29 October 2014 in Berlin, with effect as of 1 January 2016.

Under the terms of the CRS Law, the Issuer is likely to be treated as a Luxembourg Reporting Financial Institution.

As such, the Issuer will be required to annually report to the Luxembourg tax authorities personal and financial information related, *inter alia*, to the identification of, holdings by and payments made to (i) certain holders of Notes qualifying as Reportable Persons and (ii) Controlling Persons of passive non-financial entities ("NFEs") which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the "Information"), will include personal data related to the Reportable Persons.

The Issuer's ability to satisfy its reporting obligations under the CRS Law will depend on each holder of Notes providing the Issuer with the Information, along with the required supporting documentary evidence. In this context, the holders of Notes are hereby informed that, as data controller, the Issuer will process the Information for the purposes as set out in the CRS Law.

Holders of Notes qualifying as passive NFEs undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Issuer.

¹¹ Please however note that securitisation companies governed by the law of 22 March 2004 on securitisation, as amended, or capital companies governed by the law of 15 June 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of 23 July 2016, as amended, and which fall under the special tax regime set out under article 48 thereof may, under certain conditions, be subject to minimum net wealth tax.

Additionally, the Issuer is responsible for the processing of personal data and each Holder of Notes has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Issuer are to be processed in accordance with the applicable data protection legislation.

The holders of Notes are further informed that the Information related to Reportable Persons will be disclosed to the Luxembourg tax authorities annually for the purposes set out in the CRS Law. The Luxembourg tax authorities will, under their own responsibility, eventually exchange the reported information to the competent authority of the Reportable Jurisdiction(s). In particular, Reportable Persons are informed that certain operations performed by them will be reported to them through the issuance of statements, and that part of this information will serve as a basis for the annual disclosure to the Luxembourg tax authorities.

Similarly, the holders of Notes undertake to inform the Issuer within thirty (30) days of receipt of these statements should any included personal data not be accurate. The holders of Notes further undertake to immediately inform the Issuer of, and provide the Issuer with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Although the Issuer will attempt to satisfy any obligation imposed on it to avoid any fines or penalties imposed by the CRS Law, no assurance can be given that the Issuer will be able to satisfy these obligations. If the Issuer becomes subject to a fine or penalty as a result of the CRS Law, the value of the Notes held by the holders of the Notes may suffer material losses.

FATCA - application in Luxembourg

Capitalised terms used in this section should have the meaning as set forth in the FATCA Law (as defined below), unless otherwise provided herein.

The Issuer may be subject to the so-called FATCA legislation which generally requires reporting to the US Internal Revenue Service of non-US financial institutions that do not comply with FATCA and direct or indirect ownership by US persons of non-US entities. As part of the process of implementing FATCA, the US government has negotiated intergovernmental agreements with certain foreign jurisdictions which are intended to streamline reporting and compliance requirements for entities established in such foreign jurisdictions and subject to FATCA.

Luxembourg has entered into a Model 1 Intergovernmental Agreement implemented by the Luxembourg law of 24 July 2015, as amended or supplemented from time to time (the "**FATCA Law**"), which requires Financial Institutions located in Luxembourg to report, when required, information on Financial Accounts held by Specified US Persons, if any, to the Luxembourg tax authorities (*Administration des Contributions Directes*).

Under the terms of the FATCA Law, the Issuer is likely to be treated as a Luxembourg Reporting Financial Institution.

This status imposes on the Issuer the obligation to regularly obtain and verify information on all of its holders of Notes. On the request of the Issuer, each holder of Notes shall agree to provide certain information, including, in the case of a passive Non-Financial Foreign Entity ("**NFFE**"), information on the Controlling Persons of such NFFE, along with the required supporting documentation. Similarly, each holder of Notes shall agree to actively provide to the Issuer within thirty (30) days any information that would affect its status, as for instance a new mailing address or a new residency address.

The FATCA Law may require the Issuer to disclose the names, addresses and taxpayer identification number (if available) of its holders of Notes as well as information such as account balances, income and gross proceeds (non-exhaustive list) to the Luxembourg tax authorities for the purposes set out in

the FATCA Law. Such information will be relayed by the Luxembourg tax authorities to the US Internal Revenue Service.

Holders of Notes qualifying as passive NFFEs undertake to inform their Controlling Persons, if applicable, of the processing of their information by the Issuer.

Additionally, the Issuer is responsible for the processing of personal data and each holder of Notes has a right to access the data communicated to the Luxembourg tax authorities and to correct such data (if necessary). Any data obtained by the Issuer is to be processed in accordance with the applicable data protection legislation.

Although the Issuer will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax, no assurance can be given that the Issuer will be able to satisfy these obligations. If the Issuer becomes subject to a withholding tax or penalties as result of the FATCA regime, the value of the Notes held by the holder of Notes may suffer material losses. The failure for the Issuer to obtain such information from each holder of the Notes and to transmit it to the Luxembourg tax authorities may trigger the 30% withholding tax to be imposed on payments of US source income and on proceeds from the sale of property or other assets that could give rise to US source interest and dividends as well as penalties.

Holders of Notes who invest through intermediaries are reminded to check if and how their intermediaries will comply with this US withholding tax and reporting regime.

Holders of Notes should consult a US tax advisor or otherwise seek professional advice regarding the above requirements.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, withholding may be required on, among other things, (i) certain payments made by "foreign financial institutions" (**foreign passthru payments**) and (ii) dividend equivalent payments (as described below in "*U.S. Dividend Equivalent Withholding*"), in each case, to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Luxembourg) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. If withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or before the relevant grandfathering date would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. The grandfathering date for (A) Notes that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, and (B) Notes that give rise to a dividend equivalent pursuant to Section 871(m) of the U.S. Internal Revenue Code of 1986 and the U.S. Treasury regulations promulgated thereunder, is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalents. If additional notes (as described under "Terms and Conditions —Further Issues") that are not distinguishable from such previously issued grandfathered Notes are issued after

the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

U.S. Dividend Equivalent Withholding

Section 871(m) of the U.S. Internal Revenue Code of 1986 which treats a "dividend equivalent" payment as a dividend from sources within the United States. Under Section 871(m), such payments generally would be subject to a 30 per cent. U.S. withholding tax which may be reduced by an applicable tax treaty, eligible for credit against other U.S. tax liabilities or refunded, provided that the beneficial owner timely claims a credit or refund from the IRS. A "dividend equivalent" payment is (i) a substitute dividend payment made pursuant to a securities lending or a sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a "specified notional principal contract" that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the IRS to be substantially similar to a payment described in (i) or (ii). U.S. Treasury regulations issued under Section 871(m) and applicable guidance (the **Section 871(m) Regulations**) require withholding on certain non-U.S. holders of Notes with respect to amounts treated as dividend equivalent payments. Under the Section 871(m) Regulations, only a Note that has an expected economic return sufficiently similar to that of the underlying U.S. security, based on tests set forth in the Section 871(m) Regulations, will be subject to the Section 871(m) withholding regime (making such Note a Specified Note). Certain exceptions to this withholding requirement apply, in particular for instruments linked to certain broad-based indices.

Withholding in respect of dividend equivalents will generally be required when cash payments are made on or upon the date of maturity, lapse or other disposition of the Specified Note. If the underlying U.S. security or securities are expected to pay dividends during the term of the Specified Note, withholding generally will still be required even if the Specified Note does not provide for payments explicitly linked to dividends. Additionally, the Issuer may withhold the full 30 per cent. tax on any payment on the Notes in respect of any dividend equivalent arising with respect to such Notes regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law (including, for the avoidance of doubt, where a non-U.S. holder is eligible for a reduced tax rate under an applicable tax treaty with the United States). A non-U.S. holder may be able to claim a refund of any excess withholding provided the required information is timely furnished to the U.S. Internal Revenue Service. Refund claims are subject to U.S. tax law requirements and there can be no assurance that a particular refund claim will be timely paid or paid at all. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

The Section 871(m) Regulations generally apply to Specified Notes issued on or after 1 January 2017. If the terms of a Note are subject to a "significant modification" (as defined for U.S. tax purposes), the Note generally would be treated as retired and reissued on the date of such modification for purposes of determining, based on economic conditions in effect at that time whether such Note is a Specified Note. Similarly, if additional Notes of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Notes out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing Notes are Specified Notes as the date of such subsequent sale or issuance. Consequently, a previously out of scope Note, might be treated as a Specified Note following such modification or further issuance.

In addition, payments on the Specified Securities may be calculated by reference to dividends on underlying U.S. securities that are reinvested at a rate of 70 per cent. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer will be deemed to withhold, 30 per cent. of any dividend equivalent payments (as defined in Section 871(m) of the Code)

in respect of the relevant U.S. securities. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

The applicable Final Terms or Pricing Supplement will indicate whether the Issuer has determined that Notes are Specified Notes and will specify contact details for obtaining additional information regarding the application of Section 871(m) to Notes. A non-U.S. holder of Specified Notes should expect to be subject to withholding in respect of any underlying dividend-paying U.S. securities. The Issuer's determination is binding on non-U.S. holders of the Notes, but it is not binding on the IRS. The Section 871(m) Regulations require complex calculations to be made with respect to Notes linked to U.S. securities and their application to a specific issue of Notes may be uncertain.

Prospective investors should consult their tax advisers regarding the potential application of Section 871(m) to the Notes.

Common Reporting Standard

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (**CRS**) will require certain financial institutions to report information regarding certain accounts (which may include the Notes) to their local tax authority and follow related due diligence procedures. Noteholders may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed the CRS Competent Authority Agreement (**CRS Agreement**) may provide this information to other jurisdictions that have signed the CRS Agreement. Luxembourg has concluded such CRS Agreements with a number of jurisdictions. Prospective investors should consult their tax advisers on how the CRS may apply to such investor.

SUBSCRIPTION AND SALE

The Dealers have in an amended and restated programme agreement dated 30 June 2023 (such Agreement, as amended, supplemented or restated from time to time, the **Programme Agreement**) agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*" above. In the Programme Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme.

Notes issued under the Programme may be issued to any investor subject to selling restrictions – United States, EEA (including Switzerland and, for these purposes, the UK), Singapore and Japan (please see below).

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that, except as permitted by the Programme Agreement, it will not offer, sell or deliver Notes (a) as part of their distribution at any time and (b) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part within the United States or to, or for the account or benefit of, U.S. persons and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding paragraph and in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations promulgated thereunder.

The applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

In addition in respect of Notes where TEFRA D is specified in the applicable Final Terms or applicable Pricing Supplement, as the case may be:

- (a) except to the extent permitted under U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D) (or any successor U.S. Treas. Reg. Section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the D Rules), each Dealer (i) represents that it has not offered or sold, and agrees that during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) represents that it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;
- (b) each Dealer represents that 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 Notes in bearer form are aware that such Notes 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 as permitted by the D Rules;

- (c) if it is a United States person, each Dealer represents that it is acquiring Notes in bearer form for purposes of resale in connection with their original issuance and if it retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D)(6) (or any successor U.S. Treas. Reg. Section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010); and
- (d) with respect to each affiliate that acquires Notes in bearer form from a Dealer for the purpose of offering or selling such Notes during the restricted period, such Dealer repeats and confirms the representations and agreements contained in sub-paragraphs (a), (b) and (c) on such affiliate's behalf.

Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder, including the D Rules.

In respect of Notes where TEFRA C is specified in the applicable Final Terms or applicable Pricing Supplement, as the case may be, such Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer represents and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, such Notes within the United States or its possessions in connection with their original issuance. Further, each Dealer represents and agrees in connection with the original issuance of such Notes that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such purchaser is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of such Notes.

Each issue of Exempt Notes which are also Index Linked Interest Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer shall agree as a term of the issue and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement. Each relevant Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will offer, sell or deliver such Notes only in compliance with such additional U.S. selling restrictions.

Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies "Prohibition of sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**); and

- (b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies "Prohibition of sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the EEA (each, a **Relevant State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant State except that it may make an offer of such Notes to the public in that Relevant State:

- (a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Relevant State (a **Non-exempt Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Regulation, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- the expression **an offer of Notes to the public** in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

Prohibition of sales to UK Retail Investors

Unless the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies "Prohibition of sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms for the Notes (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
- (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression “**an offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies “Prohibition of sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the applicable Final Terms for the Notes in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) if the Final Terms for the Notes specify that an offer of those Notes may be made other than pursuant to section 86 of the FSMA (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the Financial Conduct Authority, provided that any such prospectus has subsequently been completed by the Final Terms for the Notes contemplating such Non-exempt Offer, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes, as the case may be, referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- the expression **an offer of Notes to the public** in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and
- the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused any Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause any Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the SFA)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to 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 the Notes 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,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Certain provisions applicable to Notes issued in Singapore dollars:

Notes denominated in Singapore dollars and issued to persons in Singapore by a person carrying on a deposit-taking business (whether in Singapore or elsewhere) with a maturity period of less than 12 months and a denomination of less than S\$200,000 would be treated as deposits for the purposes of the Banking Act 1970 of Singapore (the **Singapore Banking Act**), unless the Notes are issued to certain persons, including either:

- (a) an individual whose total net personal assets exceed in value S\$2 million (or its equivalent in foreign currency) at the time of subscription, whose financial assets (net of any related liabilities) exceed in value S\$1 million (or equivalent in foreign currency) at the time of subscription or whose income in the 12 months preceding the time of subscription is not less than S\$300,000 (or its equivalent in foreign currency); or

- (b) a company whose total net assets (as determined by the last audited balance-sheet of the company) exceeds S\$10 million (or its equivalent in foreign currency) at the time of subscription.

In determining the value of an individual's total net personal assets for the purposes of paragraph (a) above, the value of the individual's primary residence is taken to be the lower of the following:

- (i) the value calculated by deducting any outstanding amounts in respect of any credit facility that is secured by the residence from the estimated fair market value of the residence; and
- (ii) S\$1 million.

In addition, even where Notes issued in Singapore dollars with a denomination of less than S\$200,000 are not treated as deposits for the purposes of the Singapore Banking Act, certain additional information is required to be furnished to investors in Singapore by an issuer which is carrying on a deposit-taking business. In such case, please refer to the applicable Final Terms for such further information.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the **FIEA**) and each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Switzerland

This Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (the "FinSA") and no application has or will be made to admit the Notes to trading on any trading venue(exchange or multilateral trading facility) in Switzerland. Each Dealer has acknowledged that neither this Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus and any additional written information provided or authorised by the Issuer and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any other Dealer shall have any responsibility therefor.

Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

GENERAL INFORMATION

Authorisation

The establishment of the Programme and the issue of Notes have been duly authorised by resolutions of the Board of Directors of the Issuer held on 26 October 1994 and 11 December 1996 and a resolution of the Executive Committee of the Issuer held on 4 September 1997. The increases in the Programme limit were authorised pursuant to resolutions of the Board of Directors of the Issuer on 10 December 1997 and 2 December 1999, and reconfirmed on 25 May 2016 and by resolutions of the Executive Committee of the Issuer on 28 January 1999 and 25 January 2000. The update of this Programme has been authorised by a resolution of the Executive Committee of the Issuer held on 13 June 2023.

Approval, Listing and Admission to Trading

This document has been approved by the CSSF as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange or to be listed on the Securities Official List of the Luxembourg Stock Exchange without admission to trading on one of the securities markets operated by the Luxembourg Stock Exchange.

The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU).

An application for admission to trading on the Luxembourg Stock Exchange's regulated market and for listing on the Official List of the Luxembourg Stock Exchange or an application for listing on the Securities Official List of the Luxembourg Stock Exchange without admission to trading is without prejudice to the Issuer's right to apply for admission to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed upon between the Issuer and the relevant dealer.

Documents Available

For the period of 12 months following the date of this Prospectus, copies of the constitutional documents of association (in English) of the Issuer will be available for inspection from www.bcee.lu.

The Agency Agreement (which includes the forms of the Temporary global Notes, the Permanent global Notes, the Definitive Notes, the Receipts, the Coupons and the Talons) will, so long as any Notes are outstanding, be available for inspection, during normal business hours at the specified office of each of the Agent and the other Paying Agents.

This Prospectus, the documents incorporated by reference into this Prospectus and any supplement to this Prospectus will be published on the website of the Luxembourg Stock Exchange (www.luxse.com).

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes). If the Notes are to clear through additional or alternative clearing system, the appropriate information will be specified in the relevant Final Terms or Pricing Supplement.

The address of Euroclear is Euroclear Bank SA/NV, 1 boulevard du Roi Albert II, B-1210 Brussels, Belgium. The address of Clearstream, Luxembourg is Clearstream Banking, 42 avenue J.F. Kennedy, L-1855 Luxembourg.

Yield

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

Index

In respect of Index Linked Redemption Notes, the underlying may not be an Index composed by the Issuer or any legal entity belonging to the same group, nor an Index provided by a legal entity or a natural person acting in association with, or on behalf of, the Issuer.

Significant or Material Change

As at the date of this Prospectus, other than disclosed in the Section "Events after the reporting period", there has been no significant change in the financial performance or position of the Issuer or the Group since 31 December 2022 and there has been no material adverse change in the prospects of the Issuer since 31 December 2022.

Description of the expected financing of the Issuer's activities

The Issuer finances its activities using the usual sources of funding, in particular, the deposits from all types of customers and banks, and the issuance of commercial paper and debt securities.

Conditions for Determining Price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Litigation

The Issuer (whether as defendant or otherwise) is not nor has been engaged in any governmental, legal, arbitration, administrative or other proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

Independent Auditors

Ernst & Young S.A. (member of the *Institut des Réviseurs d'Entreprises*) have audited the Issuer's consolidated financial statements and non-consolidated annual accounts prepared in accordance with IFRS (in the case of the consolidated financial statements) and the Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts (in the case of the non-consolidated annual accounts) as of and for the financial years ended on 31 December 2021 and 31 December 2022.

The reports of the independent auditors of the Issuer are incorporated in this Prospectus by reference along with the related consolidated financial statements and non-consolidated annual accounts.

Website

The Issuer's website is www.spuerkeess.lu. Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the CSSF.

Post-issuance Information

The Issuer does not intend to provide post-issuance information in relation to any assets underlying issues of Notes constituting derivative securities, except if required by any applicable laws and regulations.

Dealers Transacting with the Issuer

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to, the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Expenses Charged to the Investor by the Issuer

The Issuer may charge expenses to investors. Such expenses (if any) will be determined on a case by case basis but would be expected to be in the range of between 1% and 5% of the nominal amount of the Notes to be purchased by the relevant investor unless specified below with respect to a specific issue of Notes.

THE ISSUER

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THE ARRANGER

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AGENT

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Mizuho Securities Europe GmbH
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