



# BARCLAYS BANK PLC

*(Incorporated with limited liability in England and Wales)*

## BARCLAYS CAPITAL (CAYMAN) LIMITED

*(Incorporated with limited liability in the Cayman Islands)*

(Guaranteed by Barclays Bank PLC)

### GLOBAL STRUCTURED SECURITIES PROGRAMME

#### Programme

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

#### Guarantee

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

#### Listing and Admission to Trading

This Base Prospectus has been approved by the UK Financial Services Authority, which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC (the "Prospectus Directive") and relevant implementing measures in the United Kingdom, as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the UK for the purpose of providing information on Securities issued under the Programme within 12 months of the date of this document. Applications may be made to admit Securities to listing on the Official List of the UK Financial Services Authority and to trading on the London Stock Exchange plc's Regulated Market. The London Stock Exchange plc's Regulated Market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. Application may be made to any other stock exchange for a listing of particular Securities. Unlisted Securities may also be issued. If any Securities are to be listed, the applicable Final Terms will specify the exchange(s) they will be listed on.

#### Offer and Sale of Securities

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

#### Definitions

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

#### Investment Risks

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

Barclays Capital

5 August 2011

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

**Responsibility:** The Issuers and the Guarantor accept responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuers and the Guarantor (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

**Ratings:** The credit ratings included or referred to in this Base Prospectus will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the “**CRA Regulation**”) as having been issued by Fitch Ratings Limited, Moody’s Investors Service Ltd. and Standard & Poor’s Credit Market Services Europe Limited, each of which is established in the European Union and has applied through its respective London office to be registered under the CRA Regulation, although the result of such applications has not yet been determined.

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

**Independent Investigation:** None of this Base Prospectus or any financial statements or any other financial information supplied in connection with the Programme or any Securities is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation by the Issuers that any recipient of this Base Prospectus or any financial statements or any other financial information supplied in connection with the Programme or any Securities should purchase any Securities. Investors should conduct their own independent investigations into the financial condition and affairs of, and their own appraisal of the creditworthiness of, the relevant Issuer (and the Guarantor, if applicable) and of the suitability of the relevant Securities as an investment in light of their own circumstances and financial condition and after due consideration of an investment linked to any relevant Reference Asset and, in deciding whether to purchase Securities, investors should form their own views of the merits of such an investment based upon such investigations and not in reliance solely upon any information given in this Base Prospectus, any applicable Relevant Annex and/or any Final Terms. Prospective investors should have regard to the factors described in the section headed “**Risk Factors**”.

**Reference Assets:** The applicable Final Terms will (if applicable) specify the nature of the responsibility taken by the relevant Issuer and/or Guarantor for the information relating to any Reference Asset to which relevant Securities relate and which is contained in such Final Terms. Investors should conduct their own investigations into the relevant Reference Asset(s) and, in deciding whether to purchase Securities, investors should form their own views of the merits of such an investment based upon

such investigations and not in reliance solely upon any information given in this Base Prospectus, any applicable Relevant Annex and/or any applicable Final Terms.

**Change of Circumstances:** The delivery of any of the Base Prospectus, any Supplemental Base Prospectus, any Relevant Annex and the applicable Final Terms for a Series (together the “**Offering Documents**”) and any sale of Securities pursuant thereto shall not, in any circumstances, create any impression that the information contained therein concerning the Issuers or the Guarantor is correct at any time subsequent to the date thereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. Investors should review, *inter alia*, the most recent consolidated financial statements, if any, and any public announcements, if any, of the relevant Issuer and the Guarantor, if applicable, when deciding whether to purchase any Securities.

**Distribution:** The distribution of the Offering Documents and the offer or sale of the Securities in certain jurisdictions may be restricted by law. This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offering or solicitation, and no action is being taken to permit an offering of the Securities or the distribution of this Base Prospectus in any jurisdiction where action is required. Persons into whose possession the Offering Documents come are required by the Issuers and the Guarantor to inform themselves about and to observe any such restrictions. The Securities and the Guarantee and, in certain cases, the Reference Assets or Entitlement, as the case may be, have not been and will not be registered under the US Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, in the case of a Bearer Security that is not a Cleared Security, and the Securities may be in the form of Bearer Securities and therefore subject to US tax law requirements. Subject to certain exceptions, Securities may not be offered, sold or, in the case of Bearer Securities, delivered within the United States or to US persons (as defined in Regulation S under the Securities Act) or, in the case of a Bearer Security that is not a cleared security, to, or for the account or benefit of, US persons (as defined in the US Internal Revenue Code of 1986 and the regulations thereunder). Details of selling restrictions for various jurisdictions are set out in the section headed “Purchase and Sale”. The information contained therein may be amended from time to time by any applicable Relevant Annex and/or the applicable Final Terms.

**Representations:** In connection with the issue and sale of Securities, no person has been authorised to give any information or to make any representation not contained in or consistent with the Offering Documents and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, the Guarantor or any Manager. None of the Issuers or the Guarantor accepts responsibility for any information not contained in the Offering Documents. None of the Issuers, the Guarantor (if applicable) or any Manager makes any representation or warranty whatsoever or accepts any responsibility with respect to any Reference Asset. None of the Issuers, the Guarantor (if applicable) or any Manager makes any representation or warranty whatsoever or accepts any responsibility as to the effect or possible effect of the linking of any exercise rights, payments or deliveries due under the Securities to the performance of any Reference Asset(s).

**No Investment Advice:** None of this Base Prospectus, any Supplemental Base Prospectus, any Relevant Annex or any Final Terms is, nor does it purport to be, investment advice. Unless expressly agreed otherwise with a particular investor, none of the Issuers, the Guarantor or any Manager is

acting as an investment adviser or providing advice of any other nature, or assumes any fiduciary obligation, to any investor in Securities.

**References:** In any Offering Document, references to “USD”, “\$”, “US\$” and “US dollars” are to United States dollars, references to “GBP”, “£” and “sterling” are to pounds sterling and references to “JPY”, “¥” and “yen” are to Japanese yen. References to “EUR”, “euro” and “€” are to the lawful currency of the member states of the European Union that have adopted or adopt the single currency in accordance with the Treaty on the functioning of the European Union, as amended from time to time. References to “AUD”, “A.U.\$” and “Australian dollar” are to the lawful currency of the Commonwealth of Australia, references to “SGD”, “SGP dollar” and “Singapore Dollars” are to the lawful currency of the Republic of Singapore and references to “HKD”, “H.K.\$” and “Hong Kong dollar” are to the lawful currency of Hong Kong, the special administrative region of the People’s Republic of China. In any Offering Document, references to the “Conditions” are to the terms and conditions of the relevant Securities and references to “Offeror” are to any person from whom any investor acquires or intends to acquire Securities. References in any Offering Document to Securities being “listed” on the London Stock Exchange plc shall mean that such Securities have been admitted to trading on the London Stock Exchange plc’s (the “London Stock Exchange”) regulated market. The London Stock Exchange’s regulated market and each market that is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments shall be referred to herein as a “Regulated Market”.

#### NOTICE TO NEW HAMPSHIRE RESIDENTS

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

**Securities Act:** The Securities are being offered and sold outside the United States to non-US persons in reliance on Regulation S (“Regulation S”) under the Securities Act and, in the case of Registered Securities, within the United States to Qualified Institutional Buyers (“QIBs”) in reliance on Rule 144A (“Rule 144A”) under the Securities Act. Prospective investors are hereby notified that sellers of the Securities may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of Securities and distribution of the Offering Documents, see “Purchase and Sale” and “Clearance, Settlement and Transfer Restrictions” herein and in any applicable Relevant Annex or Final Terms.

THE SECURITIES AND THE GUARANTEE HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER US REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

**Verification:** No Manager has separately verified the information contained in this Base Prospectus. To the fullest extent permitted by law, none of the Managers makes any representation, express or implied, or accepts any responsibility for the contents of this Base Prospectus or for any other statement made, or purported to be made, by a Manager or on its behalf in connection with the Issuer, the Guarantor, or the issue and offering of the Securities. Each Manager accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement. Each potential purchaser of Securities should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Securities should be based upon such investigation, as it deems necessary. None of the Managers undertake to review the financial condition or affairs of the Issuers or the Guarantor during the life of the arrangements contemplated by this Base Prospectus or to advise any investor or prospective investor in the Securities of any information coming to the attention of any of the Managers.

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

**Stabilisation:** In connection with the issue and distribution of any Series of Securities, the Manager or Managers (if any) named as the Stabilising Manager(s) (the “Stabilising Manager(s)”) (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Securities or effect transactions with a view to supporting the price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) will undertake stabilisation action. Any stabilisation action may begin at any time on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Securities has been made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Securities and 60 days after the date of the allotment of the relevant Tranche of Securities. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

**Accession Issuer:** A company or other entity (an “Accession Issuer”) may accede to, and become an Issuer under, the Programme by (i) executing a supplemental deed to the Programme documentation in a form agreed by the Agents and the Managers of the Programme (an “Accession Deed”) and (ii) preparing a new base prospectus or a supplement to this Base Prospectus in respect of such Accession Issuer. Any such Accession Deed will specify whether references herein to the Bank or BCCL (each in the capacity as Issuer) shall be construed as being references to the relevant Accession Issuer.

## TABLE OF CONTENTS

	<b>Page</b>
SUMMARY .....	8
RISK FACTORS.....	17
INFORMATION INCORPORATED BY REFERENCE.....	38
INFORMATION RELATING TO THE ISSUERS.....	41
PRO FORMA FINAL TERMS .....	44
TERMS AND CONDITIONS OF THE SECURITIES .....	128
RELEVANT ANNEXES.....	205
BOND LINKED ANNEX.....	206
COMMODITY LINKED ANNEX.....	234
CREDIT LINKED ANNEX .....	293
EQUITY LINKED ANNEX .....	375
WARRANT LINKED SECURITIES ANNEX.....	411
FX LINKED ANNEX.....	435
GOLD SETTLEMENT ANNEX.....	474
INFLATION LINKED ANNEX .....	483
FUND LINKED ANNEX .....	505
BARCLAYS CAPITAL INDEX ANNEX.....	526
US WARRANTS PRODUCT ANNEX .....	633
DANISH SECURITIES ANNEX.....	670
DUTCH SECURITIES ANNEX.....	678
FINNISH SECURITIES ANNEX .....	683
FRENCH CLEARED SECURITIES ANNEX.....	691
ITALIAN SECURITIES ANNEX.....	709
NORWEGIAN SECURITIES ANNEX .....	741
SPANISH SECURITIES ANNEX.....	749
SWEDISH SECURITIES ANNEX .....	754
SWISS SECURITIES ANNEX.....	762
FRENCH SECURITIES ANNEX .....	769
BOOK-ENTRY PROCEDURES FOR RULE 144A GLOBAL SECURITIES DEPOSITED WITH DTC.....	846

CLEARANCE, SETTLEMENT AND TRANSFER RESTRICTIONS .....	849
GENERAL INFORMATION APPLICABLE TO CREST SECURITIES AND CDIs .....	857
TAXATION .....	859
PURCHASE AND SALE.....	886
GENERAL INFORMATION .....	905

## SUMMARY

*This summary must be read as an introduction to this Base Prospectus and any decision to invest in the Securities should be based on a consideration of this Base Prospectus as a whole, including the documents incorporated by reference.*

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

### General Description of the Issuers

#### THE BANK AND THE GROUP

Barclays Bank PLC (the “**Bank**”) is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered and head office at 1 Churchill Place, London, E14 5HP, United Kingdom. The Bank was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and, on 4 October 1971, was registered as a company limited by shares under the Companies Act 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Bank was re-registered as a public limited company and its name was changed from “Barclays Bank International Limited” to “Barclays Bank PLC”.

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

#### BARCLAYS CAPITAL (CAYMAN) LIMITED

Barclays Capital (Cayman) Limited (“**BCCL**”) was incorporated in the Cayman Islands on 24 July 1989 for an unlimited duration and registered on 26 July 1989. BCCL operates under Cayman Islands law with limited liability. BCCL’s registered office is at the offices of Barclays Private Bank & Trust (Cayman) Limited, P.O. Box 487, 4th Floor, First Caribbean House, 25 Main Street, George Town, Grand Cayman KY1-1106, Cayman Islands, British West Indies. Its registration number is 32968. BCCL is a wholly-owned direct subsidiary of the Bank.

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

BCCL is resident for tax purposes in the United Kingdom.

## Summary of the Programme

<b>Description:</b>	Programme for the issue of Securities that are Notes, Certificates or Warrants. Securities are issued pursuant to the Agency Agreement. The terms of Securities comprise the Base Conditions, as modified and supplemented by the Final Terms, and any applicable Relevant Annex.
<b>Issuers:</b>	The Bank or BCCL.
<b>Guarantor:</b>	The Bank guarantees Securities issued by BCCL.
<b>Managers:</b>	The Bank, Barclays Capital Inc. and any other Manager specified in the Final Terms.
<b>Issue and Paying Agent:</b>	The Bank of New York Mellon (“BNYM”) or, as may be otherwise specified in the Relevant Annex .
<b>Transfer Agent, Frankfurt Agent, New York Agent and NY Registrar:</b>	BNYM.
<b>Luxembourg Registrar, Paying Agent and Transfer Agent:</b>	The Bank of New York Mellon (Luxembourg) S.A.
<b>Determination Agent:</b>	The Bank or Barclays Capital Securities Limited.
<b>Distribution:</b>	Syndicated or non-syndicated.
<b>Status of Securities:</b>	Direct, unsubordinated and unsecured obligations of the Issuer ranking equally among themselves and with all its other present and future unsecured and unsubordinated obligations (except for obligations preferred by law). Securities do not evidence deposits, are not insured or guaranteed by any government or agency or under the UK Government credit guarantee scheme.
<b>Status of Guarantee:</b>	A direct, unsecured and general obligation of the Guarantor ranking equally with all its existing and future unsecured obligations (except for obligations preferred by law).
<b>Listing:</b>	Securities may be listed on the London Stock Exchange and/or other recognised stock exchanges. Unlisted Securities may be issued.
<b>Applications may be made to admit Securities to:</b>	The Official List and to trading on the London Stock Exchange regulated market or to any other Relevant Stock Exchange.
<b>Rating:</b>	Securities may be rated or unrated.
<b>Relevant Clearing Systems and Central Depository:</b>	Euroclear, Clearstream Luxembourg or Clearstream Frankfurt (also depository), DTC and/or any other clearing system specified in the Final Terms or Relevant Annex as

	applicable.
<b>Expenses and Taxation:</b>	<p>Securityholders must pay all Taxes and/or Settlement Expenses (if applicable) arising from the ownership, transfer, sale, redemption, exercise, cancellation of Securities and/or receipt or transfer of any Entitlement, Instalment Amount or Settlement Amount.</p> <p>Unless otherwise required by law, all payments on Securities will be made free and clear of, and without withholding or deduction for, any present or future Taxes. Where such withholding or deduction is required by law, the Issuer or Guarantor will, unless otherwise specified in the Conditions, pay additional amounts to Securityholders.</p>
<b>Governing Law:</b>	English law, or the law of such other jurisdiction, as may be specified in the Relevant Annex.
<b>Issue Price:</b>	The Issue Price may be par or at a discount to, or premium over, par.
<b>Currencies:</b>	Securities may be issued in any currency unless otherwise specified in the Relevant Annex.
<b>Specified Denomination/Number:</b>	Notes may be issued in one or more specified denominations and Certificates and Warrants in any number unless otherwise specified in the Relevant Annex.
<b>Calculation Amount per Security:</b>	Payments and deliveries in respect of Securities will be determined by reference to the Calculation Amount for such Security.
<b>Maturities:</b>	Any maturity, subject to all applicable laws, regulations or directives.
<b>Method of Issue:</b>	Securities are issued in one or more Series. Each Series may be issued in Tranches on the same or different issue dates. Securities fungible with an existing Series may also be issued.
<b>Form:</b>	<p>Securities may be issued in bearer or registered or dematerialised form, or as may be specified in the Relevant Annex, and Securities of one form will not be exchangeable for another.</p> <p>The Cleared Securities will be issued under circumstances such that they will be treated as issued in registered form for U.S. federal income tax purposes.</p> <p>No physical document of title will be issued in respect of any dematerialised Security.</p>

<b>Terms:</b>	<p>Securities of any kind may be issued, including interest bearing, non-interest bearing and Securities where the Settlement Amount(s), Instalment Amount(s), Entitlement(s) and/or any exercise right is linked to and/or contingent upon the performance of, or factor relating to, Reference Assets. Reference Assets may include indices, shares, debt instruments, currencies, commodities, funds and/or FX rates.</p> <p>Notes and Certificates are redeemable Securities. Warrants and Exercisable Certificates are exercisable Securities.</p> <p>Warrants and Exercisable Certificates may be European Style Securities, American Style Securities, Bermudan Style Securities or Other Exercise Style Securities</p>
<b>Settlement:</b>	<p>Cash or physical settlement (subject to satisfaction of all applicable conditions to settlement, including payment or deduction of Taxes, Settlement Expenses and any Exercise Price).</p> <p>Settlement Amounts, Instalment Amounts and Entitlements may be adjusted for costs, losses and expenses incurred (or expected to be incurred) by or on behalf of the Issuer in connection with the redemption or cancellation of Securities.</p> <p>The Issuer or the Securityholder may have the option to elect for cash or physical settlement if specified in the Final Terms.</p> <p>If all conditions to settlement to be satisfied by a Securityholder are not satisfied on or prior to any scheduled settlement date, settlement will not become due until such conditions have been satisfied in full. No additional amounts will be payable or deliverable as a result of any such delay or postponement. Except as may be otherwise provided in the Relevant Annex, if all conditions to settlement have not been satisfied within 180 calendar days (or such other period as specified in the Final Terms) of the relevant date, the relevant conditions to settlement will not be capable of being satisfied and the Securityholder will have no claim against the Issuer or Guarantor in relation to the Settlement Amount or Entitlement that would have been paid or delivered had the conditions to settlement been satisfied in full within the relevant period.</p>
<b>Redemption of Securities:</b>	<p>Notes other than Instalment Notes and Certificates (other than Exercisable Certificates) will be redeemed at maturity at their Final Cash Settlement Amount or by delivery of the</p>

	Final Physical Redemption Entitlement, as applicable.
	Instalment Notes shall be partially redeemed on each Instalment Date at the related Instalment Amount.
<b>Put Option for Notes and Certificates (other than Exercisable Certificates):</b>	Note(s) or Certificate(s) may be redeemed early by the Securityholder exercising its Put Option, at their Optional Cash Settlement Amount or by delivery of the Optional Physical Redemption Entitlement, as applicable.
<b>Call Option and Nominal Call Event:</b>	Notes or Certificates (other than Exercisable Certificates) may be redeemed early by the Issuer exercising its Call Option or, if a Nominal Call Event occurs, at their Optional Cash Settlement Amount, or by delivery of the Optional Physical Redemption Entitlement.  If a Nominal Call Event occurs, Warrants and Exercisable Certificates may be cancelled early subject to payment of the Early Cash Settlement Amount or delivery of the Early Physical Cancellation Entitlement, as applicable.  Where so provided in the Relevant Annex, Exercisable Certificates may be cancelled early by the Issuer exercising its Call Option, at their Issuer Call Optional Cash Settlement Amount.
<b>Consequences of an Additional Disruption Event:</b>	The Conditions of Securities may be adjusted (subject to the prior consent of a Securityholders' general meeting in respect of French Securities) and/or Securities may be redeemed or cancelled early at their Early Cash Settlement Amount or Early Cash Cancellation Amount, as applicable.
<b>Specified Early Redemption Event:</b>	The Issuer may, or will if automatic early redemption applies, redeem Securities early if a Specified Early Redemption Event occurs, at their Specified Early Cash Settlement Amount or by delivery of the Specified Early Physical Redemption Entitlement, as applicable.
<b>Specified Early Cancellation Event:</b>	The Issuer may, or will if automatic early cancellation applies, cancel Warrants and Exercisable Certificates early at their Specified Early Cash Settlement Amount or by delivery of the Specified Early Physical Cancellation Entitlement.

**Exercise of Securities:**

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

During the Exercise Period, Warrants and Exercisable Certificates may be exercisable on any Exercise Business Day, or on Potential Exercise Business Dates and the Expiration Date, or on the Exercise Date, or on any Eligible Exercise Date, or as specified in the Final Terms.

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

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

Where so provided in the Relevant Annex, if an Early Exercise Trigger Event occurs, Exercisable Certificates may be exercised on any of the dates specified in the Trigger Event Notice.

**Expiry of Warrants and Exercisable Certificates:**

Except as may be provided in the Relevant Annex, if no valid Security Exercise Notice is delivered on or prior to the relevant time and date specified in the Conditions, such Securities shall become void .

**Selling Restrictions:**

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

**Summary of Risk Factors under the Programme****Certain factors which may affect the Issuer's and/or the Guarantor's ability to fulfil its obligations under the Securities:**

The Bank and BCCL are subject to the same risks as the Group, which include:

- the Group's financial performance may be affected by general business and geopolitical conditions, borrower, customer and counterparty credit quality, and fluctuations in the value or effectiveness of any credit protection purchased or collateral held;
- the Group's businesses, earnings and financial condition have been and will continue to be affected by changes in the overall conditions of the global economy and instability and volatility in global financial markets;
- the following have affected and will continue to affect the Group's businesses:

- changes in the level and/or volatility of interest rates, foreign exchange rates, credit spreads, debt, equity and commodity prices and other market factors; and
- constraints on increasing capital and changes to capital targets and the calculation of capital;
- liquidity risk, legal risk and insurance risk are inherent in the Group's businesses;
- operation and financial crime risks are inherent in the Group's operations;
- governmental policy and regulation may have an adverse effect on the Group's results and operations;
- the Group may be subject to the special resolution regime under the Banking Act 2009. Any share transfer order, asset and liability transfer or exercise of powers by the FSA, the Bank of England and/or HM Treasury under the Banking Act may have an adverse effect on the Group;
- the Group's participation in the Financial Services Compensation Scheme may have a material impact on the Group's results and financial condition;
- the Group's earnings depend in part on the success of its strategic decisions regarding organic growth and potential acquisitions;
- the Group operates in highly competitive markets and, if unable to perform effectively, its business and results will be adversely affected; and
- the Group is exposed to the risk of changes in tax legislation and its interpretation and to increases in corporate and other tax rates in the jurisdictions in which it operates.

**Certain factors are material for the purpose of assessing the risks associated with investing in Securities and which may affect the return on, and value of, Securities, including:**

- Securities are complex financial instruments and may involve a high degree of risk;
- Securities are unsecured obligations of the Issuer;
- settlement disruptions may occur;
- settlement is subject to satisfaction of all conditions to

settlement to be satisfied by the Securityholder within the relevant period;

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

Expenses;

- in respect of English law Securities, the Issuer may be substituted (subject to certain conditions); and
- the market value of Securities may be affected by the creditworthiness of the Issuer and/or the Group.

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

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

## RISK FACTORS

*Words and expressions defined elsewhere in this Base Prospectus have the same meanings in this section. Investing in Securities involves certain risks. Prospective investors should ensure that they also consider any additional risks specific to the type of Securities they are considering purchasing, including the factors set out on pages 207-216 in respect of Bond Linked Securities, 235-247 in respect of Commodity Linked Securities, 295-303 in respect of Credit Linked Securities, 376-379 in respect of Equity Linked Securities, 412-414 in respect of Warrant Linked Securities, 436-437 in respect of FX Linked Securities, 475-476 in respect of Gold Settled Securities, 484-485 in respect of Inflation Linked Securities, 506-513 in respect of Fund Linked Securities and 530-541, 582, 594 and 621 in respect of Barclays Capital Index Linked Securities (together the “**Product Specific Risk Factors**”).*

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

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

### **Risks Relating to the Issuers**

#### **Risks relating to the Bank and the Group**

*Prospective Investors should read the Issuer risk factors set out under the section headed “Principal Risk Factors” of the Registration Document incorporated herein by reference and the risk factors set out on pages 164 to 167 of the Joint Annual Report (each as defined in the section of this Base Prospectus entitled “Information Incorporated by Reference”).*

#### **Risks relating to BCCL**

BCCL was established for the purpose of, *inter alia*, issuing notes, certificates and warrants and buying and selling options. It is the policy of the Directors of BCCL to hedge fully the liabilities of BCCL arising under notes, certificates and warrants issued by BCCL. If, for any reason, BCCL’s hedging strategy did not prove effective, the operations of BCCL could be materially adversely affected.

**BCCL is a special purpose financing entity with no business operations other than the entry into financing arrangements (including the issuance of Securities under the Programme), the lending of the proceeds to the Bank or other members of the Group, and the entry into certain ancillary arrangements. BCCL’s only material assets will be the Bank’s or the relevant Group recipient’s**

obligation to repay such amounts. Therefore, BCCL is subject to all risks to which the Bank and the Group are subject, to the extent that such risks could limit the Bank's or the relevant Group recipient's ability to satisfy in full and on a timely basis its obligations under such loan. See "Risks Relating to the Bank and the Group" above for a description of certain of these risks.

## **Risks Relating to the Securities**

### **General considerations**

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

### **Interaction risk**

The Securities combine investment types. Different types of financial risk may interact unpredictably, particularly in times of market stress.

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

### **Principal protection**

If Securities are specified in the applicable Final Terms to be principal protected, such Securities are principal protected only at maturity. If such Securities redeem before their scheduled maturity, they may return less than the principal protected amount or even zero.

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

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

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

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

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

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

### **Interest**

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

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

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

### **The Securities may not be a suitable investment for all investors**

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

- (i) have sufficient knowledge and experience to evaluate the Securities, the merits and risks of investing in the Securities and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement and all information contained in the applicable Final Terms and applicable Relevant Annex(es);
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Securities and the impact the Securities will have on its overall investment portfolio;

- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Securities, including Cash Settled Securities where the relevant Settlement Amount(s) may be payable in one or more currencies, or where the settlement currency is different from the prospective investor's currency;
- (iv) understand thoroughly the terms of the relevant Securities, as the case may be, and be familiar with any relevant assets, indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

In addition, an investment in Equity Linked Securities, FX Linked Securities, Credit Linked Securities, Inflation Linked Securities, Commodity Linked Securities, Bond Linked Securities, Fund Linked Securities or Barclays Capital Index Linked Securities, as the case may be, or Securities linked to other assets or bases of reference, may entail significant risks not associated with investments in conventional securities such as debt or equity securities, including, but not limited to, the risks set out in this section ("Risks Relating to the Securities") and the Product Specific Risk Factors set out in this Base Prospectus.

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

### **Settlement risk**

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

If the conditions to settlement to be satisfied by a Securityholder have not been satisfied by the relevant time on the day that is 180 calendar days (or such other period as specified in the Final Terms) following the Redemption Date, the Optional Cash Redemption Date, the Optional Physical Redemption Date, the Physical Delivery Date, the Early Cash Redemption Date, the Early Cancellation Date, the Early Physical Cancellation Date, the Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, the Specified Early Physical Redemption Date, the Specified Early Physical Cancellation Date, the Actual Exercise Date or the Automatic Exercise Date, as applicable, as determined by the Determination Agent, the relevant conditions to settlement will not be capable of being satisfied. With effect from such date, the relevant Securityholder will have no right to receive any

payment or delivery of the Settlement Amount or Entitlement in relation to which the conditions to settlement were not satisfied by the Securityholder within the relevant time period and the Securityholder will have no claim against the Issuer or the Guarantor in relation thereto.

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

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

If the applicable Final Terms in respect of any Securities indicate that “Issuer Settlement Option” is applicable, the relevant Issuer may, at its sole and unfettered discretion, elect whether cash settlement or physical settlement is to apply to such Securities. If the Issuer does not make an election in accordance with the Conditions, the Securities will be cash settled.

#### **Settlement disruption risk**

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

#### **Entitlement Substitution**

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

### **Certain factors affecting the value and trading price of Securities**

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

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

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

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

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

Before selling Securities or exercising any Securities in the form of Warrants or Exercisable Certificates, holders of such Securities should carefully consider, among other things, (a) the trading price of the relevant Securities, (b) the value and volatility of the Reference Asset as specified in the applicable Final Terms (if applicable), (c) the time remaining to redemption (or exercise and/or expiration in the

case of Warrants and Exercisable Certificates), (d) in the case of a Cash Settled Security, the probable range of Settlement Amounts, (e) any change(s) in interim interest rates and dividend yields if applicable, (f) any change(s) in currency exchange rates, (g) the depth of the market or liquidity of any applicable Reference Asset(s) and (h) any related transaction costs.

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

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

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

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

#### **Securityholders will have no claim against any Reference Asset**

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

#### **Securities with foreign exchange risks**

Where the applicable Final Terms of the Securities provide that the Settlement Currency is different to the currency of the Reference Asset(s), the investors in such Securities may be exposed not only to the performance of the Reference Asset(s) but also to the performance of such Settlement Currency which cannot be predicted as well as the relative performance of the Settlement Currency and the currency of the relevant Reference Asset(s). Prospective investors should be aware that foreign exchange rates are, and have been, highly volatile and determined by supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by

governments and central banks (e.g. imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates as well as the availability of a specified currency). Foreign exchange fluctuations between an investor's home currency and the Settlement Currency may affect investors who intend to convert gains or losses from the exercise or sale of Securities into their home currency and may eventually cause a partial or total loss of the initial investment.

### **Limitations on redemption**

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

If so indicated in the applicable Final Terms, the relevant Issuer will have the option to impose a minimum number or minimum nominal amount of Notes or Certificates which any Securityholders (whether or not acting in concert) may require the relevant Issuer to redeem on any particular Business Day or to impose a daily maximum amount of Notes or Certificates which may be redeemed by a Securityholder on any particular Business Day (see Condition 5.6 of the Base Conditions).

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

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

### **The Securities may be redeemed prior to their scheduled redemption date**

The applicable Final Terms for a particular Series of Securities in the form of Notes or Certificates (other than Exercisable Certificates) may provide that the Issuer has a right to redeem the Securities prior to their scheduled Redemption Date. Such right of early redemption is often provided for in periods of high interest rates. If the market interest rates decrease, the risk to Securityholders that the relevant Issuer will exercise its right of early redemption increases. As a consequence, the yields

received upon redemption may be lower than expected, and the relevant Settlement Amount or value of the Entitlement in respect of the Securities may be lower than the Issue Price for the Securities paid by the Securityholder and may be zero. As a consequence, the Securityholder may not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Securities.

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

The applicable Final Terms for a particular Series of Notes or Certificates (other than Exercisable Certificates) may provide that the Issuer may, or will (if automatic early redemption is specified in the applicable Final Terms), redeem the Securities prior to their Redemption Date if a Specified Early Redemption Event occurs. A Specified Early Redemption Event may relate to the level, price, value or performance of one or more Reference Assets and/or such factor as compared to a specified level, price, value, barrier, threshold, trigger or other factor, as specified in the applicable Final Terms. The relevant Settlement Amount or value of the Entitlement received by Securityholders in such circumstances may be lower than the Issue Price for the Securities paid by the Securityholder and may be zero. As a consequence, upon such redemption, the Securityholder may not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Securities. Such early redemption may affect the return on, and value of, the Securities.

If Securities are specified in the applicable Final Terms to be principal protected, such Securities are only principal protected to the extent that they are held to maturity. Therefore, if any such principal protected Securities are redeemed or cancelled early, Securityholders may lose some or all of their principal.

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

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

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

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

### **Early redemption or cancellation of Securities**

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

### **Disrupted days and disruption events**

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

### **Time lag after redemption**

Unless otherwise specified in the applicable Final Terms, in the case of Notes or Certificates (other than Exercisable Certificates) which the relevant Issuer is required to redeem prior to their scheduled Redemption Date at the option of the Securityholder, there will be a time lag between the time a

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

#### **Valuation of the Securities: commissions and/or fees**

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

#### **Hedging**

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

#### **Risks relating to modifications to the Conditions**

The issuer may, without the consent of the Securityholders, make any modification to the Conditions of any Securities that in its sole opinion is not materially prejudicial to the interests of the Securityholders or that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with relevant mandatory provisions of law or to cure, correct or supplement any defective provision contained herein and/or therein.

The Agency Agreement (as amended from time to time) contains provisions for convening meetings of Securityholders to consider and/or vote on any matter affecting their interests, including the sanctioning by extraordinary resolution of a modification of the relevant Securities or any of the provisions of such Agency Agreement. Such provisions permit defined majorities to bind all Securityholders, including those Securityholders who did not attend and/or vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority.

### **Certain additional risk factors associated with Physically Delivered Securities**

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

### **Certain additional risk factors associated with the Reference Assets**

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

### **Certain additional tax considerations associated with Physically Delivered Securities**

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

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

### **Possible illiquidity of the secondary market**

There can be no assurance as to how Securities will trade in the secondary market or whether such market will be liquid or illiquid, which may adversely affect the value of the Securities and/or the

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

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

Certain Securities are also subject to transfer restrictions. See “Terms and Conditions of the Securities – Form, Title and Transfer”.

#### **Redemption or cancellation of the Securities in the event of illegality or physical impossibility**

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

#### **Issuer/Guarantor and conflicts of interest**

The relevant Issuer and its affiliates may engage in trading and market-making activities and may hold long or short positions in the relevant Reference Asset(s) and other instruments or derivative products based on or related to the relevant Reference Asset(s) for their proprietary accounts or for other accounts under their management. The Issuers and their respective affiliates may also issue Securities in respect of the relevant Reference Asset(s) which are securities, or issue derivative instruments in respect thereof. To the extent that any Issuer, directly or through its affiliates, serves as issuer, agent, manager, sponsor or underwriter of such securities or other instruments, its interests with respect to such products may be adverse to those of the Securityholders. The Issuers or their affiliates may also act as underwriter in connection with future offerings of securities which comprise the Reference Assets. Such activities could present certain conflicts of interest, could influence the prices of such Reference Assets and could adversely affect the value of the Securities.

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

In connection with the offering of the Securities, the relevant Issuer, the Guarantor (if applicable) and/or any of its affiliates may enter into one or more hedging transactions with respect to the Reference Asset(s) or related derivatives. In connection with such hedging activities or with respect to

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

#### **Determination Agent and conflicts of interest**

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

#### **Proprietary Index Sponsor and conflicts of interest**

##### ***Barclays Capital Index Sponsor and potential conflicts of interest***

An Issuer or certain affiliates of an Issuer may be the sponsor of a Proprietary Index which is referenced by a Security. Such index may be developed, owned, calculated and maintained by an affiliate of the Issuer, who would be responsible for the composition, calculation and maintenance of such Index. In such circumstances, potential conflicts of interest may exist in the internal teams and divisions within an affiliate of the Issuer and therefore in the course of normal business operations of the Index Sponsor and other divisions and teams of an affiliate of the Issuer.

During the course of normal business operations, the Index Sponsor, as a research team within an affiliate of the Issuer, may determine, calculate and publish the Proprietary Index, while another team within the same affiliate of the Issuer may issue, enter into, promote, offer or sell transactions or investments linked, in whole or in part, to the Proprietary Index. In addition, another team within an affiliate of the Issuer may have, or may have had, interests or positions, or may buy, sell or otherwise trade positions, in or relating to the underlying assets linked to the Proprietary Index. Such activities may or may not have an impact on the level of the Proprietary Index.

The Index Sponsor would be under no obligation to take into account the interests of the Securityholders referenced by such index. In such capacity as Index Sponsor, they will have the authority to make determinations that could materially affect the value of the Security.

In view of the different roles performed by affiliates of the Issuer through the various teams, the Issuer as an entity is subject to potential conflicts of interest.

##### ***Adjustments, suspension and termination of the Barclays Capital Index***

While the Index Sponsor currently employs the methodology ascribed to the Barclays Capital Index (and application of such methodology shall be conclusive and binding), no assurance can be given that market, regulatory, juridical, financial, fiscal or other circumstances (including, but not limited to,

any changes to or any suspension or termination of or any other events affecting any constituent within the Barclays Capital Index) will not arise that would, in the view of the Index Sponsor, necessitate an adjustment, modification or change of such methodology. The Index Sponsor may also, in its sole and absolute discretion, at any time and without notice, adjust, suspend or terminate the Barclays Capital Index. The Index Sponsor is also under no obligation to continue the calculation, publication and dissemination of the Barclays Capital Index. Any such adjustment, suspension, termination or non-publication may have a negative impact on the Securities.

### **Status of the Securities**

The Securities are unsecured and unsubordinated obligations of the relevant Issuer and will rank equally among themselves and, with the exception of certain obligations given priority by applicable law, will rank *pari passu* with all other present and future outstanding unsecured and unsubordinated obligations of the relevant Issuer. Each issue of Securities by BCCL will be unconditionally and irrevocably guaranteed by the Bank pursuant to the Guarantee. The Guarantee constitutes a direct, unsecured and general obligation of the Bank and ranks and will rank equally with all other existing and future unsecured obligations of the Bank, including those in respect of deposits, but excluding any debts for the time being preferred by operation of law in bankruptcy or other legal proceeding of a similar nature.

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

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

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

Securityholders should be aware that Temporary Global Securities will not be exchangeable for Definitive Bearer Securities.

### **Minimum Tradable Amounts**

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

## **Nominee Arrangements**

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

## **Taxation**

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

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

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

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

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

Potential purchasers of Securities should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their application by the relevant

taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

### **CREST Securities and CDIs**

None of the Issuer, any Manager or any Agent makes any representation or warranty as to the tax consequences of an investment in CREST Securities or CDIs and/or the tax consequences of the acquisition, holding, transfer or disposal of CREST Securities or CDIs by any investor (including, without limitation, whether any stamp duty, stamp duty reserve tax, excise, severance, sales, use, transfer, documentary or any other similar tax, duty or charge may be imposed, levied, collected, withheld or assessed by any government, applicable tax authority or jurisdiction on the acquisition, holding, transfer or disposal of CREST Securities or CDIs by any investor).

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

### **Risks in respect of CDIs**

If issued, CDIs will be delivered, held and settled in CREST by means of the CREST International Settlement Links Service. Prospective investors in CDIs should consider the following risks:

- (i) Investors in CDIs will not be the legal owners of the Underlying Securities to which such CDIs relate. CDIs are separate legal instruments from the Underlying Securities and represent indirect interests in the interests of CREST International Nominees Limited in such Underlying Securities. CDIs will be issued by the CREST Depository to investors and will be governed by English law.
- (ii) The Underlying Securities (as distinct from the CDIs representing indirect interests in such Underlying Securities) will be held in an account with a custodian. The custodian will hold the Underlying Securities through a clearing system (Euroclear or another clearing system having bridge arrangements with Euroclear). Rights in the Underlying Securities will be held through custodial and depository links through the appropriate clearing systems. The legal title to the Underlying Securities or to interests in the Underlying Securities will depend on the rules of the clearing system in or through which the Underlying Securities are held.
- (iii) Rights in respect of the Underlying Securities cannot be enforced by holders of CDIs except indirectly through the intermediary depositories and custodians described above. The enforcement of rights in respect of the Underlying Securities will therefore be subject to the local law of the relevant intermediary. This will include English law. The rights of holders of CDIs with respect to the Underlying Securities are represented by the entitlements of such holders against the CREST Depository which (through the CREST Nominee) holds interests in the Underlying Securities. This could result in an elimination or reduction in the payments that otherwise would have been made in respect of the Underlying Securities in the event of any insolvency or liquidation of the relevant intermediary, in particular where the Underlying Securities held in clearing systems are not held in special purpose accounts and are fungible

with other securities held in the same accounts on behalf of other customers of the relevant intermediaries.

- (iv) Holders of CDIs will be bound by all provisions of the CREST Deed Poll and by all provisions of or prescribed pursuant to the CREST Manual dated 7 September 2009 as amended, modified, varied or supplemented from time to time (the “**CREST Manual**”) and the CREST Rules (contained in the CREST Manual) applicable to the CREST International Settlement Links Service. Holders of CDIs must comply in full with all obligations imposed on them by such provisions.
- (v) Prospective investors in CDIs should note that the provisions of the CREST Deed Poll, the CREST Manual and the CREST Rules contain indemnities, warranties, representations and undertakings to be given by holders of CDIs and limitations on the liability of the CREST Depository as issuer of the CDIs.
- (vi) Holders of CDIs may incur liabilities resulting from a breach of any such indemnities, warranties, representations and undertakings in excess of the money invested by them.
- (vii) Prospective investors in CDIs should note that holders of CDIs may be required to pay fees, charges, costs and expenses to the CREST Depository in connection with the use of the CREST International Settlement Links Service. These will include the fees and expenses charged by the CREST Depository in respect of the provision of services by it under the CREST Deed Poll and any taxes, duties, charges, costs or expenses which may be or become payable in connection with the holding of the Underlying Securities through the CREST International Settlement Links Service.
- (viii) Prospective investors in CDIs should note that none of the Issuer, any Manager or any Agent will have any responsibility for the performance by any intermediaries or their respective direct or indirect participants or accountholders acting in connection with CDIs or for the respective obligations of such intermediaries, participants or accountholders under the rules and procedures governing their operations.
- (ix) Prospective investors in CDIs should note that Securities issued as a Temporary Global Security exchangeable for a Permanent Global Security will not be eligible for CREST settlement through CDIs. As such, investors investing in Underlying Securities through CDIs will only receive the CDIs after such Temporary Global Security is exchanged for a Permanent Global Security, which could take up to 40 days after the issue of the Underlying Securities.

### **Certain additional risk factors associated with Securities which are Warrants and Exercisable Certificates**

#### *Time lag after exercise*

Unless otherwise specified in the applicable Final Terms, in the case of any exercise of Warrants or Exercisable Certificates, there will be a time lag between the time a Securityholder gives instructions to exercise and, in the case of a Security that is a Cash Settled Security, the time the relevant Settlement Amount or, in the case of a Physically Delivered Security, the relevant Entitlement due on the Physical Delivery Date, relating to such exercise, is determined. Any such delay between the time of exercise and the determination of the relevant Settlement Amount or Entitlement will be determined in

accordance with the Base Conditions, any applicable Relevant Annex or the applicable Final Terms. However, such delay could be significantly longer, particularly in the case of a delay in exercise of Securities arising from any daily maximum exercise limitation, the occurrence of a market disruption event or failure to open when scheduled of an exchange or related exchange (if applicable) or following the imposition of any exchange controls or other similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies) in the case of a Security that is an FX Linked Security. The applicable Settlement Amount or Entitlement may change significantly during any such period, and such movement or movements could decrease the Settlement Amount or Entitlement of the Securities being exercised and may result in such Settlement Amount being zero.

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

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

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

Each Issuer may issue several Series of Warrants or Exercisable Certificates relating to various reference securities, currencies, commodities, funds or other assets or bases of reference which may be specified in the applicable Final Terms. However, no assurance can be given that the relevant Issuer will issue any Warrants or Exercisable Certificates other than the Warrants or Exercisable Certificates to

which a particular Final Terms relates. At any given time, the number of Warrants or Exercisable Certificates outstanding may be substantial. Warrants and Exercisable Certificates provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the Reference Asset(s) or basis of reference. In general, certain of the risks associated with the Warrants and Exercisable Certificates are similar to those generally applicable to other options or warrants of private corporate issuers. Options or warrants on equities or debt securities are priced primarily on the basis of the value of underlying securities whilst Currency and Commodity Linked Warrants and Exercisable Certificates are priced primarily on the basis of present and expected values of a basket of currencies or commodity (or basket of commodities) specified in the applicable Final Terms.

*Certain factors affecting the settlement value and trading price of Warrants and Exercisable Certificates*

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

*Minimum and maximum limitations on exercise*

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

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

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

**Non-registration under the Securities Act and restrictions on transfer**

The Securities have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The Securities are being issued and sold in reliance upon exemptions from registration provided by such laws. Consequently, the transfer of the Securities will be subject to satisfaction of legal requirements applicable to transfers that do not require registration under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. In addition, the Securities are subject to certain

transfer restrictions as described herein under “Clearance, Settlement and Transfer Restrictions” and “Purchase and Sale”, which may further limit the liquidity of the Securities.

**Additional risk factors, disclaimers and considerations associated with certain Securities**

Securities may be issued subject to additional disclaimers and considerations in respect of risk and tax consequences involved in investing in such Securities. The text of such additional disclaimers and considerations (if any) will generally be set out in full in the applicable Relevant Annex and/or Final Terms. Prospective purchasers should understand the risks and regulatory and tax implications associated with an investment in the Securities and should only reach an investment decision, after careful consideration with their legal, tax, accounting and other advisers, of the suitability of an investment in the Securities in light of all the information set out in this Base Prospectus, any supplement thereof and the applicable Final Terms.

## INFORMATION INCORPORATED BY REFERENCE

The following information (unless otherwise expressly stated below) has been filed with the FSA and shall be deemed to be incorporated in, and to form part of, this Base Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus:

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

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

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

- the terms and conditions set out on pages 110 to 173 of the base prospectus dated 5 August 2009 as supplemented, and the terms and conditions set out on pages 134 to 211 (inclusive) as supplemented and amended by the relevant annexes set out on pages 212 to 685 (inclusive) of the base prospectus dated 6 August 2010 as supplemented in relation to the issuance of notes, certificates or warrants by the Issuer under the programme described therein subject to amendment and as supplemented or varied in accordance with the applicable Final Terms and any applicable relevant annex set out in such base prospectus.

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

- the joint Annual Report of Barclays Bank PLC (the "Bank") and Barclays PLC, as filed with the U.S. Securities and Exchange Commission (the "SEC") on Form 20 F in respect of the years ended 31 December 2009 and 31 December 2010 (the "Joint Annual Report"), with the exception of the information incorporated by reference in the Joint Annual Report referred to in the Exhibit Index of the Joint Annual Report, which shall not be deemed to be incorporated in this Base Prospectus; and
- the Annual Reports of the Bank containing the audited consolidated financial statements of the Bank in respect of the years ended 31 December 2009 (the "2009 Bank Annual Report") and 31 December 2010 (the "2010 Bank Annual Report"), respectively; and
- the joint unaudited Interim Results Announcement of Barclays PLC and the Bank as filed with the SEC on Form 6-K on film number 111004484 on 2 August 2011 in respect of the six months ended 30 June 2011 (the "Interim Results Announcement"); and
- the registration document dated 4 August 2011 (the "Registration Document"), with the exception of the information incorporated therein by reference.

**In respect of information relating to BCCL:**

- the Annual Reports of BCCL containing the audited accounts of BCCL in respect of the years ended 31 December 2009 (the "2009 BCCL Annual Report") and 31 December 2010 (the "2010 BCCL Annual Report"), respectively.

Any information contained in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant for prospective investors for the purposes of Article 5(1) of the Prospectus Directive or is covered elsewhere in this Base Prospectus. The above documents may be inspected at the registered office of each Issuer and at the specified office of the Issue and Paying Agent as described in the section entitled "General Information".

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

**Section 1 – Business review**

Key performance indicators .....	2
Financial review .....	7

Citizenship .....	39
<b>Section 2 – Risk Management and Governance</b>	
Risk management.....	42
Directors’ report.....	124
Corporate governance report.....	130
Remuneration report.....	147
<b>Section 3 – Additional Financial Information</b>	
Risk factors.....	164
Additional financial information.....	167
<b>Section 4 – Financial statements</b>	
Presentation of information .....	184
Independent Registered Public Accounting Firm’s report Barclays PLC .....	185
Consolidated Financial Statements Barclays PLC.....	186
Independent Registered Public Accounting Firm’s report for Barclays Bank PLC.....	270
Barclays Bank PLC data .....	271
<b>Section 4 – Shareholder information</b>	287

Each of the Bank and Barclays PLC has applied International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and as adopted by the European Union (the “EU”) in the financial statements incorporated by reference above. A summary of the significant accounting policies for each of the Bank and Barclays PLC is included in each of the Joint Annual Report, the 2009 Bank Annual Report and the 2010 Bank Annual Report.

## INFORMATION RELATING TO THE ISSUERS

### DESCRIPTION OF THE ISSUERS

#### THE BANK AND THE GROUP

The Bank is a public limited company registered in England and Wales under number 1026167. The liability of the members of the Bank is limited. It has its registered and head office at 1 Churchill Place, London, E14 5HP, United Kingdom (telephone number +44 (0)20 7116 1000). The Bank was incorporated on 7 August 1925 under the Colonial Bank Act 1925 and, on 4 October 1971, was registered as a company limited by shares under the Companies Acts 1948 to 1967. Pursuant to The Barclays Bank Act 1984, on 1 January 1985, the Bank was re-registered as a public limited company and its name was changed from “Barclays Bank International Limited” to “Barclays Bank PLC”.

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

The short-term unsecured obligations of the Bank are rated A-1+ by Standard & Poor’s Credit Market Services Europe Limited, P-1 by Moody’s Investors Service Ltd. and F1+ by Fitch Ratings Limited and the long-term obligations of the Bank are rated AA- by Standard & Poor’s Credit Market Services Europe Limited, Aa3 by Moody’s Investors Service Ltd. and AA- by Fitch Ratings Limited.

*Prospective investors should have regard to the Barclays Bank PLC disclosure set out under the section headed “The Bank And The Group” of the Registration Document incorporated herein by reference and in the Issuer and group disclosure set out in the Joint Annual Report (each as defined in the section of this Base Prospectus entitled “Information Incorporated By Reference”).*

#### BARCLAYS CAPITAL (CAYMAN) LIMITED

Barclays Capital (Cayman) Limited (“**BCCL**”) was incorporated in the Cayman Islands on 24 July 1989 for an unlimited duration and registered on 26 July 1989. BCCL operates under Cayman Islands law with limited liability. BCCL’s registered office is at the offices of Barclays Private Bank & Trust (Cayman) Limited, P.O. Box 487, 4th Floor, First Caribbean House, 25 Main Street, George Town, Grand Cayman KY1-1106, Cayman Islands, British West Indies. Its registration number is 32968. BCCL is a wholly owned direct subsidiary of the Bank.

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

BCCL is resident for tax purposes in the United Kingdom.

#### Share Capital

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

Authorised:	1,000 Ordinary shares of U.S.\$10 each 100,000,000,000 Preference
-------------	---

Shares of £0.01 each

Allotted and fully paid: 10 Ordinary shares of U.S.\$10 each

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

### **Directors**

The Board of Directors of BCCL consists of:

<b>Name</b>	<b>Function within BCCL</b>	<b>Principal Occupation</b>
Eric Didier Bommensath	Director	Investment Banker
Benoit de Vitry	Director	Investment Banker
Kate Elizabeth Pothalingam	Director	Investment Banker
Colin Archibald Dickie	Director	Investment Banker
Arthur Ubaka Mbanefo	Director	Investment Banker

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

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

### **Related Parties**

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

### **Litigation Statement**

BCCL is not and/or has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BCCL is aware) which may have, or have had during the 12 months preceding the date of this Base Prospectus, a significant effect on the financial position or profitability of BCCL.

### **Ultimate Parent Company**

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

### **Auditors**

The annual financial statements of BCCL for the two years ended 31 December 2009 and 31 December 2010 have been audited without qualification by PricewaterhouseCoopers of Southwark

Towers, 32 London Bridge Street, London SE1 9SY, chartered accountants and registered auditors (authorised and regulated by the Financial Services Authority for designated investment business).

### **The Guarantee of the Bank**

The Bank has entered into a Guarantee dated 5 August 2011 under which the Bank undertakes unconditionally and irrevocably to guarantee the proper, punctual and complete performance by BCCL of its obligations under all Securities issued by BCCL under the Programme. The Bank undertakes to pay, or procure the making of any payment, in cash and in the currency in which the particular Securities are expressed to be payable, in accordance with the terms and conditions thereof, upon demand being made under the Guarantee by the relevant holder of the Securities. Information about the Bank is set out elsewhere in this document.

### **Recent Developments**

BCCL made neither any profit nor any loss during the financial year ended 31 December 2010. On 20 July 2011, the Directors approved the payment of a dividend of £7,174,006.19 to Barclays Bank PLC.

### **Material and Significant Change Statement**

There has been no significant change in the financial or trading position of BCCL since 31 December 2010 and there has been no material adverse change in the prospects of BCCL since 31 December 2010 (the date at which the most recent annual audited financial statements of BCCL were prepared).

## PRO FORMA FINAL TERMS

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

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

#### Final Terms

### BARCLAYS BANK PLC

*(Incorporated with limited liability in England and Wales)*

### BARCLAYS CAPITAL (CAYMAN) LIMITED

*(Incorporated with limited liability in the Cayman Islands)*

### GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

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

[Up to][Amount/Number][*title of the Notes/Certificates*]

under the Global Structured Securities Programme

[Guaranteed by Barclays Bank PLC]

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

This document constitutes the final terms of the [Notes/Certificates] (the “**Final Terms**”) described herein for the purposes of Article 5.4 of Directive 2003/71/EC (the “**Prospectus Directive**”) and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the “**Bank**”) and Barclays Capital (Cayman) Limited (“**BCCL**”) and is supplemental to and should be read in conjunction with the Base Prospectus dated [●] 2011, as supplemented and amended from time to time, which constitutes a base prospectus (the “**Base Prospectus**”) for the purpose of the Prospectus Directive. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent for the time being in London, and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

[Subject as provided below, the][The] Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. To the best of [its/their] knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information. [The information relating to [●] [and] contained herein has been accurately extracted from [*insert information source(s)*].] [The Issuer [and the Guarantor] confirm[s] that this information has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain from information published by [●] [and [●]], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

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

This document constitutes the final terms of the Securities (the “**Final Terms**”) described herein for the purposes of Article 5.4

of the Prospectus Directive and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the “Bank”) and Barclays Capital (Cayman) Limited (“BCCL”) and is supplemental to and should be read in conjunction with the Base Prospectus dated [●] 2011, as supplemented and amended from time to time, which constitutes a base prospectus (the “Base Prospectus”) for the purpose of the Prospectus Directive, save in respect of the Conditions, which are extracted from the [[Base Prospectus]/[Offering Circular]] dated [original date] (the “Original Offering Document”), as incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Conditions extracted from the Original Offering Document. The Base Prospectus and Original Offering Document are available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent for the time being in London, and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

[Subject as provided below, the][The] Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. To the best of [its/their] knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information. [The information relating to [●] [and] contained herein has been accurately extracted from [insert information source(s)].] [The Issuer [and the Guarantor] confirm[s] that this information has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain from information published by [●] [and] [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Investors should refer to the sections headed “Risk Factors” in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

#### **Barclays Capital**

Final Terms dated [Issue Date]

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in “Purchase and Sale” in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

**Part A**  
**Terms and Conditions of the Securities**

[Rule 144A Global Securities (as defined below) may be deposited in DTC, Euroclear and Clearstream.

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

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(es) set out in the Base Prospectus dated [●] 2011.

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

**Parties**

Issuer:	[Barclays Bank PLC] [Barclays Capital (Cayman) Limited]
Guarantor:	[Barclays Bank PLC] [N/A]
Manager[s]:	[Barclays Bank PLC] [and] [Barclays Capital Inc.] [and] [Other ( <i>specify</i> )]
Determination Agent:	[Barclays Capital Securities Limited] [Barclays Bank PLC]
Issue and Paying Agent:	[The Bank of New York Mellon] [●]
Stabilising Manager:	[N/A] [●]
Registrar:	[The Bank of New York Mellon (Luxembourg) S.A.] [The Bank of New York Mellon (New York branch)] [N/A]
Italian Securities Agent:	[[●] appointed pursuant to an agency agreement dated [●] which shall be an Agency Agreement for the purposes of the Conditions] [N/A]
CREST Agent:	[Computershare Investor Services PLC] [Other ( <i>specify</i> )] [N/A]

Paying Agents:	[The Bank of New York Mellon] [The Bank of New York (Luxembourg S.A.)] [The Bank of New York Mellon (New York branch)] [The Bank of New York Mellon, Frankfurt branch] [Other/Swiss Paying Agent ( <i>specify</i> )] [N/A]
Transfer Agent:	[The Bank of New York Mellon] [The Bank of New York (Luxembourg S.A.)] [The Bank of New York Mellon (New York branch)] [N/A]
Exchange Agent:	[The Bank of New York Mellon (New York branch)] [Other ( <i>specify</i> )] [N/A]
Additional Agents:	[•] [N/A]

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

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.[*to be inserted only in the case of Bearer Securities that are not Cleared Securities*]]

*Insert the following paragraphs for Registered Securities:* [THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT (“REGULATION S”)). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER

AND SALE OF [THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S][AND][WITHIN THE UNITED STATES TO QUALIFIED INSTITUTIONAL BUYERS IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”)] [AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN]. [PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE SECURITIES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A]. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS [AND THE SUPPLEMENTAL PROSPECTUS], SEE “PURCHASE AND SALE” AND “CLEARANCE, SETTLEMENT AND TRANSFER RESTRICTIONS – TRANSFER RESTRICTIONS FOR REGISTERED SECURITIES” IN THE BASE PROSPECTUS AND THE SUPPLEMENTAL PROSPECTUS].

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

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER US REGULATORY AUTHORITY, AND NONE OF THE FOREGOING AUTHORITIES HAS PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THESE FINAL TERMS OR THE BASE PROSPECTUS [OR THE SUPPLEMENTAL PROSPECTUS]. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

#### [NOTICE TO NEW HAMPSHIRE RESIDENTS

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

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

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

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

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

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

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

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

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

[These Securities are VP Notes. Securityholders should refer to the provisions of the Danish Securities Annex to the Base Prospectus which shall apply to the Securities.] Provisions relating to the Securities

- |   |  |  |
|---|--|--|
| 1 | [(i)] Series:                                      | [•]  |
|   | [(ii)] Tranche:                                    | [•]  |
| 2 | Currency:  | [•]  |
| 3 | Notes:   | [Applicable]<br>[N/A]  |
|   | (i) Aggregate Nominal Amount as at the Issue Date: | [Up to][•]<br>[For Bmarkets products insert: Up to authorised Aggregate Nominal Amount: [Insert]<br>Initial Aggregate Nominal Amount issued as at the Issue Date: [Insert]]  |
|   | [(a)] Series:                                      | [•]  |
|   | [(b)] Tranche:                                     | [•]  |
|   | (ii) Specified Denomination:                       | [•]<br>[For multiple Specified Denominations greater than EUR50,000 (or equivalent) insert:<br>[EUR50,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR99,000]].<br>[Notes will not be issued in definitive form with a Specified Denomination above [EUR99,000]] (Not applicable to CBF Securities) |
|   | (iii) Minimum Tradable Amount:                     | [•]<br>[N/A]   |

	(iv) Calculation Amount per Security as at the Issue Date:	[●]
4	Certificates:	[Applicable] [N/A]
	(i) Number of Certificates:	[Up to][●] [For Bmarkets products insert: Up to authorised number of Securities: [INSERT] Initial issuance number of Securities as at the Issue Date: [INSERT]]
	(ii) Minimum Tradable Amount:	[●] [N/A]
	(iii) Calculation Amount per Certificate as at the Issue Date:	[●]
5	Form:	
	(i) Global/Definitive/Uncertificated and dematerialised:	[Global Bearer Securities:] [Temporary Global Security, exchangeable for a Permanent Global Security/Permanent Global Security] [Global Registered Securities:] [Regulation S Global Security; and/or Rule 144A Global Security available on the Issue Date] [For APK Registered Securities/VPS Registered Securities/Spanish Securities/VP Notes: The Securities are in uncertificated and dematerialised book-entry form] [For Dutch Securities: Global Registered Securities cleared and settled in Euroclear Netherlands] [For Swedish Registered Securities: Dematerialised Uncertificated Securities in dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act (1998:1479), as amended. Cleared and settled in Euroclear Sweden AB] [For Swiss Securities: [Uncertificated Securities in dematerialised and registered form, in accordance with article 973c of the Swiss Federal Code of Obligations] [Global Bearer Securities] [Definitive Registered Securities:] [CREST Securities are issued in dematerialised uncertificated registered form] [Where the Securities are intended to be held in a manner which would allow Eurosystem eligibility, add

	<i>the following wording, as applicable:</i> registered in the name of a nominee for a [common depositary][common safekeeper] for Euroclear and Clearstream]
(ii) NGN Form:	[Applicable] [N/A]
(iii) Held under the NSS:	[Applicable] [N/A]
(iv) CGN Form:	[Applicable] [N/A]
(v) CDIs:	[Applicable] [N/A]
6 Trade Date:	[•]
7 Issue Date:	[•]
8 Redemption Date:	[•]
9 Issue Price:	[Notes – [•] per cent. of the [Aggregate Nominal Amount] [plus accrued interest from [ <i>insert date</i> ] ( <i>in the case of fungible issues only, if applicable</i> )] [Certificates – [•] per Security]
10 Relevant Stock Exchange[s]:	[London Stock Exchange] [Other ( <i>specify</i> )] [N/A]
11 The following Relevant Annex(es) shall apply to the Securities ( <i>specify each applicable Relevant Annex</i> ):	[Barclays Capital Index Annex] [Bond Linked Annex] [Commodity Linked Annex] [Credit Linked Annex] [Danish Securities Annex] [Dutch Securities Annex] [Equity Linked Annex] [Finnish Securities Annex] [French Cleared Securities Annex] [French Securities Annex] [Fund Linked Annex] [FX Linked Annex] [Gold Settlement Annex] [Inflation Linked Annex] [Italian Securities Annex] [Norwegian Securities Annex] [Spanish Securities Annex]

[Swedish Securities Annex]  
[Swiss Securities Annex]  
[US Warrants Product Annex]  
[Warrant Linked Securities Annex]  
[Other (*specify*)]  
[N/A]

**Provisions relating to interest (if any) payable on the Securities**

- 12 Interest: [Applicable]  
[N/A]
- 13 Interest Amount: [Where single Interest Calculation Period which is less than one year and rate provided is not a rate per annum: [In respect of the Interest Calculation Period, shall be equal to [●] per cent. of the Calculation Amount as at the Issue Date]]  
[As per Conditions 4 and 24 of the Base Conditions]  
[Other (*specify*)]  
[N/A]
- 14 Interest Rate[s]:
- (i) Fixed Rate: [●] per cent. per annum  
[N/A]
- (ii) Floating Rate: [Screen Rate Determination]  
[ISDA Determination]  
[N/A]
- (iii) Variable Rate: [Specify basis/methodology/formula for Interest Rate]  
[N/A]
- (iv) Zero Coupon: [Specify methodology/internal rate of return]  
[N/A]
- (v) Bond Linked Securities – Fixed Coupon: [●] per cent. per annum  
[N/A]
- (vi) Bond Linked Securities – Pass Through Interest: [Applicable]  
[N/A]
- 15 Screen Rate Determination: [Applicable]  
[N/A]  
(if not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Reference Rate: [●]

(ii) Relevant Screen Page:	[Reuters Screen LIBOR01 Page] [Reuters Screen EURIBOR01 Page] [Other ( <i>specify</i> )]
16 ISDA Determination:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Floating Rate Option:	[•]
(ii) Designated Maturity:	[•]
(iii) Reset Date:	[•]
17 Margin:	[Plus/Minus] [•] [N/A]
18 Minimum/Maximum Interest Rate:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Minimum Interest Rate:	[•] per cent. per annum [N/A]
(ii) Maximum Interest Rate:	[•] per cent. per annum [N/A]
19 Interest Commencement Date:	[Issue Date] [Other ( <i>specify</i> )] [N/A]
20 Interest Determination Date:	[As per Conditions 4 and 24 of the Base Conditions] [Arrears Setting applicable] [Other ( <i>specify</i> )]
21 Interest Calculation Periods:	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
(i) Interest Period End Dates:	[Each Interest Payment Date] [Other ( <i>specify</i> )] [N/A]
(ii) Interest calculation method for short or long Interest Calculation Periods:	[Linear Interpolation] [Other ( <i>specify</i> )] [N/A]

- 22 Interest Payment Dates: [[•] in each year]  
 [Redemption Date]  
 [Other (*specify*)]  
 [N/A]  
 [[•] Business Days after the corresponding Valuation Date]
- 23 Day Count Fraction: [Actual/Actual (ICMA)]  
 [Act/Act (ICMA)]  
 [Actual/Actual]  
 [Actual/Actual (ISDA)]  
 [Actual/365 (Fixed)]  
 [Actual/360]  
 [30/360]  
 [360/360]  
 [Bond Basis]  
 [30E/360]  
 [Eurobond Basis]  
 [30E/360 (ISDA)]
- 24 Fallback provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions: [•]  
 [N/A]

**Provisions relating to Redemption**

- 25 Settlement Method: *[For each relevant Base Condition specify the Settlement Method to apply to that Condition. Note that a different Settlement Method may apply to different Conditions –*  
 (i) For the purposes of Condition [5.1] of the Base Conditions:  
 [Cash Settlement]/[Physical Settlement]/[Cash Settlement or Physical Settlement: The Securities shall be cash settled if [•] and physically settled if [•]]/[Issuer Settlement Option]/[Securityholder Settlement Option]; and  
 (ii) For the purposes of Condition[s] [5.2]/[5.3]/[5.5] of the Base Conditions:  
 [Cash Settlement]/[Physical Settlement]/[Issuer Settlement Option]/[Securityholder Settlement Option]]

- 26 Settlement Currency: [•]
- 27 Settlement Number: [As defined in Condition 24 of the Base Conditions][Specify]
- 28 Terms relating to Cash Settled Securities:
- (i) Final Cash Settlement Amount: [[•] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]  
[[•] per cent. of the Calculation Amount per Security as at the Redemption Date]  
[Other (specify methodology or formula for calculation)]  
[N/A]
- (ii) Early Cash Settlement Amount: [[•] (Specify formula or methodology for calculation)]  
[As defined in Condition 24 of the Base Conditions]  
[[•] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]  
[[•] per cent. of the relevant Calculation Amount per Security]  
[Specify whether Early Cash Settlement Amount is or is not to include accrued interest (if applicable)]
- (iii) Early Cash Redemption Date: [As defined in Condition 24 of the Base Conditions]  
[•]
- 29 Terms relating to Physically Delivered Securities:
- (i) Final Physical Redemption Entitlement: [[•] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]  
[Other (specify methodology or formula for calculation)]  
[N/A]
- (ii) Final Physical Redemption Date: [As defined in Condition 24 of the Base Conditions]  
[Other (specify)]  
[N/A]
- (iii) Physical Delivery Date(s): [Final Physical Redemption Date]  
[Optional Physical Redemption Date]  
[Specified Early Redemption Date]  
[Other (specify)]  
[N/A]

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

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

32	Put Option:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Cash Settled Securities:	
	(a) Optional Cash Settlement Amount:	[[•] ( <i>Specify formula or methodology for calculation</i> )] [[•] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [As defined in Condition 24 of the Base Conditions]
	(b) Optional Cash Redemption Date(s):	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(ii) Physically Delivered Securities:	
	(a) Optional Physical Redemption Entitlement:	[[•] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [Other ( <i>specify methodology or formula for calculation</i> )]
	(b) Optional Physical Redemption Date(s):	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(iii) Put Option Exercise Date(s):	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(iii) Put Option Exercise Period:	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(iv) Put Notice Period:	[As per Condition 5.2 of the Base Conditions] [Other ( <i>specify</i> )]
33	Specified Early Redemption Event:	[Applicable ( <i>specify</i> ): [•]] [N/A]
	(i) Automatic Early Redemption:	[Applicable] [N/A]
	(ii) Cash Settled Securities:	
	(a) Specified Early Cash	[As defined in Condition 24 of the Base Conditions]

Settlement Amount:	<p>[[•] (<i>Specify formula or methodology for calculation</i>)]</p> <p>[[•] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]</p> <p>[Other (<i>specify</i>)]</p> <p>[N/A]</p>
(b) Specified Early Cash Redemption Date(s):	<p>[As defined in Condition 24 of the Base Conditions]</p> <p>[Other (<i>specify</i>)]</p> <p>[N/A]</p>
(iii) Physically Delivered Securities:	
(a) Specified Early Physical Redemption Entitlement:	<p>[[•] per Calculation Amount as at the Issue Date, subject to Condition 8.3 of the Base Conditions]</p> <p>[Other (<i>specify methodology or formula for calculation</i>)]</p>
(b) Specified Early Physical Redemption Date(s):	<p>[As defined in Condition 24 of the Base Conditions]</p> <p>[Other (<i>specify</i>)]</p> <p>[N/A]</p>
(iv) Specified Early Redemption Notice Period:	<p>[As per Condition 5.5 of the Base Conditions]</p> <p>[Other (<i>specify</i>)]</p> <p>[N/A]</p>
34 Maximum and Minimum Redemption Requirements:	
(i) Minimum Number/Minimum Nominal Amount:	<p>[•]</p> <p>[N/A]</p>
(ii) Daily Maximum Number/Daily Maximum Amount:	<p>[•]</p> <p>[N/A]</p>
35 Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:	
(i) Affected Jurisdiction Hedging Disruption:	<p>[Applicable]</p> <p>[N/A]</p>
(ii) Affected Jurisdiction Increased Cost of Hedging:	<p>[Applicable]</p> <p>[N/A]</p>
(iii) Affected Jurisdiction:	<p>[•]</p>

	[N/A]
(iv) Other Additional Disruption Events:	[Applicable ( <i>Specify</i> )]
	[N/A]
(v) The following shall not constitute Additional Disruption Events:	[Applicable ( <i>Specify</i> )]
	[N/A]
36 Share Linked Securities:	[Applicable]
	[N/A]
	<i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i) Share(s) (each a “ <b>Reference Asset</b> ”):	[Define and specify details of each share or basket and the related Share Company]
(ii) Exchange[s]:	[•]
(iii) Related Exchange[s]:	[•]
	[All Exchanges]
	[N/A]
(iv) Exchange Rate[s]:	[Specify]
	[N/A]
(v) Weighting for each Reference Asset comprising the Basket of Reference Assets:	[Specify]
	[N/A]
(vi) Initial Price of each Reference Asset:	[•]
(vii) Number of Shares:	[•]
	[N/A]
(viii) Substitution of Shares:	[Substitution of Shares – Standard is applicable.]
	[Substitution of Shares – ETF underlying is applicable.]
	[N/A]
(ix) Valuation Date:	[•]
(x) Valuation Time:	[•] [As per the Equity Linked Annex]
(xi) Averaging:	[Applicable]
	[N/A]
	<i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(a) Averaging Dates:	[•]
(b) Consequence of an Averaging Date being a Disrupted Day:	[Omission]
	[Postponement]
	[Modified Postponement]

(xii) Additional Disruption Event in respect of Share Linked Securities:	[Foreign Ownership Event] [Insolvency Filing] [Increased Cost of Stock Borrow] Initial Stock Loan Rate: [●] [Loss of Stock Borrow] Maximum Stock Loan Rate: [●] [Fund Disruption Event] [Other (specify)] [N/A]
(xiii) FX Disruption Event:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(a) Specified Currency:	[●]
(b) Specified Jurisdiction:	[●]
(xiv) Market Access Dividend and Rights Issue Provisions:	[Applicable] [N/A]
(xv) Dividend Exchange Rate:	[●] [N/A]
(xvi) Other adjustments:	[● (specify)] [N/A]
37 Index Linked Securities ( <i>Equity indices only</i> ):	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i) Index/Indices (each a “ <b>Reference Asset</b> ”):	<i>[Define and specify details of each index or basket, the related Index Sponsor and whether the Index is a Multi-exchange Index]</i>
(ii) Future Price Valuation:	[Applicable] [N/A]
(iii) Exchange-traded Contract:	<i>[Specify whether Future Price Valuation is applicable]</i> [N/A]
(iv) Exchange[s]:	[●]
(v) Related Exchange[s]:	[●] [All Exchanges] [N/A]

(vi) Exchange Rate:	[Specify] [N/A]
(vii) Weighting for each Reference Asset comprising the Basket of Reference Assets:	[Specify] [N/A]
(viii) Index Level[s] of each Reference Asset:	[•]
(ix) Valuation Date:	[•]
(x) Valuation Time:	[•] [As per the Equity Linked Annex]
(xi) Averaging:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a) Averaging Dates:	[•]
(b) Consequence of an Averaging Date being a Disrupted Day:	[Omission] [Postponement] [Modified Postponement]
(xii) Additional Disruption Event in respect of Index Linked Securities:	[Foreign Ownership Event] [Insolvency Filing] [Increased Cost of Stock Borrow] Initial Stock Loan Rate: [•] [Loss of Stock Borrow] Maximum Stock Loan Rate: [•] [Fund Disruption Event] [Other (specify)] [N/A]
(xiii) FX Disruption Event:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a) Specified Currency:	[•]
(b) Specified Jurisdiction:	[•]
(xiv) Other adjustments:	[• (specify)] [N/A]
38 Inflation Linked Securities:	[Applicable] [N/A]

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

	following event shall also constitute an Elective FX Disruption Event: <i>[specify]]]</i>
	[N/A]
	<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a) Benchmark Obligation Default:	[Applicable ( <i>specify</i> )]
	[N/A]
(b) Price Materiality:	[Applicable]
	[N/A]
	<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(I) Primary Rate:	[•]
(II) Secondary Rate:	[•]
(III) Price Materiality Percentage:	[•]
(viii) FX Disruption Events:	[Applicable – [As per the FX Linked Annex]/[The following event shall also constitute an FX Disruption Event: <i>[specify]]]</i>
	[N/A]
(ix) Valuation Date:	[•]
(x) Valuation Time:	<i>[please specify] [if not applicable please delete]</i>
(xi) Averaging:	<i>[Insert methodology]</i>
	[N/A]
	<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(a) Averaging Dates:	[•] [or, if Specified Early Redemption Event applies, [•]]
(b) Business Day Convention:	[Modified Following Business Day Convention]
	[Other]
(xii) Rate Calculation Date:	[•] [or, if Specified Early Redemption Event applies, [•]]
(xiii) Business Day Convention relating to Valuation Date	<i>[Specify]</i>
40 Credit Linked Securities:	[Applicable]
	[N/A]
	<i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Type of Credit Linked Security:	[Single Name CLS]

- [Nth-to-Default CLS]
- [Portfolio CLS]
- [Index CLS]
- [Other (*specify*)]
- (ii) Determination Agent City: [As set out in the Credit Linked Conditions]  
[As set out in respect of the applicable Transaction Type in [Annex 2]]  
[Other (*specify*)]
- (iii) Credit Event Accrued Interest: [Applicable]  
[N/A]
- (iv) Extension Interest: [Applicable]  
[N/A]  
(*Specify for Credit Linked Securities only*)

*Credit Provisions*

- (v) Reference Entit[y][ies] (together with the related Reference Obligation(s), Obligation(s) and/or Deliverable Obligation(s) thereof, as applicable, each a “**Reference Asset**”): [•]  
[*For Portfolio CLSs, set out the Reference Portfolio (Reference Entity, Reference Obligation, Transaction Type, Reference Entity Notional Amount, whether Monoline Provisions applicable) in an annex – As set out in Annex 1*]
- (vi) Specified Reference Obligation[s]: [As set out in [Annex 1]]  
(*if using Annex 1 delete rest of sub-paragraph*)

The obligation[s] identified as follows: [ ]

Primary Obligor: [ ]

Guarantor: [ ]

Maturity: [ ]

Coupon: [ ]

CUSIP/ISIN: [ ]

Deliverable Obligations: [As set out in respect of the applicable Transaction Type in [Annex 2]]

Deliverable Obligation Category: [As set out in respect of the applicable Transaction Type in [Annex 2]]

(*select one only*)

[Payment]

[Borrowed Money]

[Reference Obligations Only]

	[Bond]
	[Loan]
	[Bond or Loan]
Deliverable Obligation Characteristics:	[As set out in respect of the applicable Transaction Type in Annex 2]
(select all of which apply)	[Not Subordinated]
	[Specified Currency: Standard Specified Currencies]
	[Not Contingent]
	[Assignable Loan]
	[Consent Required Loan]
	[Transferable]
	[Maximum Maturity: [30] years]
	[Not Bearer]
	[Not Sovereign Lender]
	[Not Domestic Currency]
	[Domestic Currency means: (specify currency if different from Credit Linked Conditions)]
	[Not Domestic Law]
	[Domestic Law means: (specify law if different from Credit Linked Conditions)]
	[Listed]
	[Not Domestic Issuance]
	[Direct Loan Participation]
	[Accelerated or Matured]
Excluded Deliverable Obligations:	[●]
	[None]
(vii) Reference CDS:	[N/A]
	[As set out in Annex [●]. For such purpose the Termination Currency shall be [EUR/GBP/USD]]
(viii) All Guarantees:	[Applicable]
	[N/A]
	[As set out in respect of the applicable Transaction Type in Annex 2]
<i>Terms relating to Credit Events</i>	
(ix) Credit Events:	[As set out in respect of the applicable Transaction Type in Annex 2]

- [Bankruptcy]
- [Failure to Pay]
- [Grace Period Extension: [Applicable/N/A]]
- [Grace Period: [●] (*specify if not the fallback definition in the Credit Linked Conditions*)]
- [Obligation Default]
- [Obligation Acceleration]
- [Repudiation/Moratorium]
- [Restructuring]
  - [Restructuring Maturity Limitation and Fully Transferable Obligation [Applicable/N/A]]
  - [Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation [Applicable/N/A]]
- [Other (*specify*)]
- (x) For Nth-to-Default Securities only, specify N: [●]
- (xi) Default Requirement: [●]
 

(*Specify if not the fallback definition in the Credit Linked Conditions*)
- (xii) Payment Requirement: [●]
 

(*Specify if not the fallback definition in the Credit Linked Conditions*)
- (xiii) Conditions to Settlement: [Credit Event Notice]
 

[Notice of Publicly Available Information]

(*if applicable*)

Specified Number: [Two]

[Notice of Physical Settlement]
- (xiv) Obligation(s):
 

Obligation Category: [As set out in respect of the applicable Transaction Type in Annex 2]

(*select one only*)

  - [Payment]
  - [Borrowed Money]
  - [Reference Obligations Only]
  - [Bond]
  - [Loan]

	[Bond or Loan]
Obligation Characteristics: (select all of which apply)	[As set out in respect of the applicable Transaction Type in Annex 2]
	[Not Subordinated]
	[Specified Currency: [Standard] [Other (specify)]]
	[Not Sovereign Lender]
	[Not Domestic Currency:]
	[Domestic Currency means: [•] (specify currency if different from Credit Linked Conditions)]
	[Not Domestic Law]
	[Domestic Law means: (specify law if different from Credit Linked Conditions)]
	[Listed]
	[Not Domestic Issuance]
(xv) Additional Obligation(s):	[•]
(xvi) Excluded Obligation(s):	[None]
	[Other (specify)]
<i>Terms relating to settlement following a Credit Event</i>	
(xvii) CLS Settlement Method:	[Cash Settlement]
	[Physical Settlement]
	[Auction Settlement]
(xviii) Fallback CLS Settlement Method:	[Cash Settlement]
	[Physical Settlement]
(xix) Issuer CLS Settlement Option:	[Applicable]
	[N/A]
(xx) Terms relating to Cash Settlement:	[Applicable]
	[N/A]
	<i>(If not applicable, delete the rest of this sub-paragraph)</i>
(a) Credit Event Redemption Amount:	[[•] (Specify amount, formula or method for determination)]
(b) Credit Event Redemption Date:	[Five] Business Days
(c) CLS Valuation Date:	[Single CLS Valuation Date]
	[Multiple CLS Valuation Dates:
	[•] Business Days; and each

	[•] Business Days thereafter.]
(d) CLS Valuation Time:	[As specified in the Credit Linked Conditions] [Other ( <i>specify</i> )]
(e) Quotation Method:	[Bid/Offer/Mid-market]
(f) Quotation Amount:	[As specified in the Credit Linked Conditions] [Other ( <i>specify</i> )]
(g) Minimum Quotation Amount:	[As specified in the Credit Linked Conditions] [Other ( <i>specify</i> )]
(h) Valuation Method:	[Highest/Lowest/Market]
(xxi) Terms relating to Physical Settlement:	[Applicable] [N/A] <i>(If not applicable, delete the rest of this sub-paragraph)</i>
(a) Physical Settlement Period:	[[•] Business Days] [As set out in the Credit Linked Conditions]
(b) Partial Cash Settlement due to Impossibility or Illegality:	[Applicable] [N/A]
(c) Partial Cash Settlement of Consent Required Loans:	[Applicable] [N/A]
(d) Partial Cash Settlement of Assignable Loans:	[Applicable] [N/A]
(e) Partial Cash Settlement of Participations:	[Applicable] [N/A]
(f) Delivery provisions for Entitlement if different from stated above:	[•] [N/A]
(xxii) Valuation Date:	[•] [N/A]
(xxiii) Valuation Time:	[•] [N/A]
(xxiv) 60 Business Day Cap on Settlement:	[Applicable] [N/A]
41 Commodity Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>

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

- (x) Commodity Business Day Convention:
  - [Following]
  - [Modified Following]
  - [Nearest]
  - [Preceding]
- (xi) US Commodities Restrictions:
  - [Type 1 Applicable]
  - [Type 2 Applicable]
  - [N/A]
- 42 (a) Barclays Capital Commodity Index Linked Securities (*Section 2 of the Barclays Capital Index Annex*):
  - [Applicable (Further information on the Barclays Capital Commodity Index Linked Securities is set out in paragraph 41)]
  - [N/A]
- (b) Barclays Capital Equity Index Linked Securities (*Section 3 of the Barclays Capital Index Annex*):
  - [Applicable]
  - [N/A]
  - (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Barclays Capital Index:
  - [insert index name], as described in Part A of Section 3 of the Barclays Capital Index Annex
- (ii) Barclays Capital Index Disruption:
  - [Applicable]
  - [N/A]
- (iii) Component Fallback:
  - [Applicable]
  - [N/A]
  - (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (iv) Index Components:
  - (a) Share(s) (each a “Reference Asset”):
    - [•]
    - [N/A]
    - (I) Exchange[s]:
      - [•]
      - [N/A]
    - (II) Related Exchange[s]:
      - [•]
      - [N/A]
  - (b) Index/Indices (each a “Reference Asset”):
    - [•]
    - [N/A]
  - (c) Exchange[s]:
    - [•]
    - [N/A]
  - (d) Related Exchange[s]:
    - [•]
    - [N/A]
  - (e) Relevant Annex for purposes
    - [Equity Linked Annex (as amended by Section 3 of

	of Index Component and/or Share Component:	the Barclays Capital Index Annex/[•]
(f)	Commodity Index (each a “Reference Asset”):	[•] [N/A]
	(I) Commodity Reference Price:	[•] [N/A]
	(II) Specified Price:	[•] [N/A]
	(III) Relevant Commodity:	[•] [N/A]
	(IV) Price Source:	[As per the Commodity Linked Annex] [•] [N/A]
	(V) Exchange(s):	[•] [N/A]
	(VI) Pricing Date:	[•] [N/A]
	(VII) Commodity Market Disruption Events:	[As per the Commodity Linked Annex] [•] [N/A]
	(VIII) Market Disruption of connected Futures Contract(s):	[As per the Commodity Linked Annex] [•] [N/A]
	(IX) Disruption Fallback(s):	[As per the Commodity Linked Annex] [•] [N/A]
	(X) Commodity Business Day Convention:	[•] [N/A]
(g)	Relevant Annex for purposes of Commodity Index Component:	[Commodity Linked Annex (as amended by Section 3 of the Barclays Capital Index Annex)]
(h)	Bonds:	[•] [N/A]
(i)	Cash:	[•] [N/A]
(j)	Other components:	[•] [N/A]

(k) Valuation Date(s):	[•] [N/A]
(l) Valuation Time:	[•] [N/A]
(m) Averaging:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(I) Averaging Dates:	[•]
(II) Consequence of an Averaging Date being a Disrupted Day:	[Omission] [Postponement] [Modified Postponement]
(c) Barclays Capital FX Index Linked Securities (Section 4 of the Barclays Capital Index Annex):	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i) Barclays Capital Index:	<i>[insert index name, currency and whether Excess Return or Total Return]</i> , as described in Part A of Section 4 of the Barclays Capital Index Annex
(ii) Index Components:	<i>[describe additional Index Components]</i>
(iii) Additional Index Fixing Page:	[N/A] <i>[provide BGC/Reuters page]</i>
(iv) FX Disruption Events:	[Applicable] [N/A]
(v) Averaging Dates:	<i>[specify]</i> [N/A]
(vi) Valuation Date(s):	<i>[specify]</i> [N/A]
(vii) Strike Date:	<i>[specify]</i> [N/A]
(viii) Index Fee:	<i>[specify]</i> [N/A]
(ix) Fee Level:	<i>[specify]</i> [N/A]
(d) Barclays Capital Interest Rate Index Linked Securities (Section 5 of the Barclays Capital Index Annex):	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>

- (i) Barclays Capital Index: *[insert index name]*, as described in Part A of Section 5 of the Barclays Capital Index Annex
- (ii) Additional Index Fixing Page(s): [N/A]  
*[insert BBG/Reuters page]*
- (iii) Currency in which the Index Level is published: *[Specify]*
- (iv) Index Fixing Date(s): *[Specify]*
- (e) Barclays Capital Emerging Market Index Linked Securities (*Section 6 of the Barclays Capital Index Annex*): [Applicable]  
[N/A]  
*(if not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Barclays Capital Emerging Market Index: *[Specify]*
- (ii) Exchange: *[Specify]*
- (iii) Related Exchange: [All Exchanges]  
*[Specify]*
- (iv) Multi-Exchange Index: *[Specify]*
- (v) Averaging: [Applicable]  
[N/A]
  - (a) Averaging Dates: *[Specify]*
  - (b) Omission: [Applicable]  
[N/A]
  - (c) Postponement: [Applicable]  
[N/A]
  - (d) Modified Postponement: [Applicable]  
[N/A]
- (vi) Adjustment Events: [Market Disruption Event]  
[Residual Risk Event]  
[Custodial Event]  
[Tax Event]  
[Inconvertibility Event]
- (vii) Valuation Dates: *[Specify]*
- (viii) Valuation Time: *[Specify]*
- (ix) Settlement Currency: *[Specify]*
- (x) Index Sponsor: [As specified in Section 6, Part A]*[Specify]*
- 43 Bond Linked Securities: [Applicable]  
[N/A]

- (if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Payments in respect of the Securities (including the Final Cash Settlement Amount): [Settlement Currency]  
[Reference Currency]
  - (ii) Reference Entit(y)(ies): [*Specify*]
  - (iii) Reference Obligation(s): [*Specify*]
  - (iv) Substitute Reference Obligations: [Applicable]  
[N/A]  
*(specify any guidelines)*
  - (v) Reference Obligation Jurisdiction: [•]  
[As defined in the Bond Linked Annex]
  - (vi) Reference Currency: [•]
  - (vii) Reference Obligation Principal Amount: [•]
  - (viii) Call Option: [Applicable]  
*(If “Call Option” is specified to apply in this section of the Final Terms, the Call Option provisions set out in the Base Conditions shall not apply, and Condition 5.3 of the Base Conditions shall, to the extent necessary, be deemed amended by Bond Linked Condition 3.2.)*  
[N/A]
  - (ix) Coupon Amount Deduction: [Applicable]  
[N/A]
  - (x) Custody Charge: [•] per cent.  
[N/A]
  - (xi) Expense Amount Fee: [Applicable]  
[N/A]
  - (xii) Valuation Date: [•]  
[As defined in the Bond Linked Annex]  
[N/A]
  - (xiii) FX Disruption Event: [Applicable]  
[N/A]
  - 44 Fund Linked Securities: [Applicable]  
[N/A]
  - (i) Fund(s) (each a “**Reference Asset**”): [•]

(ii) Fund Administrator(s):	[•]
(iii) Fund Custodian(s):	[•]
(iv) Fund Manager(s):	[•]
(v) Fund Services Provider(s) (additional):	[•]
(vi) Key person(s):	[•]
(vii) Fund Share(s):	[•]
(viii) Weighting for each Reference Asset comprising the Basket of Reference Assets:	[Specify] [N/A]
(ix) Final Redemption Dealing Date:	[•]
(x) Expected Redemption Date:	[Specify]
(xi) NAV Deadline Date:	[•] [As per the Fund Linked Annex]
(xii) NAV:	[•] [As per the Fund Linked Annex]
(xiii) Receipt Deadline:	[•] [As per the Fund Linked Annex]
(xiv) Adjusted Redemption Date:	[•] Business Days [As per the Fund Linked Annex]
(xv) Strike:	[Applicable, [•]] [N/A]
(xvi) Strike Date:	[•] [As per the Fund Linked Annex]
(xvii) Calculation Date:	[•] [As per the Fund Linked Annex]
(xviii) Dealing Date:	[•] [As per the Fund Linked Annex]
(xix) Fund Events:	[Applicable] [N/A, in relation to [specify Fund Events]]
(xx) Additional Fund Event(s):	[Specify] [N/A]
(xxi) Consequences of a Fund Event:	[Fund Linked Condition[s] 2.1.1, 2.1.2, 2.1.3 and 2.1.4] [is][are] applicable] <i>(If Fund Linked Condition 2.1.3 is applicable, specify actions of the Issuer and any provisions governing</i>

	<i>such action.)</i>
(xxii) Potential Adjustment of Payment Events:	[Applicable] [N/A]
(xxiii) Additional Adjustment Event(s):	[Specify] [N/A]
(xxiv) Valuation Date:	[•] [N/A]
(xxv) Averaging Dates:	[•] [N/A]

### Provisions relating to Settlement

45	Settlement in respect of VP Notes, APK Registered Securities, Dutch Securities, Swedish Registered Securities, VPS Registered Securities or Spanish Securities:	<p><i>[In the case of Swedish Registered Securities:</i> Swedish Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash]</p> <p><i>[In the case of Dutch Registered Securities:</i> Dutch Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash]</p> <p><i>[In the case of VP Notes:</i> VP Notes may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash]</p> <p><i>[In the case of APK Registered Securities:</i> For so long as it is a requirement of the EFi Rules, the APK Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash]</p> <p><i>[In the case of VPS Registered Securities:</i> For so long as it is a requirement of the VPS Rules, the VPS Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash]</p> <p><i>[In the case of Spanish Securities:</i> For so long as it is a requirement of the Iberclear Rules, the Iberclear Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash]</p> <p>[N/A]</p>
46	Additional provisions relating to Taxes and Settlement Expenses:	[[•] ( <i>specify</i> )] [N/A]

### Definitions

47 Business Day: [As defined in Condition 24 of the Base Conditions]  
[Other (*specify*)]

48 Additional Business Centre(s): [•]  
[N/A]

#### **Selling restrictions and provisions relating to certification**

49 Non-US Selling Restrictions: [As described in the Base Prospectus]  
[Other (*specify*)]  
[N/A]

50 Applicable TEFRA exemption: [TEFRA: C Rules Applicable]  
[TEFRA: D Rules Applicable]  
[N/A]

#### **General**

51 Business Day Convention: [Following]  
[Modified Following]  
[Nearest]  
[Preceding]

52 Relevant Clearing System[s]: [Euroclear]  
[Clearstream]  
[Clearstream Frankfurt (also depository)]  
[DTC]  
[Other (*specify*)]  
[Specify details including address if different]

53 If syndicated, names [and addresses] of Managers [and underwriting commitments]: [N/A]  
[give names and addresses and underwriting commitments]

54 (a) Details relating to Partly Paid Securities: [Specify amount of each payment comprising the Issuer Price and the date on which payments are to be made and consequences (if any) of failure to pay]

[N/A]

(b) Details relating to Instalment Notes: [Applicable]  
[N/A]

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

(i) Instalment Amount(s): [•]

(ii) Instalment Date(s): [•]

(iii) Minimum Instalment Amount: [•]

- (iv) Maximum Instalment Amount: [•]
- 55 Relevant securities codes: ISIN: [•]  
Common Code: [•]  
[Valoren: [•]]  
[WKN: [•]]  
[CUSIP: [•]]  
[[Other]: [•]]
- 56 Modifications to the Master Subscription Agreement and/or Agency Agreement: [•]  
[N/A]
- 57 Additional Conditions and/or modification to the Conditions of the Securities: [Specify details]  
[N/A]

**Part B**  
**Other Information**

**1 Listing and Admission to Trading**

- (i) Listing: [London/other (*specify*)/None]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [the London Stock Exchange's Regulated Market/*specify*] with effect from [●].]  
[Application is expected to be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [the London Stock Exchange's Regulated Market/*specify*] on or around the Issue Date.]  
[N/A]  
(Where documenting a fungible issue, indicate that original Securities are already admitted to trading.)
- [(iii) Estimate of total expenses related to admission to trading: [●]]<sup>1</sup>

**2 Ratings**

- Ratings: [The Securities have not been individually rated.]  
[Upon issuance, the Securities are expected to be rated:  
[S&P: [●]]  
[The credit rating[s] referred to above will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the "CRA Regulation") as having been issued by [Standard & Poor's Credit Market Services Europe Limited, which is established in the European Union and has applied through its respective London office to be registered under the CRA Regulation, although the result of such application has not yet been determined.]  
[Other]: [●]]  
[The credit rating referred to above will be treated for the purposes of Regulation (EC) No 1060/2009 on

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<sup>1</sup> Only applicable to Tranches of Securities with a denomination of at least €50,000 or equivalent in other currencies.

credit rating agencies (the “CRA Regulation”) as having been issued by [Other], which is a [registered rating agency established in the EU] / [unregistered rating agency established outside the EU] / [rating agency established in the EU and is applying to be registered but has not yet been registered] / [third country rating agency that is endorsed by an EU registered agency] / [third country rating agency that has not applied to be registered but is certified] in accordance with the CRA Regulation.

### 3 Notification

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

[N/A]

### 4 Interests of Natural and Legal Persons involved in the [Issue/Offer]

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

Save as discussed in [“Purchase and Sale”], so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

[N/A]

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

### 5 Reasons for the Offer, Estimated Net Proceeds and Total Expenses

(i) Reasons for the offer:

[General funding]

[specify if other reasons]

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

[(ii)] Estimated net proceeds:

[•]

*(if proceeds are intended for more than one use, will need to split out and present in order of priority. If*

*proceeds insufficient to fund all proposed uses, state amount and sources of other funding.)*

[(iii)] Estimated total expenses:

[•]

*[include breakdown of expenses]*

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

## 6 Fixed Rate Securities Only – Yield

[Indication of yield:

[•]

[N/A]

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

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

## 7 Floating Rate Securities Only – Historic Interest Rates

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

[N/A]

## 8 [Performance of Reference Asset(s) or Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information Concerning the Reference Asset(s) and/or Other Underlying]

[Applicable]

[N/A]

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

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

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

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

## 9 Performance of Rate[s] of Exchange and Explanation of Effect on Value of Investment

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

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

## 10 Operational Information

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme (together with their addresses) and the relevant identification number(s):	[N/A] [insert name(s) and number(s) (and/or amendments to the Conditions)] [For Swedish Registered Securities – [Swedish Central Securities Depository & Clearing Organisation (Euroclear Sweden) identification number: 556112-8074.]]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agents(s) (if any) [and APK Issue and Paying Agent / VP Issuing Agent/ [ENL Issuing Agent] / Swedish Issue and Paying Agent / VPS Issue and Paying Agent / Spanish Securities Issue and Paying Agent]:	[•] [N/A]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes] [No] [Note that the designation “yes” simply means that the Securities are intended upon issue to be deposited with one of the International Central Securities Depositories (“ICSDs”) as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] [include this text for Regulated Securities]] and does not necessarily mean that the Securities will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, either upon issue or at any or all

times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][include this text if “yes” selected, in which case the Securities must be issued in NGN Form or be held under the NSS]

## 11 Offer Information

*[If applicable, the following details should be included:]*

- |   |  |
|---|--|
| (i) Offer Price:  | [Issue Price] <i>[specify]</i>         |
| (ii) Conditions to which the offer is subject:  | [Not Applicable/ <i>give details</i> ] |
| (iii) Description of the application process:   | [Not Applicable/ <i>give details</i> ] |
| (iv) Details of the minimum and/or maximum amount of application:   | [Not Applicable/ <i>give details</i> ] |
| (v) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:                                   | [Not Applicable/ <i>give details</i> ] |
| (vi) Details of method and time limits for paying up and delivering the Securities:   | [Not Applicable/ <i>give details</i> ] |
| (vii) Manner in and date on which results of the offer are to be made public:   | [Not Applicable/ <i>give details</i> ] |
| (viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: | [Not Applicable/ <i>give details</i> ] |
| (ix) Categories of prospective investors to which the Securities are offered and whether tranche(s) have been reserved for certain countries:       | [Not Applicable/ <i>give details</i> ] |
| (x) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:             | [Not Applicable/ <i>give details</i> ] |
| (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser:  | [Not Applicable/ <i>give details</i> ] |
| (xii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:              | [Name/ <i>give details</i> ]           |

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

## PRO FORMA FINAL TERMS FOR WARRANTS AND EXERCISABLE CERTIFICATES

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

### Final Terms

#### BARCLAYS BANK PLC

*(Incorporated with limited liability in England and Wales)*

#### BARCLAYS CAPITAL (CAYMAN) LIMITED

*(Incorporated with limited liability in the Cayman Islands)*

#### GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

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

[Up to][Number][*title of the Warrants/Exercisable Certificates*]

under the Global Structured Securities Programme

[Guaranteed by Barclays Bank PLC]

Issue Price: [*issue price*]

This document constitutes the final terms of the [Warrants/Exercisable Certificates] (the “**Final Terms**”) described herein for the purposes of Article 5.4 of Directive 2003/71/EC (the “**Prospectus Directive**”) and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the “**Bank**”) and Barclays Capital (Cayman) Limited (“**BCCL**”) and is supplemental to and should be read in conjunction with the Base Prospectus dated [●] 2011, as supplemented and amended from time to time, which constitutes a base prospectus (the “**Base Prospectus**”) for the purpose of the Prospectus Directive. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the [Issue and Paying] [Or for US Warrants: US Principal Warrant] Agent for the time being in London, and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

[Subject as provided below, the][The] Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. To the best of [its/their] knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information. [The information relating to [●] [and [●]] contained herein has been accurately extracted from [*insert information source(s)*].] [The Issuer [and the Guarantor] confirm[s] that this

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

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

This document constitutes the final terms of the Securities (the “**Final Terms**”) described herein for the purposes of Article 5.4 of the Prospectus Directive and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the “**Bank**”) and Barclays Capital (Cayman) Limited (“**BCCL**”) and is supplemental to and should be read in conjunction with the Base Prospectus dated [●] 2011, as supplemented and amended from time to time, which constitutes a base prospectus (the “**Base Prospectus**”) for the purpose of the Prospectus Directive, save in respect of the Conditions, which are extracted from the [[Base Prospectus]/[Offering Circular]] dated [original date] (the “**Original Offering Document**”), as incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Conditions extracted from the Original Offering Document. The Base Prospectus and the Original Offering Document are available for viewing during normal business hours at the registered office of the Issuer and the specified office of the [Issue and Paying] [Or for US Warrants: US Principal Warrant] Agent for the time being in London, and copies may be obtained from such office. Words and expressions defined in the [Base] [remove for US Securities] Prospectus and not defined in this document shall bear the same meanings when used herein.

[Subject as provided below, the][The] Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. To the best of [its/their] knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information. [The information relating to [●] [and] contained herein has been accurately extracted from [insert information source(s)].] [The Issuer [and the Guarantor] confirm[s] that this information has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain from information published by [●] [and] [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]]

Investors should refer to the sections headed “Risk Factors” in the Base Prospectus [For US Warrants: the US Warrants Product Annex and any other Product Annex referred to herein] for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

## **Barclays Capital**

Final Terms dated [Issue Date]

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in “Purchase and Sale” in the Base Prospectus [For US Warrants: and in the applicable Appendix to the US Warrants Product Annex]. In particular, the Securities [For US Warrants: and the Guarantee (if any)] have not been, and will not be, registered under the US Securities Act of

1933, as amended, and [are subject to US tax law requirements. Trading in the Securities [*or for US Securities*: trading in the Warrants] has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. [Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.] [*Or for US Warrants*: Warrants, or interests therein, may only be offered or sold within the United States and to, or for the account or benefit of, US persons in certain transactions exempt from the registration requirements under the Securities Act and in accordance with other applicable requirements set forth in the U.S. Warrants Product Annex. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).]

## Part A

### Terms and Conditions of the Securities

[Rule 144A Global Securities (as defined below) may be deposited in DTC, Euroclear and Clearstream.

Notwithstanding anything to the contrary contained in the Base Prospectus, Registered Securities of each Series sold to qualified institutional buyers within the meaning of Rule 144A under the Securities Act may initially be represented by a global restricted certificate (each a “**Rule 144A Global Security**”) without interest coupons, which will be deposited with a [For US Warrants: (i) Custodian for DTC and registered in the name of Cede & Co, as nominee of DTC, or (ii)] common depository on behalf of Clearstream and Euroclear [For US Warrants: and registered in the name of such common depository’s nominee]. [For purposes of transfers of Rule 144A Global Securities, the first legend in paragraph 3 under “Clearance, Settlement and Transfer Restrictions - Transfer Restrictions for Registered Securities” will apply equally to the Rule 144A Global Securities.] [Or for US Warrants: For purposes of transfers of Rule 144A Global Warrants, the restrictions described in “Clearance, Settlement and Transfer Restrictions - Transfer Restrictions for Registered Securities” in the applicable Appendix to the US Warrants Product Annex will apply.]

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(es) set out in the Base Prospectus dated [ ] 2011.

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

#### Parties

Issuer:	[Barclays Bank PLC] [Barclays Capital (Cayman) Limited]
Guarantor:	[Barclays Bank PLC] [N/A]
Manager[s]:	[Barclays Bank PLC] [and] [Barclays Capital Inc.] [and] [Other (specify)] [N/A]
Determination Agent:	[Barclays Capital Securities Limited] [Barclays Bank PLC]
[US Principal Warrant Agent:]	[The Bank of New York Mellon]
Issue and Paying Agent:	[The Bank of New York Mellon]
Stabilising Manager:	[N/A] [•]
Registrar:	[The Bank of New York Mellon (Luxembourg) S.A.]

	[The Bank of New York Mellon (New York branch)]
	[N/A]
CREST Agent:	[Computershare Investor Services PLC] [Other ( <i>specify</i> )] [N/A]
Italian Securities Agent:	[[●] appointed pursuant to an agency agreement dated [●] which shall be an Agency Agreement for the purposes of the Conditions] [N/A]
Paying Agents:	[The Bank of New York Mellon] [The Bank of New York (Luxembourg S.A.)] [The Bank of New York Mellon (New York branch)] [The Bank of New York Mellon, Frankfurt branch] [N/A]
Transfer Agent:	[The Bank of New York Mellon] [The Bank of New York (Luxembourg) S.A.] [The Bank of New York Mellon (New York branch)] [N/A]
Exchange Agent:	[The Bank of New York Mellon (New York branch)] [Other ( <i>specify</i> )] [N/A]
Additional Agents:	[●] [N/A]

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

PROSPECTUS [AND THE SUPPLEMENTAL PROSPECTUS], SEE “PURCHASE AND SALE” IN THE BASE PROSPECTUS.]

[ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.[*to be inserted only in the case of Bearer Securities that are not Cleared Securities*]]]

*Insert the following paragraphs for Registered Securities:* [THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”)). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF [THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S][AND][WITHIN THE UNITED STATES TO “QUALIFIED INSTITUTIONAL BUYERS” IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”)] [AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN]. [PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE SECURITIES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A]. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS [AND THE SUPPLEMENTAL PROSPECTUS], SEE “PURCHASE AND SALE [OF REGISTERED SECURITIES]” IN THE [SUPPLEMENTAL] PROSPECTUS [AND “TRANSFER RESTRICTIONS” IN THE SUPPLEMENTAL PROSPECTUS].

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

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER US REGULATORY AUTHORITY, AND NONE OF THE FOREGOING AUTHORITIES HAS PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF SECURITIES OR THE ACCURACY OR THE ADEQUACY OF THESE FINAL TERMS OR THE BASE PROSPECTUS [OR THE SUPPLEMENTAL PROSPECTUS]. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

#### [NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE

STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE IMPLIES THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.]

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

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

[These Securities are Italian Securities which are [Italian Offered Securities] [./and] [Italian Listed securities] [and] [Italian Dematerialised Securities]. Securityholders should refer to the provisions of the Italian Securities Annex to the Base Prospectus which shall apply to the Securities.]

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

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

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

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

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

Provisions relating to the Securities

1	[(i)] Series:	[●]
	[(ii) Tranche:	[●]]
2	Currency:	[●]
3	Number of Warrants or Exercisable Certificates being issued:	[Up to][●] [For Bmarkets products insert: Up to authorised number of Securities: [INSERT] Initial Issuance number of Securities: [INSERT]]

- 4 (i) Minimum Tradable Amount: [●] [Warrants]/[Certificates]  
[N/A]
- (ii) Calculation Amount per Security as at the Issue Date: [●]
- 5 Form:
- (i) Global/Definitive/Uncertificated and dematerialised: [Global Bearer Securities]  
[Temporary Global Security, exchangeable for a Permanent Global Security/Permanent Global Security]  
[Global Registered Securities:]  
[Regulation S Global Security; and/or Rule 144A Global Security available on the Issue Date]  
[Definitive Registered Securities:]  
[Where the Securities are sterling denominated Warrants [or Exercisable Certificates] the Securities must be in registered form]  
[For VPS registered securities: The Securities are in uncertificated and dematerialised book-entry form]  
[For Spanish Securities: The Securities are in uncertificated and dematerialised book-entry form]  
[For Swedish Registered Securities: Dematerialised Uncertificated Securities in dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act (1998: 1479), as amended. Cleared and settled in Euroclear Sweden AB]  
[For Dutch Securities: Global Registered Securities cleared and settled in Euroclear Netherlands]  
[For APK Registered Securities/VPS Registered Securities/Spanish Securities: The Securities are in uncertificated and dematerialised book-entry form]  
[For Dematerialised Italian Securities: The Securities are in registered uncertificated and dematerialised book-entry form]  
[CREST Securities are issued in dematerialised uncertificated registered form]  
[For Swiss Securities: [Uncertificated Securities in

		dematerialised and registered form, in accordance with article 973c of the Swiss Federal Code of Obligations] [Global Bearer Securities] [Where the Securities are intended to be held in a manner which would allow Eurosystem eligibility, insert the following wording, as applicable: registered in the name of a nominee for a [common depositary][common safekeeper] for Euroclear and Clearstream]
	(ii) NGN Form:	[Applicable] [N/A]
	(iii) Held under the NSS:	[Applicable] [N/A]
	(iv) CGN Form:	[Applicable] [N/A]
	(v) CDIs:	[Applicable] [N/A]
6	Trade Date:	[•]
7	Issue Date:	[•]
8	Issue Price:	[•] per [Security/Unit]
9	Relevant Stock Exchange[s]:	[London Stock Exchange] [Italian Stock Exchange] [Other (specify)] [N/A]
	[Type of Warrants:] [For US Warrants]	[Type [1/2/3] Warrants]
	[Components:] [For US Warrants]	[The Warrants are linked to the following: [Equity Components: [•]/Debt Components: [•]/Currency Components: [•]/Commodity Components: [•]/Interest Rate Components: [•]/Inflation Components: [•]]]
	[Component Details:] [For US Warrants]	[The Warrants relate to [describe relevant Shares/Debt Instruments/Currencies/Commodities/Interest Rates/Inflation Measures or indices thereof]]
10	The following Relevant Annex(es) shall apply to the Securities (specify each applicable Relevant Annex):	[Barclays Capital Index Annex] [Bond Linked Annex] [Commodity Linked Annex] [Credit Linked Annex]

- [Danish Securities Annex]
- [Dutch Securities Annex]
- [Equity Linked Annex]
- [Finnish Securities Annex]
- [French Cleared Securities Annex]
- [French Securities Annex]
- [Fund Linked Annex]
- [FX Linked Annex]
- [Gold Settlement Annex]
- [Inflation Linked Annex]
- [Italian Securities Annex]
- [Norwegian Securities Annex]
- [Spanish Securities Annex]
- [Swedish Securities Annex]
- [Swiss Securities Annex]
- [US Warrants Product Annex]
- [Warrant Linked Securities Annex]
- [Other (*specify*)]
- [N/A]

**Provisions relating to interest (if any) payable on the Securities**

- |    |                     |   |
|----|---------------------|---|
| 11 | Interest:           | [Applicable]<br>[N/A]   |
| 12 | Interest Amount:    | [Where single Interest Calculation Period which is less than one year and rate provided is not a rate per annum: [In respect of the Interest Calculation Period, shall be equal to [●] per cent. of the Calculation Amount per Security as at the Issue Date]<br>[As per Conditions 4 and 24 of the Base Conditions]<br>[Other ( <i>specify</i> )]<br>[N/A] |
| 13 | Interest Rate[s]:   |   |
|    | (i) Fixed Rate:     | [●] % per annum<br>[N/A]  |
|    | (ii) Floating Rate: | [Screen Rate Determination]<br>[ISDA Determination]   |

		[N/A]
	(iii) Variable Rate:	[Specify basis/methodology/formula for Interest Rate]
		[N/A]
	(iv) Zero Coupon:	[Specify methodology/internal rate of return]
		[N/A]
14	Screen Rate Determination:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Reference Rate:	[•]
	(ii) Relevant Screen Page:	[Reuters Screen LIBOR01 Page]
		[Reuters Screen EURIBOR01 Page]
		[Other (specify)]
15	ISDA Determination:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Floating Rate Option:	[•]
	(ii) Designated Maturity:	[•]
	(iii) Reset Date:	[•]
16	Margin:	[Plus/Minus] [•]
		[N/A]
17	Minimum/Maximum Interest Rate:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Minimum Interest Rate:	[•] % per annum
		[N/A]
	(ii) Maximum Interest Rate:	[•] % per annum
		[N/A]
18	Interest Commencement Date:	[Issue Date]
		[Other (specify)]
		[N/A]
19	Interest Determination Date:	[As per Conditions 4 and 24 of the Base Conditions]
		[Arrears Setting Applicable]
		[Other (specify)]

20	Interest Calculation Periods:	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(i) Interest Period End Dates:	[Each Interest Payment Date] [Other ( <i>specify</i> )] [N/A]
	(ii) Interest calculation method for short or long Interest Calculation Periods:	[Linear Interpolation] [Other ( <i>specify</i> )] [N/A]
21	Interest Payment Dates:	[[•] in each year] [Redemption Date] [Other ( <i>specify</i> )] [N/A]
22	Day Count Fraction:	[Actual/Actual (ICMA)] [Act/Act (ICMA)] [Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
23	Fallback provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions:	[•] [N/A]
<b>Provisions relating to Exercise</b>		
24	(i) Exercise Style:	[American Style] [Bermudan Style] [European Style] ( <i>Multiple Exercise Securities will not be European Style</i> ) [Other Exercise Style] ( <i>N.B. Italian Listed Securities and Italian Dematerialised Securities may only be American</i> )

		<i>Style or European Style)</i>
	(ii) Multiple Exercise Securities:	[Applicable: [Multi-Pay]/[Single Pay]] [N/A]
25	Call/Put Securities:	The Securities are [Call Securities/Put Securities]
26	Units:	The Securities must be exercised in Units. Each Unit consists of [●] Securities.
27	Exercise Price:	[●] [For US Warrants: The Exercise Price per Calculation Amount is [●]]
28	Exercise Date(s):	[●]
29	Exercise Parameters:	[●]
30	Potential Exercise Business Dates:	[Specify if Bermudan Style only: [●]] [N/A]
31	Exercise Business Day:	[Specify if American Style only: [●]] [N/A]
32	Exercise Period:	[Specify if European Style: [●]] [N/A]
33	Expiration Date:	[●]
34	[(i)] Automatic Exercise:	[Applicable ( <i>specify in whole or the portion of the Security to be exercised</i> )] [N/A] <i>(N.B. Automatic Exercise must be “Applicable” for Italian Listed Securities and Italian Dematerialised Securities)</i>
	[(ii) [Renouncement Notice Cut-Off Time:] [ <i>For Italian Securities</i> ]	[●] <i>(specify time and designated date)</i>
35	Minimum Number Exercise Requirement:	[The Minimum Number is [●]] [N/A]
36	Maximum Daily Number:	[●] [N/A]
37	Nominal Call Event:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Nominal Call Threshold Amount:	[As defined in Condition 24 of the Base Conditions] [●] [N/A]

- (ii) Nominal Call Threshold Percentage: [As defined in Condition 24 of the Base Conditions]  
 [•]  
 [N/A]

**Provisions relating to Redemption**

- 38 Settlement Method: [Cash Settlement]  
 [Physical Settlement]  
 [Issuer Settlement Option]  
 [Securityholder Settlement Option]  
*(Multiple Exercise Securities can only be cash settled)*  
*(N.B. Italian Listed Securities and Italian Dematerialised Securities may only be settled by way of Cash Settlement)*
- 39 Settlement Currency: [•]
- 40 Settlement Number: [As defined in Condition 24 of the Base Conditions] [*Specify*]
- 41 Terms relating to Cash Settled Securities:
- (i) Exercise Cash Settlement Amount: [•]  
 [*For US Warrants: [•] per Calculation Amount*]  
 [*[Other] (specify methodology or formula for calculation)*]  
 [N/A]
- (ii) Exercise Cash Settlement Date: [•]  
 [As defined in Condition 24 of the Base Conditions]  
 [N/A]
- (iii) Early Cash Settlement Amount: [*[•] (specify methodology or formula for calculation)*]  
 [As defined in Condition 24 of the Base Conditions]  
 [*Other (specify methodology or formula for calculation)*]  
*(Specify whether Early Cash Settlement Amount is or is not to include accrued interest (if applicable).*  
 [Associated Costs: Applicable  
*(Specify whether Warrants are Underlying Warrants in respect of Warrant Linked Securities)*]

	(iv) Early Cancellation Date:		[As defined in Condition 24 of the Base Conditions] [•]
42	Specified Early Cancellation Event:		[Applicable ( <i>specify</i> ): [•]] [Any Related Financial Product has become subject to early redemption] ( <i>Specify if Warrants are Underlying Warrants in respect of Warrant Linked Securities</i> ) [N/A]
	(i) Automatic Early Cancellation:		[Applicable] [N/A]
	(ii) Cash Settled Securities:		
	(a) Specified Early Settlement Amount:	Cash	[As defined in Condition 24 of the Base Conditions] [[•] ( <i>Specify formula or methodology for calculation</i> )] [[•] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(b) Specified Early Cancellation Date(s):	Cash	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(iii) Physically Delivered Securities:		
	(a) Specified Early Physical Cancellation Entitlement:	Physical	[[•] per Calculation Amount as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [Other ( <i>specify methodology or formula for calculation</i> )]
	(b) Specified Early Physical Cancellation Date(s):	Physical	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(iv) Specified Early Cancellation Notice Period:	Notice	[As per Condition 6.2(c) of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
43	Call Option:		[ <i>For Italian Securities</i> ]

		[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Issuer Call Optional Cash Settlement Amount:	[•] <i>(specify formula or methodology for calculation)</i> [[•] per Calculation Amount] [As defined in Condition 24 of the Base Conditions] [N/A]
	(ii) Optional Cash Settlement Date:	[As defined in Condition 24 of the Base Conditions] [Other <i>(specify)</i> ]
	(iii) Issuer Call Option Exercise Period:	[•] [N/A]
	(iv) Issuer Call Notice Period:	[As per Condition 6.2(d) of the Base Conditions as amended by the Italian Securities Annex] [Other <i>(specify)</i> ] [N/A]
44	Early Exercise Trigger Event: [For Italian Securities]	[Applicable <i>(specify)</i> ]: [•] [N/A]
	(i) Trigger Early Cash Settlement Amount:	[[•] <i>(specify formula or methodology for calculation)</i> [Other <i>(specify)</i> ] [N/A]
	(ii) Trigger Early Cash Settlement Date:	[[•] Business Days following the Actual Exercise Date] [Other <i>(specify)</i> ] [N/A]
45	Terms relating to Physically Delivered Securities:	<i>(Not applicable if Multiple Exercise Securities)</i>
	(i) Exercise Physical Settlement Entitlement:	[[•] <i>[In the case of Norwegian Securities: For so long as it is a requirement of the VPS Rules, the VPS Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash] (Specify methodology or formula for calculation)</i> [N/A]
	(ii) Exercise Physical Settlement Date:	[Final Physical Redemption Date] [Optional Physical Redemption Date] [Specified Early Redemption Date]

		[Other ( <i>specify</i> )]
		[N/A]
	(iii) Early Physical Cancellation Entitlement:	[[•] ( <i>Specify methodology or formula for calculation</i> )] [N/A]
	(iv) Early Physical Cancellation Date(s):	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(v) Entitlement Substitution:	[Applicable] [N/A]
	(vi) [Relevant Settlement Day:	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )]]
	(vii) Disruption Cash Settlement Price:	[[•] ( <i>Specify methodology or formula for calculation</i> )] [N/A]
46	Multiplier:	[•] [N/A]
47	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:	
	(i) Affected Jurisdiction Hedging Disruption:	[Applicable] [N/A]
	(ii) Affected Jurisdiction Increased Cost of Hedging:	[Applicable] [N/A]
	(iii) Affected Jurisdiction:	[•] [N/A]
	(iv) Other Additional Disruption Events:	[Applicable ( <i>Specify</i> )] [N/A]
	(v) The following shall not constitute Additional Disruption Events:	[Applicable ( <i>Specify</i> )] [N/A]
48	[Share Linked Securities:] [ <i>Or for US Warrants: Equity Components (Shares):</i> ]	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Share(s) (each a “Reference Asset”):	[Define and specify details of each share and the related Share]

- (ii) Exchange[s]: [•]
- (iii) Related Exchange[s]: [•]  
[All Exchanges]  
[N/A]
- (iv) Exchange Rate[s]: [Specify]  
[N/A]
- (v) Weighting for each Reference Asset comprising the Basket of Reference Assets: [Specify]  
[N/A]
- (vi) Initial Price of each Reference Asset: [•]
- (vii) Number of Shares: [•]  
[N/A]
- (viii) Substitution of Shares: [Substitution of Shares – Standard is applicable]  
[Substitution of Shares – ETF underlying is applicable]  
[N/A]
- (ix) Valuation Date: [•]
- (x) Valuation Time: [ ] [As per the Equity Linked Annex]
- (xi) Averaging: [Applicable]  
[N/A]  
*(if not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Averaging Dates: [•]
- (b) Consequence of an Averaging Date being a Disrupted Day: [Omission]  
[Postponement]  
[Modified Postponement]
- (xii) Additional Disruption Event in respect of Equity Linked Securities: [Insolvency Filing]  
[Increased Cost of Stock Borrow:  
Initial Stock Loan Rate: [•]]  
[Loss of Stock Borrow:  
Maximum Stock Loan Rate: [•]]  
[Fund Disruption Event]  
[Other (specify)]  
[N/A]
- (xiii) FX Disruption Event: [Applicable]  
[N/A]  
*(if not applicable, delete the remaining subparagraphs of this paragraph)*

	(a) Specified Currency:	[•]
	(b) Specified Jurisdiction:	[•]
	(xiv) Market Access Dividend and Rights Issue Provisions:	[Applicable] [N/A]
	(xv) Dividend Exchange Rate:	[•] [N/A]
	(xvi) Other adjustments:	[• (specify)] [N/A]
49	[Index Linked Securities (Equity notices only):] [Or for US Warrants: Equity Components (Equity indices only):]	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Index/Indices (each a “Reference Asset”):	[Define and specify details of each index or basket, the related Index Sponsor and whether the Index is a Multi-exchange Index]
	(ii) Future Price Valuation:	[Applicable] [N/A]
	(iii) Exchange-traded Contract:	[Specify whether Future Price Valuation is applicable] [N/A]
	(iv) Exchange[s]:	[•]
	(v) Related Exchange[s]:	[•] [All Exchanges] [N/A]
	(vi) Exchange Rate:	[Specify] [N/A]
	(vii) Weighting for each Reference Asset comprising the Basket of Reference Assets:	[Specify] [N/A]
	(viii) Index Level[s] of each Reference Asset:	[•]
	(ix) Valuation Date:	[•]
	(x) Valuation Time:	[ ] [As per the Equity Linked Annex]
	(xi) Averaging:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(a) Averaging Dates:	[•]

	(b) Consequence of an Averaging Date being a Disrupted Day:	[Omission] [Postponement] [Modified Postponement]
	(xii) Additional Disruption Event in respect of Index Linked Securities:	[Insolvency Filing] [Increased Cost of Stock Borrow] Initial Stock Loan Rate: [●] [Loss of Stock Borrow] Maximum Stock Loan Rate: [●] [Fund Disruption Event] [Other ( <i>specify</i> )] [N/A]
	(xiii) FX Disruption Event:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Specified Currency:	[●]
	(b) Specified Jurisdiction:	[●]
	(xiv) Other adjustments:	[[●] ( <i>specify</i> )] [N/A]
50	Inflation Linked Securities:] [ <i>Or for US Warrants: Inflation Components:</i> ]	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Single inflation index or basket of inflation indices (each a “ <b>Reference Asset</b> ”) and details of the relevant sponsors (the “ <b>Index Sponsor(s)</b> ”):	[Single Index: [●]] [Basket of Indices: [●]] Index Sponsor(s): [●] <i>(Define and include details for each relevant index)</i>
	(ii) Related Bond:	[Applicable ( <i>specify details</i> )] [N/A]
	(iii) Fallback Bond:	[Applicable ( <i>specify details</i> )] [N/A]
	(iv) Related Bond Redemption Event:	[Applicable] [N/A]
	(v) Use of Re-based Index:	[Applicable] [N/A]
	(vi) Acceleration upon Re-basing of Index:	[Applicable] [N/A]

	(vii) Cut-Off Date:		[As per the Inflation Linked Annex] [•]
	(viii) Reference Month:		[As per the Inflation Linked Annex] [Other ( <i>specify</i> )]
51	[FX Linked Securities:] [ <i>Or for US Warrants:</i> FX Components:]		[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Single FX Rate, Basket of FX Rates, FX index, or FX-linked product (each a “Reference Asset”):		[FX Rate: [•]] [Basket of FX Rates: [•]] [FX index: [ <i>insert formula</i> ]] <i>(Define and include details for each relevant Reference Asset and components as applicable)</i>
	(ii) FX Rate Source(s):		[•]
	(iii) Specified Time:		[•]
	(iv) Specified Rate:		[•]
	(v) Spot Rate:		[•]
	(vi) Principal Financial Centre:		[As per the FX Linked Annex] [Other ( <i>specify</i> )]
	(vii) Elective FX Disruption Event:		[Applicable – [As per the FX Linked Annex]/[The following event shall also constitute an Elective FX Disruption Event: [ <i>specify</i> ]]] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(a) Benchmark Obligation Default:		[Applicable ( <i>specify</i> )] [N/A]
	(b) Price Materiality:		[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(I) Primary Rate:		[•]
	(II) Secondary Rate:		[•]
	(III) Price Materiality Percentage:		[•]
	(viii) FX Disruption Events:		[Applicable – [As per the FX Linked Annex]/[The following event shall also constitute an FX Disruption Event: [ <i>specify</i> ]]]

		[N/A]
	(ix) Valuation Date:	[•]
	(x) Valuation Time:	[specify] (delete if not applicable)
	(xi) Averaging:	[Insert methodology] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
	(a) Averaging Dates:	[•] [or, if Specified Early Redemption Event applies, [•]]
	(b) Business Day Convention:	[Modified Following Business Day Convention] [Other]
	(xii) Rate Calculation Date:	[•] [or, if Specified Early Redemption Event applies, [•]]
	(xiii) Business Day Convention relating to Valuation Date:	[specify]
52	Credit Linked Securities:	[Applicable] [N/A] (if not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Type of Credit Linked Security:	[Single Name CLS] [Nth-to-Default CLS] [Portfolio CLS] [Index CLS] [Other (specify)]
	(ii) Determination Agent City:	[As set out in the Credit Linked Conditions] [As set out in respect of the applicable Transaction Type in Annex 2] [Other (specify)]
	(iii) Credit Event Accrued Interest:	[Applicable] [N/A]
	(iv) Extension Interest:	[Applicable] [N/A] (Specify for Credit Linked Securities only)
	<i>Credit Provisions</i>	
	(v) Reference Entity[ies] (together with the related Reference Obligation(s), Obligation(s) and/or Deliverable Obligation(s) thereof, as applicable,	[•] [For Portfolio CLSs, set out the Reference Portfolio (Reference Entity, Reference Obligation, Transaction Type, Reference Entity Notional

each a “Reference Asset”):	<i>Amount, whether Monoline Provisions applicable) in an annex – As set out in Annex 1]</i>
(vi) Specified Reference Obligation[s]:	[As set out in Annex 1] <i>(if using Annex 1, delete rest of sub-paragraph)</i>
The obligation[s] identified as follows:	[•]
Primary Obligor:	[•]
Guarantor:	[•]
Maturity:	[•]
Coupon:	[•]
CUSIP/ISIN:	[•]
Deliverable Obligations:	[As set out in respect of the applicable Transaction Type in Annex 2]
Deliverable Obligation Category: <i>(select one only)</i>	[As set out in respect of the applicable Transaction Type in Annex 2] [Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan]
Deliverable Obligation Characteristics: <i>(select all of which apply)</i>	[As set out in respect of the applicable Transaction Type in Annex 2] [Not Subordinated] [Specified Currency: Standard Specified Currencies] [Not Contingent] [Assignable Loan] [Consent Required Loan] [Transferable] [Maximum Maturity: [30] years] [Not Bearer] [Not Sovereign Lender] [Not Domestic Currency] [Domestic Currency means: <i>(specify currency if different from Credit Linked Conditions)</i> ] [Not Domestic Law] [Domestic Law means: <i>(specify law if different</i>

	<i>from Credit Linked Conditions)]</i>
	[Listed]
	[Not Domestic Issuance]
	[Direct Loan Participation]
	[Accelerated or Matured]
Excluded Deliverable Obligations:	[•] [None]
(vii) Reference CDS:	[N/A] [As set out in Annex [•]. For such purpose, the Termination Currency shall be [EUR/GBP/USD]]
(viii) All Guarantees:	[Applicable] [N/A] [As set out in respect of the applicable Transaction Type in Annex 2]
<i>Terms relating to Credit Events</i>	
(ix) Credit Events:	[As set out in respect of the applicable Transaction Type in Annex 2] [Bankruptcy] [Failure to Pay] [Grace Period Extension: [Applicable/N/A]] [Grace Period: [•](specify if not the fallback definition in the Credit Linked Conditions)] [Obligation Default] [Obligation Acceleration] [Repudiation/Moratorium] [Restructuring] <ul style="list-style-type: none"> <li>• [Restructuring Maturity Limitation and Fully Transferable Obligation [Applicable / N/A]]</li> <li>• [Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation [Applicable / N/A]]</li> </ul> [Other (specify)]
(x) For Nth-to-Default Securities only, specify N:	[•]
(xi) Default Requirement:	[•] <i>(Specify if not the fallback definition in the Credit Linked Conditions)</i>
(xii) Payment Requirement:	[•] <i>(Specify if not the fallback definition in the Credit</i>

	<i>Linked Conditions)</i>
(xiii) Conditions to Settlement:	[Credit Event Notice] [Notice of Publicly Available Information] <i>(if applicable)</i> Specified Number: [Two] [Notice of Physical Settlement]
(xiv) Obligation(s):	
Obligation Category: <i>(select one only)</i>	[As set out in respect of the applicable Transaction Type in Annex 2] [Payment] [Borrowed Money] [Reference Obligations Only] [Bond] [Loan] [Bond or Loan]
Obligation Characteristics: <i>(select all of which apply)</i>	[As set out in respect of the applicable Transaction Type in Annex 2] [Not Subordinated] [Specified Currency: [Standard] [Other ( <i>specify</i> )] [Not Sovereign Lender] [Not Domestic Currency] [Domestic Currency means: [•] ( <i>specify currency if different from Credit Linked Conditions</i> )] [Not Domestic Law] [Domestic Law means: ( <i>specify law if different from Credit Linked Conditions</i> )] [Listed] [Not Domestic Issuance]
(xv) Additional Obligation(s):	[•]
(xvi) Excluded Obligation(s):	[None] [Other ( <i>specify</i> )]
<i>Terms relating to settlement following a Credit Event</i>	
(xvii) CLS Settlement Method:	[Cash Settlement] [Physical Settlement] [Auction Settlement]
(xviii) Fallback CLS Settlement Method:	[Cash Settlement] [Physical Settlement]
(xix) Issuer CLS Settlement Option:	[Applicable]

- [N/A]
- (xx) Terms relating to Cash Settlement: [Applicable]  
[N/A]  
*(If not applicable, delete the rest of this subparagraph)*
- (a) Credit Event Redemption Amount: [[•] (Specify amount, formula or method for determination)]
- (b) Credit Event Redemption Date: [Five] Business Days
- (c) CLS Valuation Date: [Single CLS Valuation Date]  
[Multiple CLS Valuation Dates:  
[•] Business Days; and each  
[•] Business Days thereafter.]
- (d) CLS Valuation Time: [As specified in the Credit Linked Conditions]  
[Other (specify)]
- (e) Quotation Method: [Bid/Offer/Mid-market]
- (f) Quotation Amount: [As specified in the Credit Linked Conditions]  
[Other (specify)]
- (g) Minimum Quotation Amount: [As specified in the Credit Linked Conditions]  
[Other (specify)]
- (h) Valuation Method: [Highest/Lowest/Market]
- (xxi) Terms relating to Physical Settlement: [Applicable]  
[N/A]  
*(If not applicable, delete the rest of this subparagraph)*
- (a) Physical Settlement Period: [[•] Business Days]  
[As set out in the Credit Linked Conditions]
- (b) Partial Cash Settlement due to Impossibility or Illegality: [Applicable]  
[N/A]
- (c) Partial Cash Settlement of Consent Required Loans: [Applicable]  
[N/A]
- (d) Partial Cash Settlement of Assignable Loans: [Applicable]  
[N/A]
- (e) Partial Cash Settlement of Participations: [Applicable]  
[N/A]
- (f) Delivery provisions for Entitlement if different from [•]  
[N/A]

stated above:

- (xxii) Valuation Date: [•]
- (xxiii) Valuation Timing: [Applicable]  
[N/A]
- (xxiv) 60 Business Day Cap on Settlement: [Applicable]  
[N/A]
- 53 [Commodity Linked Securities:] [Or for US Warrants: Commodity Components:] [Applicable]  
[N/A]  
*(if not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Relevant Commodity, Commodity Index, Basket of Commodities/Commodity Indices (including weighting of commodities/commodity indices) (each a “Reference Asset”): [Relevant Commodity: [•]]  
[Commodity Index: [•]]  
[Basket of Commodities/Commodity Indices: [•]]  
*(include weighting)*
- (ii) Commodity Reference Price: [•]
- (iii) Price Source(s): [•]  
[N/A]
- (iv) Exchange(s): [•]  
[N/A]
- (v) Specified Price: [•]
- (vi) Delivery Date: [•]  
[N/A]  
*(specify whether price based on spot market, First Nearby Month, Second Nearby Month, etc.)*
- (vii) Pricing Date: [•, subject to adjustment in accordance with the Commodity Business Day Convention]
- Common Pricing: *(Include only if Basket of Commodities/Commodity Indices)*  
[Applicable]  
[N/A]
- (viii) Commodity Market Disruption Events: [As per the Commodity Linked Annex]  
[Other (Specify)]
- Market Disruption of connected Futures Contract(s): [Applicable]  
[N/A]
- Disruption Fallback(s): [As per the Commodity Linked Annex]

			[Other ( <i>specify any other applicable additional Disruption Fallback(s)</i> )] [N/A]
	Fallback Reference Price:		[(Specify)] [N/A]
	Additional provisions for Trading Disruption:		( <i>If Trading Disruption applies, specify any additional futures contracts, options contracts or commodities and the related exchange to which Trading Disruption relates</i> )
	(ix) Adjustments to Commodity Index:		[As per the Commodity Linked Annex] [Other ( <i>specify</i> )]
	(x) Commodity Business Day Convention:		[Following] [Modified Following] [Nearest] [Preceding]
54	Debt Components: [For US Warrants]		[Applicable] [N/A] ( <i>If not applicable, delete the remaining subparagraphs of this paragraph</i> )
	(i) Single debt security/index or basket of debt securities/indices (each a “Reference Asset”) and details of the relevant sponsors (the “Index Sponsor(s)”):		[Single Security/Index: [●]] [Basket of Securities/Indices: [●]] [Index Sponsor(s): [●]] ( <i>Define and include details for each relevant index</i> )
	(ii) Other Provisions:		[Applicable ( <i>specify details</i> )] [N/A]
55	Interest Rate Components: [For US Warrants]		[Applicable] [N/A] ( <i>If not applicable, delete the remaining subparagraphs of this paragraph</i> )
	(i) Single interest rate/interest rate index or basket of interest rates/interest rate indices (each a “Reference Asset”) and details of the relevant sponsors (the “Index Sponsor(s)”):		[Single Interest Rate/Index: [●]] [Basket of Interest Rates/Indices: [●]] [Index Sponsor(s): [●]] ( <i>Define and include details for each relevant index</i> )
	(ii) Other Provisions:		[Applicable ( <i>specify details</i> )] [N/A]
56	(a) Barclays Capital Commodity Index Linked Securities ( <i>Section 2 of the</i>		[Applicable (Further information on the Barclays Capital Commodity Index Linked Securities is set

<i>Barclays Capital Index Annex</i> ):	out in paragraph 41)] [N/A]
(b) Barclays Capital Equity Index Linked Securities ( <i>Section 3 of the Barclays Capital Index Annex</i> ):	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i) Barclays Capital Index:	[insert index name], as described in Part A of Section 3 of the Barclays Capital Index Annex
(ii) Barclays Capital Index Disruption:	[Applicable] [N/A]
(iii) Component Fallback:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(iv) Index Components:	
(a) Share(s) (each a “Reference Asset”):	[•] [N/A]
(I) Exchange[s]:	[•] [N/A]
(II) Related Exchange[s]:	[•] [N/A]
(b) Index/Indices (each a “Reference Asset”):	[•] [N/A]
(c) Exchange[s]:	[•] [N/A]
(d) Related Exchange[s]:	[•] [N/A]
(e) Relevant Annex for purposes of Index Component and/or Share Component:	[Equity Linked Annex (as amended by Section 3 of the Barclays Capital Index Annex/[•])]
(f) Commodity Index (each a “Reference Asset”):	[•] [N/A]
(I) Commodity Reference Price:	[•] [N/A]
(II) Specified Price:	[•] [N/A]
(III) Relevant Commodity:	[•]

		[N/A]
(IV)	Price Source:	[•] [N/A]
(V)	Exchange(s):	[•] [N/A]
(VI)	Pricing Date:	[•] [N/A]
(VII)	Commodity Market Disruption Events:	[•] [N/A]
(VIII)	Market Disruption of connected Futures Contract(s):	[Applicable] [N/A]
(IX)	Disruption Fallback(s):	[•] [N/A]
(X)	Commodity Business Day Convention:	[•] [N/A]
(g)	Relevant Annex for purposes of Commodity Index Component:	[Commodity Linked Annex (as amended by Section 3 of the Barclays Capital Index Annex)]
(h)	Bonds:	[•] [N/A]
(i)	Cash:	[•] [N/A]
(j)	Other components:	[•] [N/A]
(k)	Valuation Date(s):	[•] [N/A]
(l)	Valuation Time:	[•] [N/A]
(m)	Averaging:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
(I)	Averaging Dates:	[•]
(II)	Consequence of an Averaging Date being a Disrupted Day:	[Omission] [Postponement] [Modified Postponement]

- (c) Barclays Capital FX Index Linked Securities (*Section 4 of the Barclays Capital Index Annex*): [Applicable]  
[N/A]  
(if not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Barclays Capital Index: [insert index name, currency and whether Excess Return or Total Return], as described in Part A of Section 4 of the Barclays Capital Index Annex
- (ii) Index Components: [describe additional Index Components]
- (iii) Additional Index Fixing Page: [N/A] [provide BBG/Reuters page]
- (iv) FX Disruption Events: [Applicable]  
[N/A]
- (v) Averaging Dates: [specify]  
[N/A]
- (vi) Valuation Date(s): [specify]  
[N/A]
- (vii) Strike Date: [specify]  
[N/A]
- (viii) Index Fee: [specify]  
[N/A]
- (ix) Fee Level: [specify]  
[N/A]
- (d) Barclays Capital Interest Rate Index Linked Securities (*Section 5 of the Barclays Capital Index Annex*): [Applicable]  
[N/A]  
(if not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Barclays Capital Index: [insert index name], as described in Part A of Section 5 of the Barclays Capital Index Annex
- (ii) Additional Index Fixing Page(s): [N/A]  
[insert BBG/Reuters page]
- (iii) Currency in which the Index Level is published: [Specify]
- (iv) Index Fixing Date(s): [Specify]
- (e) Barclays Capital Emerging Market Index Linked Securities (*Section 6 of the Barclays Capital Index Annex*): [Applicable]  
[N/A]  
(if not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Barclays Capital Emerging Market Index: [Specify]

	(ii) Exchange:	[Specify]
	(iii) Related Exchange:	[All Exchanges] [Specify]
	(iv) Multi-Exchange Index:	[Specify]
	(v) Averaging:	[Applicable] [N/A]
	(a) Averaging Dates:	[Specify]
	(b) Omission:	[Applicable] [N/A]
	(c) Postponement:	[Applicable] [N/A]
	(d) Modified Postponement:	[Applicable] [N/A]
	(vi) Adjustment Events:	[Market Adjustment Event] [Residual Risk Event] [Custodial Event] [Tax Event] [Inconvertibility Event]
	(vii) Valuation Dates:	[Specify]
	(viii) Valuation Time:	[Specify]
	(ix) Settlement Currency:	[Specify]
	(x) Index Sponsor:	[As specified in Section 6, Part A][Specify]
57	Fund Linked Securities:	[Applicable] [N/A]
	(i) Fund(s) (each a “Reference Asset”):	[•]
	(ii) Fund Administrator(s):	[•]
	(iii) Fund Custodian(s):	[•]
	(iv) Fund Manager(s):	[•]
	(v) Fund Services Provider(s) (additional):	[•]
	(vi) Key person(s):	[•]
	(vii) Fund Share(s):	[•]
	(viii) Weighting for each Reference Asset comprising the Basket of Reference Assets:	[Specify] [N/A]
	(ix) Final Redemption Dealing Date:	[•]
	(x) Expected Redemption Date:	[Specify]

(xi) NAV Deadline Date:	[•] [As per the Fund Linked Annex]
(xii) NAV:	[•] [As per the Fund Linked Annex]
(xiii) Receipt Deadline:	[•] [As per the Fund Linked Annex]
(xiv) Adjusted Redemption Date:	[•] of Business Days [As per the Fund Linked Annex]
(xv) Strike:	[•]
(xvi) Strike Date:	[•] [As per the Fund Linked Annex]
(xvii) Calculation Date:	[•] [As per the Fund Linked Annex]
(xviii) Dealing Date:	[•] [As per the Fund Linked Annex]
(xix) Fund Events:	[Applicable] [N/A, in relation to [specify Fund Events]]
(xx) Additional Fund Event(s):	[Specify] [N/A]
(xxi) Consequence of a Fund Event:	[Fund Linked Conditions 2.1.1, 2.1.2, 2.1.3 and 2.1.4 [is][are] applicable] <i>(If Fund Linked Condition 2.1.3 is applicable, specify actions of the Issuer and any provisions governing such action.)</i>
(xxii) Potential Adjustment of Payment Events:	[Applicable] [N/A]
(xxiii) Additional Adjustment Event(s):	[Specify] [N/A]
(xxiv) Valuation Date:	[•] [N/A]
(xxv) Averaging Date:	[•] [N/A]

**Additional provisions relating to Settlement**

58	Settlement in respect of APK Registered Securities, Swedish Registered Securities, Italian Securities or other Securities:	<i>[In the case of APK Registered Securities: For so long as it is a requirement of the EFi Rules, the APK Registered Securities may not provide for any form of settlement (including in respect of payment of interest) other than payment in cash]</i>
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[In the case of Swedish Registered Securities:  
Swedish Registered Securities may not provide  
for any form of settlement other than payment in  
cash]

[In the case of Italian Listed Securities and Italian  
Dematerialised Securities: Italian  
[Listed/Dematerialised] Securities may not  
provide for any form of settlement other than  
payment in cash]  
[[ ] (specify)]

- 59 Additional provisions relating to payment of Exercise Price: [[•] (specify)]  
[N/A]
- 60 Additional provisions relating to Taxes and Settlement Expenses: [[•] (specify)]  
[N/A]

**Definitions**

- 61 Definition of In-The-Money: [•] (Specify if Automatic Exercise Securities only)  
[N/A]
- 62 Business Days: [As defined in Condition 24 of the Base  
Conditions]  
[N/A]
- Additional Business Centre(s): [•]  
[N/A]

**Selling restrictions and provisions relating to certification**

- 63 Non-US Selling Restrictions: [As described in the Base Prospectus]  
[N/A]  
[Other (specify)]
- 64 Applicable TEFRA exemption: [TEFRA: C Rules Applicable]  
[TEFRA: D Rules Applicable]  
[N/A]
- 65 Other: [Specify any additional selling restrictions and/or  
tax language required]  
[For US Warrants]  
[N/A]

**General**

- 66 Business Day Convention: [Following]  
[Modified Following]  
[Nearest]  
[Preceding]
- 67 Relevant Clearing System[s]: [Euroclear]

		[Clearstream]
		[Clearstream Frankfurt (also depository)]
		[Specify details including address if different]
68	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	[N/A] [give names and addresses and underwriting commitments]
69	Relevant securities codes:	ISIN: [•] Common Code: [•] [Valoren: [•]] [WKN: [•]] [CUSIP: [•]] [[Other]: [•]]
70	Modifications to the Master Subscription Agreement and/or Master Agency Agreement (as amended from time to time):	[•] [N/A]
71	Additional Conditions and/or modification to the Conditions of the Securities:	[Specify details] [N/A]

## Part B

### Other Information

#### 1 LISTING AND ADMISSION TO TRADING

- (i) Listing: [London/other (*specify*)/None]  
[For Italian Securities:  
[Application will be made by the Issuer (or on its behalf) to list the Securities on the Italian Stock Exchange [on or around the Issue Date].]  
[The Issuer reserves the right to apply for the Securities to be listed on the Italian Stock Exchange [on or around the Issue Date] in its absolute discretion. No assurance can be given that such application, if made, will be granted.]]
- (ii) Admission to trading: [Insert for Italian Securities if appropriate:  
[Application will be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on the electronic Securitised Derivatives Market (“SeDeX”) organised and managed by Borsa Italiana S.p.A. [on or around the Issue Date].]  
[The Issuer reserves the right to apply for the Securities to be admitted to trading on the electronic Securitised Derivatives Market (“SeDeX”) organised and managed by Borsa Italiana S.p.A. [on or around the Issue Date] in its absolute discretion. No assurance can be given that such application, if made, will be granted.]]  
[Application has been made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [the London Stock Exchange’s Regulated Market/*specify*] with effect from [●].]  
[Application is expected to be made by the Issuer (or on its behalf) for the Securities to be admitted to trading on [the London Stock Exchange’s Regulated Market/ *specify*] on or around the Issue Date.]  
[N/A]  
(Where documenting a fungible issue, indicate that original Securities are already admitted to trading.)

[(iii) Estimate of total expenses related to admission to trading: [●]]<sup>2</sup>

## 2 RATINGS

Ratings: [The Securities have not been individually rated.]  
[Upon issuance the Securities are expected to be rated:  
[S&P: [●]]  
[The credit rating[s] referred to above will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the “**CRA Regulation**”) as having been issued by Standard & Poor’s Credit Market Services Europe Limited, which is established in the European Union and has applied through its respective London office to be registered under the CRA Regulation, although the result of such application has not yet been determined.]  
[[Other]: [●]]  
[The credit rating referred to above will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the “**CRA Regulation**”) as having been issued by [Other], which is a [registered rating agency established in the EU] / [unregistered rating agency established outside the EU] / [rating agency established in the EU and is applying to be registered but has not yet been registered] / [third country rating agency that is endorsed by an EU registered agency] / [third country rating agency that has not applied to be registered but is certified] in accordance with the CRA Regulation.]

## 3 NOTIFICATION

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

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<sup>2</sup> Only applicable to Tranches of Securities with a denomination of at least €50,000 or equivalent in other currencies.

[N/A]

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

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

Save as discussed in [“Purchase and Sale”], so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

[N/A]

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

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

- |         |                           |  |
|---------|---------------------------|--|
| [(i)]   | Reasons for the offer:    | [General funding]<br>[Specify if other reasons]<br><i>(See “General Information - Use of Proceeds” wording in Base Prospectus - if reasons for offer different from general corporate purposes and/or hedging, certain risks will need to include those reasons here.)</i>   |
| [(ii)]  | Estimated net proceeds:   | [•]<br><i>(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.)</i>  |
| [(iii)] | Estimated total expenses: | [•]<br>[Include breakdown of expenses]<br><i>(If the Securities are derivative securities to which Annex XII to the Prospectus Directive Regulation applies, it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)</i> |

#### 6 FIXED RATE SECURITIES ONLY - YIELD

- |                       |   |
|-----------------------|---|
| [Indication of yield: | [•]<br>[N/A]<br>[Calculated as [include details of method of calculation in summary form] on the Issue Date.] |
|-----------------------|---|

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

## 7 FLOATING RATE SECURITIES ONLY - HISTORIC INTEREST RATES

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

[N/A]

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

[Applicable]

[N/A]

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

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

*[For Italian Securities offered to the public in Italy, include (i) yield scenarios, i.e. positive scenario, intermediate scenario and worst- case scenario; (ii) back testing simulation; and (iii) the source of all third party- information.]*

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

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

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

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

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

## 10 OPERATIONAL INFORMATION

Any clearing system(s) other than [ <i>For US Warrants: DTC,</i> ] Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> (together with their addresses) and the relevant identification number(s):	[N/A] [ <i>insert name(s) and number(s and/or amendments to the Conditions)</i> ]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agents(s) (if any):	[•] [N/A]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes] [No] [Note that the designation “yes” simply means that the Securities are intended upon issue to be deposited with one of the International Central Securities Depositories (“ICSDs”) as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] [ <i>include this text for Registered Securities</i> ]] and does not necessarily mean that the Securities will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][ <i>include this text if “yes” selected, in which case the Securities must be issued in NGN Form or be held under the NSS</i> ]

## 11 [OFFER INFORMATION]

[*If applicable, the following details should be included:*]

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

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

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

*[The section below is to be included for Italian Listed Securities:*

## 12 FORM OF RENOUNCEMENT NOTICE

### RENOUNCEMENT NOTICE

(to be completed by the relevant Securityholder for the valid renouncement of Automatic Exercise of the Securities)

BARCLAYS BANK PLC

[insert title of Securities]

ISIN: [ ]

(the "Securities")

To: [insert details of Relevant Clearing System in respect of Cleared Securities]

[insert details of Italian Securities Agent in respect of Italian Dematerialised Securities]

[Copy: [insert details of Issuer/Issue and Paying Agent] in respect of Cleared Securities]

We, the undersigned Securityholder(s), hereby communicate that we are renouncing the right to Automatic Exercise of the Securities specified below, in accordance with the Conditions of the Securities.

The undersigned understands that if this notice is not duly completed and delivered in accordance with the Conditions of the Securities in order to enable the Securityholder to renounce automatic redemption of the Securities prior to the Renouncement Notice Cut-Off Time, or if this notice is determined to be incomplete or not in proper form in accordance with the Conditions of the Securities, it will be treated as null and void.

ISIN Code/Series number of the Securities: [ ]

Number of Italian Securities the subject of this notice: [ ]

Name of beneficial owner of the Securities

\_\_\_\_\_

Signature]

## TERMS AND CONDITIONS OF THE SECURITIES

### Base Conditions

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

The Securities are issued as notes (“**Notes**”), certificates (“**Certificates**”) or warrants (“**Warrants**”), by Barclays Bank PLC (or any New Bank Issuer substituted in accordance with Condition 17.2, the “**Bank**”) or, with the exception of CREST Securities, Barclays Capital (Cayman) Limited (or any New BCCL Issuer substituted in accordance with Condition 17.1, “**BCCL**”), as specified in the applicable Final Terms, and references to “**Securities**” shall be construed accordingly. CREST Securities will only be issued by the Bank. The Securities issued by BCCL will be guaranteed by the Bank (or any New Guarantor substituted in accordance with Condition 17.2, the “**Guarantor**”) pursuant to a deed of guarantee dated 5 August 2009, as amended and restated from time to time and as most recently amended and restated on 5 August 2011 (or any New Guarantee of a New Guarantor, in either case as further amended and/or supplemented and/or restated as at the Issue Date, the “**Guarantee**”) and references herein to the Guarantor and the Guarantee apply solely to Securities issued by BCCL. Securities are issued pursuant to the Agency Agreement in respect of the Securities and, other than CREST Securities, with the benefit of a Deed of Covenant dated 5 August 2009, as amended and restated from time to time and as most recently amended and restated on 5 August 2011 (as further amended and/or supplemented and/or restated as at the Issue Date, the “**Deed of Covenant**”) executed by the Issuers and the Guarantor.

These Base Conditions include summaries of, and are subject to, the provisions of the Agency Agreement. The Securityholders, holders of interest coupons (and, where applicable, talons for further coupons (“**Talons**”)) (the “**Coupons**”, which term shall be deemed to include Talons) relating to interest bearing Securities in bearer form and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Securities in bearer form of which the principal is payable in instalments are entitled to the benefit of, and are deemed to have notice of and are bound by, the provisions of the Agency Agreement (insofar as they relate to the Securities and/or Coupons), any applicable Relevant Annex and the applicable Final Terms, which are binding on them. Copies of

the Agency Agreement, the Deed of Covenant and the Guarantee are available for inspection at the registered office of the relevant Issuer and the specified offices of the Paying Agents, the Transfer Agents and the Registrars. The determination agent, the issue and paying agent, the registrar, the paying agents, the transfer agents and the CREST agent for the time being are referred to below respectively as the “**Determination Agent**”, the “**Issue and Paying Agent**”, the “**Registrar**”, the “**Paying Agents**”, the “**Transfer Agents**” and the “**CREST Agent**”.

In respect of any issue of Securities that are not CREST Securities, “**Agents**” means the Determination Agent and the Issue and Paying Agent together with, in the case of such Securities in bearer form (“**Bearer Securities**”), the other Paying Agents and, in the case of such Securities in registered form (“**Registered Securities**”), the Registrar and the other Transfer Agents, and any other agent or agents appointed from time to time in respect of such Securities.

Unless otherwise specified in the applicable Final Terms, the initial Agents, in respect of Securities other than CREST Securities, shall be as follows:

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

In respect of any issue of CREST Securities, “**Agents**” shall mean the agent providing certain issuing, registry and paying agency services to the Issuer (the “**CREST Agent**”) together with any other agent or agents appointed from time to time in respect of the CREST Securities (or the then current

Successor (whether direct or indirect) of any such Agent). The initial CREST Agent shall be Computershare Investor Services PLC.

For the purpose of CREST Securities, any reference in these Base Conditions, any applicable Relevant Annex or the applicable Final Terms to a calculation or determination being made by the Determination Agent or the Issue and Paying Agent shall be deemed to be a reference to the Issuer making such calculation or determination. These Base Conditions and the provisions of any applicable Relevant Annex and the applicable Final Terms shall be construed accordingly.

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

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

## 1 Form, Title and Transfer

### 1.1 Form

#### (a) *Form of Securities*

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

Securities will initially be issued in global form (which in respect of Bearer Securities shall be represented by global bearer securities (“**Global Bearer Securities**”) and in respect of Registered Securities shall be represented by global registered securities (“**Global Registered Securities**”), Global Bearer Securities and Global Registered Securities being global securities (“**Global Securities**”), and may only be exchanged for Securities in definitive form (which in respect of Bearer Securities shall be issued as definitive bearer securities (“**Definitive Bearer Securities**”), and in respect of Registered Securities shall be represented by definitive registered securities (“**Definitive Registered Securities**”),

Definitive Bearer Securities and Definitive Registered Securities being definitive securities (“**Definitive Securities**”), with the terms and conditions endorsed on such Definitive Securities) if specified in the applicable Final Terms, or an Exchange Event occurs and Global Securities are to be exchanged for Definitive Securities in accordance with the terms of the relevant Global Security. The relevant Issuer will promptly give notice to Securityholders in accordance with Condition 16 if an Exchange Event occurs. Definitive Securities will not be issued, either initially or in exchange, for any CREST Securities.

CREST Securities will be issued in dematerialised uncertificated registered form and will be held in uncertificated registered form in accordance with the Uncertificated Regulations. As such, CREST Securities are dematerialised and not constituted by any physical document of title. CREST Securities will be cleared through CREST and are participating securities for the purposes of the Uncertificated Regulations.

(b) *Initial Issue of Global Securities*

If “NGN Form” is specified as applicable in the applicable Final Terms with respect to a Global Bearer Security or the applicable Final Terms specify that a Global Registered Security is to be held under the New Safekeeping Structure (“**NSS**”), such Global Bearer Security or Global Registered Security will be delivered on or prior to the original issue date of the Tranche to a common safekeeper (a “**Common Safekeeper**”). Depositing the Global Bearer Security or the Global Registered Security with the Common Safekeeper does not necessarily mean that the Securities will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

If “CGN Form” is specified in the applicable Final Terms and the Global Security is not a Global Registered Security to be held under the NSS, the Global Security may be delivered on or prior to the original issue date of the Tranche to a common depositary (a “**Common Depositary**”) for the Relevant Clearing System. The Bank may issue Securities in CGN Form in respect of which the Relevant Clearing System shall be Clearstream Frankfurt (“**CBF Securities**”). For the avoidance of doubt, BCCL shall not issue CBF Securities.

If the Global Security is in CGN Form and is not held under the NSS, upon the initial deposit of such Global Security with a Common Depositary (or with CBF in respect of CBF Securities) or registration of Registered Securities in the name of any nominee for the Relevant Clearing System and delivery of the relevant Global Registered Security to the Common Depositary, the Relevant Clearing System will credit each subscriber with a nominal amount of Securities in the case of Notes or with a number of Securities in the case of Certificates or Warrants, equal to the nominal amount or number thereof for which it has subscribed and paid. If the Global Security is in NGN Form, the nominal amount of the Securities in the case of Notes and the number of Securities in the case of Certificates and Warrants shall be the relevant aggregate amount or number from time to time entered in the records of the Relevant Clearing System. For purposes of a Global Security in NGN Form, the records of the Relevant Clearing System shall be conclusive

evidence of the nominal amount of Securities in the case of Notes, or number of Securities in the case of Certificates and Warrants, represented by such Global Security and a statement issued by the Relevant Clearing System at any time shall be conclusive evidence of the records of the Relevant Clearing System at that time.

(c) *Exchange of Global Securities*

Each Series of Bearer Securities issued in compliance with the D Rules will be initially issued in the form of a temporary global security in bearer form (a “**Temporary Global Security**”) and will be exchangeable, free of charge to the holder, on and after its Exchange Date, in whole or in part, upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement for interests in a permanent bearer global security (a “**Permanent Global Security**”).

Each Series of Bearer Securities issued in compliance with the C Rules or in respect of which TEFRA does not apply will be initially issued in the form of a Permanent Global Security.

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

Temporary Global Securities will not be exchangeable for Definitive Securities.

If the Global Security is a CGN, on or after any due date for exchange, the holder of such Global Security may surrender it or, in the case of a partial exchange, present it for endorsement to or to the order of the Issue and Paying Agent. In exchange for any such Global Security, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Security exchangeable for a Permanent Global Security, deliver, or procure the delivery of, a Permanent Global Security in an aggregate nominal amount or aggregate number, as applicable, equal to that of the whole or that part of the Temporary Global Security that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Security to reflect such exchange or (ii) in the case of a Global Security exchangeable for Definitive Securities, deliver, or procure the delivery of, an equal aggregate nominal amount or aggregate number, as applicable, of duly executed and authenticated Definitive Securities or (iii) if the Global Security is a Global Bearer Security in NGN Form or a Global Registered Security that is held under the NSS, the Issuer will procure that details of such exchange be entered pro rata in the records of the Relevant Clearing System. On exchange in full of each Permanent Global Security, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Securities.

(d) *Registered Securities*

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

Registered Securities of each Series resold pursuant to Rule 144A of the Securities Act (“**Restricted Securities**”) will be represented by a Rule 144A Global Security, without Coupons, deposited with either (i) a custodian for, and registered in the name of a nominee of, DTC or (ii) a Common Depositary or a Common Safekeeper on behalf of the Relevant Clearing System on its issue date.

## 1.2 Denomination and Number

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

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

All CREST Securities of a Series that are (a) Notes shall have the same Specified Denomination or (b) Certificates or Warrants shall have the same Calculation Amount per Security as at the Issue Date.

## 1.3 Title

### (a) *General*

Title to Bearer Securities and any Coupons or Receipts, as the case may be, passes by delivery and title to Registered Securities passes by registration in the Register that the Issuer shall procure is kept by the Registrar in accordance with the provisions of the Agency Agreement.

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

In these Base Conditions, except in respect of CREST Securities, “**Securityholder**” means the bearer of any Bearer Security or the person in whose name a Registered Security is registered, and “**holder**” means, in relation to a Bearer Security, Coupon or Receipt, the bearer of such Bearer Security, Coupon or Receipt and, in relation to a Registered Security, the person in whose name such Registered Security is registered. Any references to “**Noteholder**”, “**Certificateholder**” or “**Warrantholder**” within the Conditions of

Securities issued as Notes, Certificates or Warrants, respectively, shall mean a Securityholder for the purposes of such Securities.

(b) *CREST Securities*

Title to CREST Securities is recorded on the relevant Operator register of corporate securities. The CREST Agent on behalf of the Issuer shall maintain a record of uncertificated corporate securities (the “**Record**”) in relation to CREST Securities and shall procure that the Record is regularly updated to reflect the Operator register of corporate securities in accordance with the rules of the Operator.

Subject to this requirement and to Condition 1.4(i), (i) each person who is for the time being shown in the Record as the holder of a particular nominal amount (in the case of Notes) or number (in the case of Certificates and Warrants) of CREST Securities shall be treated by the Issuer and the Agents as the holder of such nominal amount or number, as the case may be, of CREST Securities for all purposes (and the expressions “**Securityholder**” and “**holder of CREST Securities**” and related expressions shall be construed accordingly for the purpose of the Conditions) and (ii) none of the Issuer or any Agent shall be liable in respect of any act or thing done or omitted to be done by it or on its behalf in reliance upon the assumption that the particulars entered in the Record which the CREST Agent maintains are in accordance with particulars entered in the Operator register of corporate securities relating to the CREST Securities.

No provision of these Base Conditions, as amended in accordance with any applicable Relevant Annex and/or the applicable Final Terms, shall (notwithstanding anything to the contrary therein) apply or have effect to the extent that it is in any respect inconsistent with (I) the holding of title to CREST Securities in uncertificated form, (II) the transfer of title to CREST Securities by means of a relevant system or (III) the Uncertificated Regulations. Without prejudice to the generality of the preceding sentence and notwithstanding anything contained in the Conditions for a Series of CREST Securities, so long as the CREST Securities are participating securities, (A) the Operator register of corporate securities relating to the CREST Securities shall be maintained at all times in the United Kingdom, (B) the CREST Securities may be issued in uncertificated form in accordance with and subject as provided in the Uncertificated Regulations and (C) for the avoidance of doubt, the Conditions in relation to any CREST Securities shall remain applicable notwithstanding that they are not endorsed on any certificate or document of title for such CREST Securities.

As used in these Base Conditions, each of “**Operator**”, “**Operator register of corporate securities**”, “**participating security**”, “**record of uncertificated corporate securities**” and “**relevant system**” is as defined in the Uncertificated Regulations and the relevant Operator (as such term is defined and used in the Uncertificated Regulations) is Euroclear UK & Ireland Limited or any additional or alternative Operator from time to time and notified to the holders of CREST Securities in accordance with Condition 16.

(c) *CREST Depository Interests*

Where CDIs are specified in the applicable Final Terms for a Series of Securities, investors may hold CREST Depository Interests (“CDIs”) constituted and issued by the CREST Depository and representing indirect interests in such Securities. CDIs will be issued and settled through CREST.

Neither the Securities nor any rights with respect thereto will be issued, held, transferred or settled within CREST otherwise than through the issue, holding, transfer and settlement of CDIs. Holders of CDIs will not be entitled to deal directly in the Securities to which such CDIs relate (the “**Underlying Securities**”). Accordingly, all dealings in Securities represented by a holding of CDIs will be effected through CREST.

CDIs will be constituted and governed by the terms of the CREST Deed Poll. Holders of CDIs will have no rights against the Issuer, any Manager or any Agent in respect of the Underlying Securities, interests therein or the CDIs representing them.

#### 1.4 Transfers

(a) *Transfer of Bearer Securities*

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

(b) *Transfer of Registered Securities*

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

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

(c) *Transfer of Cleared Securities*

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

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

Transfers of the holding of Securities represented by any Global Security pursuant to Condition 1.4(b) may only be made in part:

- (i) if an Exchange Event occurs; or
- (ii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding of Registered Securities pursuant to this Condition 1.4(c), the registered holder has given the Registrar not less than 10 Business Days' notice at its specified office of the registered holder's intention to effect such transfer.

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

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

In the case of an exercise of an Issuer's or Securityholder's option in respect of, or a partial redemption of, a holding of Registered Securities represented by a single Definitive Registered Security or Global Registered Security, as the case may be, a new Definitive Registered Security shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Securities of the same holding having different terms, a separate Definitive Registered Security or Global Registered Security shall be issued in respect of those Registered Securities of that holding that have the same terms. New Definitive Registered Securities shall only be issued against surrender of the relevant existing Definitive Registered Security or Global Registered Security to the Registrar or any Transfer Agent. In the case of a transfer of Registered Securities to a person who is already a holder of Registered Securities, a new Definitive Registered Security representing the enlarged holding shall only be issued against surrender of the Definitive Registered Security or Global Registered Security representing the existing holding.

(e) *Delivery of New Registered Securities*

Each new Definitive Registered Security or Global Registered Security to be issued pursuant to Condition 1.4(b) or (d) shall be available for delivery within three business days of receipt of the form of transfer, the relevant Exercise Notice or notice of

redemption and surrender of the Definitive Registered Security or Global Registered Security, as the case may be. Delivery of a new Definitive Registered Security or Global Registered Security shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery of such form of transfer, the relevant Exercise Notice or notice of redemption and surrender of such Definitive Registered Security or Global Registered Security shall have been made or, at the option of the holder making such delivery and surrender as aforesaid and as specified in the relevant form of transfer, the relevant Exercise Notice, notice of redemption or otherwise in writing shall be mailed by uninsured post at the risk of the holder entitled to the new Definitive Registered Security or Global Registered Security, to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 1.4(e), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar.

(f) *Transfer Free of Charge*

Transfers of Registered Securities will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any Taxes that may be imposed in relation to it (or the giving of such indemnity as the Issuer, the Registrar or the relevant Transfer Agent may require).

(g) *Registered Security Closed Periods*

No Securityholder may require the transfer of a Registered Security to be registered (i) during the period of 15 calendar days ending on the due date for redemption or exercise of that Security, (ii) on any day after the date of any Option Exercise Notice delivered by such Securityholder in respect of such Registered Security, (iii) on any day after the date of any Settlement Election Notice or Delivery Entitlement Instruction (if earlier) delivered by such Securityholder in respect of such Registered Security, (iv) during the period of 15 calendar days before any date on which Securities may be called for redemption by the Issuer at its option pursuant to Condition 5.3 or 5.4, (v) after any such Security has been called for redemption or has been exercised or (vi) during the period of seven calendar days ending on (and including) any Record Date.

(h) *Minimum Tradable Amount*

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

(i) *Transfer of CREST Securities*

Title to CREST Securities will pass upon registration of the transfer in the Operator register of corporate securities. All transactions in relation to CREST Securities (including,

without limitation, transfers of CREST Securities) in the open market or otherwise must be effected through an account with the Operator subject to and in accordance with the rules and procedures for the time being of the Operator. All transfers of CREST Securities shall be subject to and made in accordance with the Uncertificated Regulations and the rules, procedures and practices in effect of the Operator (the “CREST Requirements”).

Transfers of CREST Securities will be effected without charge by or on behalf of the Issuer, the Operator or the CREST Agent, but upon payment of any Taxes that may be imposed in relation to them (or the giving of such indemnity as the Issuer, the Operator or the CREST Agent may require).

CREST Securities may not be transferred in or into the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the Securities Act) (I) unless the CREST Securities are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available, or (II) in a manner that would require the Issuer of the Notes to register under the US Investment Company Act.

(j) *CREST Security Closed Periods*

If, for so long as the CREST Securities are held in CREST, the rules and procedures of the Operator include any closed period in which no Securityholder may require the transfer of a CREST Security to be registered in the Operator register of corporate securities, such closed periods shall apply to the CREST Securities. Details of any such closed period are available from the CREST Agent.

(k) *Minimum Tradable Amount for CREST Securities*

CREST Securities may, if specified in the applicable Final Terms, be subject to a Minimum Tradable Amount, in which case such Securities will, for so long as they are CREST Securities, be transferable only in a nominal amount in the case of Notes or in a number in the case of Certificates and Warrants, of not less than such Minimum Tradable Amount. Notwithstanding the foregoing, such Securities will only be transferable in accordance with the CREST Requirements.

(l) *Cessation of CREST Eligibility*

If at any time a Series of CREST Securities ceases to be held in uncertificated form and/or accepted for clearance through CREST, or notice is received by or on behalf of the Issuer that the CREST Securities will cease to be held in uncertificated form and cleared through CREST and/or CREST is closed for business for a continuous period of 14 calendar days (other than by reason of holidays, statute or otherwise) or announces an intention permanently to cease business or does in fact do so, then such event shall constitute an Additional Disruption Event for the purposes of such Securities and the Issuer shall (in the case of Securities that are Notes or Certificates other than Exercisable Certificates) redeem such Securities in accordance with Condition 5.4(b) or (in the case of Securities that are Warrants or Exercisable Certificates) cancel such Securities in accordance with Condition 6.2(a)(ii).

## 2 Status

The Securities and any Coupons or Receipts relating to them constitute unsecured and unsubordinated obligations of the Issuer and rank equally among themselves. The payment obligations of the Issuer under the Securities and any related Coupons or Receipts will rank equally with all other present and future unsecured and unsubordinated obligations of the Issuer (except for such obligations as may be preferred by provisions of law that are both mandatory and of general application). The Securities do not evidence deposits of the Issuer. The Securities are not insured or guaranteed by any government or government agency.

## 3 Guarantee

### 3.1 Status of the Guarantee

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

### 3.2 Settlement by the Guarantor

If written demand is made of the Guarantor under the Guarantee in respect of Physically Delivered Securities or Securities for which “Issuer Settlement Option” is specified as applicable in the applicable Final Terms, notwithstanding any election by BCCL of a particular Settlement Method in respect thereof, the Guarantor may elect at its sole discretion whether to settle such Securities by Physical Settlement or Cash Settlement. In such circumstances, the Guarantor’s delivery of the relevant Entitlement or its payment of the relevant Settlement Amount, in each case subject to Condition 9.6, in accordance with the terms of the relevant Securities, shall constitute the complete discharge of the Guarantor’s obligations in respect of such Security and the Guarantor shall have no liability or responsibility for any loss suffered or cost incurred by a Securityholder as a result (direct or indirect) of the Guarantor making such election.

## 4 Interest

If the applicable Final Terms specify that interest applies to any Securities, each Security of such Series will bear interest on the applicable Calculation Amount from and including the Interest Commencement Date at a rate or rates per annum (expressed as a percentage) (the “**Interest Rate**”) specified in, or determined in accordance with, the applicable Final Terms. Interest will be payable in arrear on the date or dates specified in the applicable Final Terms (the “**Interest Payment Dates**” and each an “**Interest Payment Date**”). Subject to Condition 8, the Interest Amount payable per Calculation Amount in respect of any Security on any Interest Payment Date will be calculated by the Determination Agent in respect of the immediately preceding Interest Calculation Period and shall be equal to the product of the applicable Interest Rate, the applicable Calculation Amount (determined by reference to the Calculation Amount as at the first day of the relevant Interest Calculation Period unless otherwise specified in the applicable Final Terms) and the Day Count Fraction for the relevant Interest Calculation Period, unless an Interest Amount (or other formula for its calculation) is specified

in respect of such Interest Calculation Period in the applicable Final Terms, in which case the amount of interest payable per Calculation Amount in respect of such Security for such period shall equal such Interest Amount (or be calculated in accordance with such formula). If the applicable Final Terms specify Securities to be Zero Coupon Securities, the Securities of such Series will not bear interest except in respect of any overdue principal following the Redemption Date (or such other date as specified in the applicable Final Terms).

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

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

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

If any Interest Amount payable is a negative number (either due to a negative Interest Rate (whether a Floating Rate, Variable Rate or otherwise) or by operation of a negative Margin that is added to the Interest Rate), the Interest Amount payable shall be deemed to be zero.

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

#### **4.1 Interest on Fixed Rate Securities**

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

#### **4.2 Interest on Floating Rate Securities**

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

(a) *ISDA Determination for Floating Rate Securities*

If “ISDA Determination” is specified as applicable in the applicable Final Terms, the Interest Rate for an Interest Calculation Period will be the relevant ISDA Rate. If, with respect to a Reset Date for an Interest Calculation Period, in the opinion of the Determination Agent (i) the ISDA Rate is not published or made available to the market, and/or (ii) the Determination Agent determines that an alternative market rate is in more common usage, the Determination Agent shall determine the Interest Rate for such Interest Calculation Period at its sole and absolute discretion.

(b) *Screen Rate Determination for Floating Rate Securities*

If “Screen Rate Determination” is specified as applicable in the applicable Final Terms, the Interest Rate for an Interest Calculation Period will, subject as provided below, be either:

- (i) the offered quotation; or
- (ii) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate that appears or appear, as the case may be, on the Relevant Screen Page as at 11:00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question (as specified in the applicable Final Terms or as defined below) relating to such Interest Calculation Period, all as determined by the Determination Agent in accordance with Condition 8. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Determination Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the “Reference Rate” from time to time in respect of Floating Rate Securities is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Interest Rate in respect of such Securities will be determined as provided in the applicable Final Terms.

If, on any Interest Determination Date relating to such Interest Calculation Period, the Relevant Screen Page is not available, or if Condition 4.2(b)(i) applies and no such offered quotation appears on the Relevant Screen Page, or if Condition 4.2(b)(ii) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case, as at the time specified above, subject as provided below, the Determination Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Determination Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate, if the Reference Rate is LIBOR, at approximately 11:00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Determination Agent with such offered quotations, the Interest Rate for such Interest

Calculation Period shall be the arithmetic mean of such offered quotations as determined by the Determination Agent.

If the preceding paragraph applies and the Determination Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Determination Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11:00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London interbank market or, if the Reference Rate is EURIBOR, the Euro-zone interbank market, as the case may be, or, if fewer than two of the Reference Banks provide the Determination Agent with such offered rates, the offered rate for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11:00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11:00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Determination Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London interbank market or, if the Reference Rate is EURIBOR, the Euro-zone interbank market, as the case may be, provided that, if the Interest Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Interest Rate for such Interest Calculation Period shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Minimum or Maximum Interest Rate is to be applied to the relevant Interest Calculation Period from that which applied to the last preceding Interest Calculation Period, the Margin or Minimum or Maximum Interest Rate relating to the relevant Interest Calculation Period, in place of the Margin or Minimum or Maximum Interest Rate relating to that last preceding Interest Calculation Period).

(c) *Margin*

If any Margin is specified in the applicable Final Terms (either (i) generally, or (ii) in relation to one or more Interest Calculation Periods), an adjustment shall be made to all Interest Rates, in the case of (i), or the Interest Rate for the specified Interest Calculation Periods, in the case of (ii), calculated in accordance with Condition 4.2(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to Condition 4.2(d).

(d) *Minimum Interest Rate and/or Maximum Interest Rate*

If any Minimum Interest Rate or Maximum Interest Rate is specified in the applicable Final Terms (either (i) generally, or (ii) in relation to one or more Interest Calculation Periods), then all Interest Rates, in the case of (i), or the Interest Rate for the specified

Interest Calculation Periods, in the case of (ii), shall be subject to such Minimum Interest Rate or Maximum Interest Rate, as applicable.

#### **4.3 Variable Rate Securities**

Each Variable Rate Security bears interest at a rate or rates (the “**Variable Rate**”) determined on the basis of the formula or method specified for such purpose in the applicable Final Terms, as determined by the Determination Agent in accordance with Condition 8.

#### **4.4 Zero Coupon Securities**

If “Zero Coupon” is specified as the Interest Rate in the applicable Final Terms, the Securities will not bear interest and references to interest and Coupons in these Base Conditions are not applicable, provided however that where any such Security is repayable prior to the Redemption Date (or such other date specified in the applicable Final Terms) and is not paid when due, the amount due and payable prior to the Redemption Date shall be the Early Cash Settlement Amount for such Security.

#### **4.5 Accrual of Interest**

Subject to Condition 9.5(c), interest shall cease to accrue on each interest bearing Security on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgement) at the Interest Rate in the manner provided in this Condition 4 to the Relevant Date as if such period was an Interest Calculation Period.

### **5 Redemption of Securities that are Notes or Certificates**

This Condition 5 applies only to Securities that are Notes and Certificates (other than Exercisable Certificates). Any such Securities being redeemed pursuant to this Condition 5 shall, subject to Condition 7, be settled in accordance with the applicable Settlement Method. Notwithstanding anything to the contrary herein, “Cash Settlement” will always apply to CREST Securities.

#### **5.1 Redemption and Redemption by Instalments**

##### *(a) Redemption*

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

- (i) if “Cash Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1 or is validly elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 5.1(a)(iv) or (v), at the Final Cash Settlement Amount on the Redemption Date; or
- (ii) if “Physical Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.1 or is validly elected by the Issuer or Securityholder pursuant to Condition 5.1(a)(iv) or (v), by delivery of the Final Physical Redemption Entitlement on the applicable Final Physical Redemption Date; or

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

(b) *Redemption by Instalments*

If “Details relating to Instalment Notes” is specified to apply in the applicable Final Terms, unless previously redeemed or purchased and cancelled, as provided in Condition 22, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount (“**Instalment Notes**”). The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amounts of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is withheld other than in accordance with applicable laws, regulations or orders of any court of competent jurisdiction or refused on presentation of the related Receipt, in which case such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

## 5.2 Early Redemption at the Option of Securityholders

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

- (a) if “Cash Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.2 or is validly elected (or deemed to have been

elected) by the Issuer or Securityholder pursuant to Condition 5.2(c) or (d), at its Optional Cash Settlement Amount on the Optional Cash Redemption Date; or

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

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

With respect to Cleared Securities, if “Physical Settlement” is specified as the Settlement Method in the applicable Final Terms (or is elected by the Issuer or Securityholder), the delivery

of the duly completed Option Exercise Notice by the Securityholder to the Issue and Paying Agent through the Relevant Clearing Systems shall be deemed to satisfy the condition precedent to settlement of delivery of a Delivery Entitlement Instruction pursuant to Condition 7, provided that such Option Exercise Notice contains all information necessary for the Relevant Clearing System and the Issuer or its agent to effect physical delivery of the relevant Optional Physical Redemption Entitlement.

Notwithstanding anything to the contrary herein, if the Securities are CREST Securities, such option may be exercised by the relevant Securityholder sending an Option Exercise Notice by way of a Dematerialised Instruction to the Operator (or procuring that such an instruction is sent) in the form obtainable from the Issuer or the CREST Agent. Such Option Exercise Notice must state the nominal amount of Notes or number of Certificates in respect of which the Put Option is exercised and irrevocably instruct the Operator to transfer from the Securityholder's account to the appropriate account of the Issuer in CREST the relevant nominal amount of Notes or number of Certificates to be redeemed, provided that the Option Exercise Notice shall not be effective until such transfer to the Issuer's account is complete.

The right to require redemption of Notes or Certificates that are CREST Securities in accordance with this Condition 5.2 must be exercised in accordance with the CREST Requirements and if there is any inconsistency between the foregoing and the CREST Requirements, the latter shall prevail. No CREST Securities in respect of which such option has been exercised may be withdrawn without the prior consent of the Issuer.

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

### **5.3 Early Redemption at the Option of the Issuer or following the Occurrence of a Nominal Call Event**

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

- (a) if "Cash Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3 or is validly elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 5.3(c) or (d), at its Optional Cash Settlement Amount together with accrued interest on the Optional Cash Redemption Date; or
- (b) if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 5.3 or is validly elected by the Issuer or Securityholder pursuant to Condition 5.3(c) or (d), by delivery of the Optional Physical Redemption Entitlement on the applicable Optional Physical Redemption Date; or

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

For the avoidance of doubt, if the last day of the relevant Issuer Notice Period is the same date as the Redemption Date, the Securities shall be redeemed in accordance with this Condition 5.3.

*In the event that any option of the Issuer is exercised with respect to some but not all of the Securities of any Series and such Securities are Cleared Securities, the rights of accountholders with the Relevant Clearing System in respect of the Securities will be governed by the standard procedures and Relevant Rules (to be reflected in the records of the Relevant Clearing System as either a pool factor or a reduction in nominal amount or number, as applicable at their discretion).*

#### **5.4 Early Redemption or Adjustment following the Occurrence of an Additional Disruption Event**

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

- (a) request that the Determination Agent determines, at its sole and absolute discretion, whether an appropriate adjustment can be made to the Conditions and any other provisions relating to the Securities to account for the economic effect of such event on the Securities and to preserve substantially the economic effect to the Securityholders of a holding of the relevant Security. If the Determination Agent determines that such adjustment(s) can be made, the Issuer shall determine the effective date of such adjustment(s) and take the necessary steps to effect such adjustment(s). The Issuer shall notify Securityholders of any such adjustment(s) in accordance with Condition 16 as soon as reasonably practicable after the nature and effective date of the adjustments are determined. If the Determination Agent determines that no adjustment that could be made would produce a commercially reasonable result and preserve substantially the economic effect to the Securityholders of a holding of the relevant Security, it shall notify the Issuer of such determination and no adjustment(s) shall be made. None of the Determination Agent, the Issuer or any other party shall be liable to any holder, Securityholder or any other person for any determination and/or adjustment made by the Determination Agent and/or the Issuer pursuant to this Condition 5.4(a); or
- (b) on giving not less than 10 Business Days’ irrevocable notice to Securityholders (or such other notice period as may be specified in the applicable Final Terms) (such period the

“Early Redemption Notice Period”) in accordance with Condition 16 (such notice an “Additional Disruption Event Redemption Notice”), redeem all of the Securities of the relevant Series in whole, subject to Conditions 7, 8 and 9, at their Early Cash Settlement Amount on the Early Cash Redemption Date.

#### **5.5 Early Redemption following the Occurrence of a Specified Early Redemption Event**

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

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

#### **5.6 Maximum and Minimum Redemption Requirements**

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

(a) *Restrictions on Securities Redeemable*

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

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

(b) *Daily Maximum Amount*

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

- (i) deem such Option Exercise Notice(s) to apply on such Business Day in respect of the redemption of a nominal amount or number of Securities equal to the relevant Daily Maximum Amount or Daily Maximum Number of such Securities to which they relate (selected, in each case, by the Issue and Paying Agent on a pro rata basis, to the extent possible, failing which such selection to be at the Issue and Paying Agent's sole discretion and in accordance with the Relevant Rules if the Securities are Cleared Securities and, in each case, to ensure that such Securityholder or group of Securityholders submitting an Option Exercise Notice is, notwithstanding the provisions of this Condition 5.6(b)(i), complying with Condition 5.6(a)); and
- (ii) thereafter, deem each successive Business Day to be one on which an Option Exercise Notice has been delivered for the purpose of Condition 5.2 in respect of the remaining Securities (not exceeding such Daily Maximum Amount or Daily Maximum Number on any Business Day) until all Securities to which the original Option Exercise Notice(s) relate(s) have been redeemed,

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

redeemed on their Redemption Date, unless the Issuer (having been notified by the Issue and Paying Agent) agrees otherwise.

(c) *Minimum Instalment Amounts and/or Maximum Instalment Amounts*

If any Minimum or Maximum Instalment Amount is specified in the applicable Final Terms then any Instalment Amount shall be subject to such minimum or maximum, as applicable.

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

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

### 6.1 Exercise Period and Expiry

(a) *Exercise Period*

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

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

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

(b) *Multiple Exercise Securities*

If Securities are specified in the applicable Final Terms to be “Multiple Exercise Securities”, then the applicable Exercise Style will be specified as any of (i) American Style, (ii) Bermudan Style or (iii) Other Exercise Style. For the avoidance of doubt, Multiple Exercise Securities are not capable of being European Style.

All Multiple Exercise Securities shall be Cash Settled Securities and shall be designated in the applicable Final Terms to be either “Single Pay” or “Multi-Pay”, where:

- (I) “Single Pay” denotes that each Security may, subject to any Exercise Parameters, be exercised on only one of the applicable Eligible Exercise Dates and following such exercise that Security shall not be capable of being exercised on any subsequent Eligible Exercise Date; and
- (II) “Multi-Pay” denotes that each Security may, subject to any Exercise Parameters, be exercised on all or some only of the applicable Eligible Exercise Dates and any such exercise does not preclude that Security being capable of being exercised on any subsequent Eligible Exercise Date.

The Exercise Parameters, if any, specified in the Final Terms may specify whether such Security can be exercised, in whole or in part, on any Eligible Exercise Date, whether such exercise must be in respect of a specific number of Units and/or any other applicable parameters governing the exercise thereof.

(c) *Expiry*

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

**6.2 Cancellation or Adjustment following the Occurrence of an Additional Disruption Event or Cancellation following the Occurrence of a Nominal Call Event or Cancellation following the Occurrence of a Specified Early Cancellation Event**

- (a) If an Additional Disruption Event occurs, the Issuer may, at its sole and absolute discretion:
  - (i) request that the Determination Agent determines, at its sole and absolute discretion, whether an appropriate adjustment can be made to the Conditions and any other provision relating to the Securities to account for the economic effect of such event on the Securities and to preserve substantially the economic effect to the Securityholders of a holding of the relevant Security. If the Determination Agent determines that such adjustment(s) can be made, the Issuer shall determine the effective date of such adjustment(s) and take the necessary steps to effect such adjustment(s). The Issuer shall notify Securityholders of any such adjustment(s) in accordance with Condition 16 as soon as reasonably practicable after the nature and effective date of the adjustments is determined. If the Determination Agent determines that no adjustment that could be made would produce a commercially reasonable result and preserve substantially the economic effect to the Securityholders of a holding of the relevant Security, it shall notify the Issuer of such determination and no adjustment(s) shall be made. None of the Determination Agent, the Issuer or any other party shall be liable to any person for

any determination and/or adjustment made by the Determination Agent and/or the Issuer pursuant to this Condition 6.2(a); or

- (ii) on giving not less than 10 Business Days' irrevocable notice to Securityholders (such notice an "**Additional Disruption Event Cancellation Notice**") (or such other notice period as may be specified in the applicable Final Terms) (such period the "**Early Cancellation Notice Period**") in accordance with Condition 16, cancel all of the Securities of the relevant Series in whole but not in part and the Issuer shall, subject to Conditions 7, 8 and 9, pay to each Securityholder in respect of each Security or, if Units are specified in the applicable Final Terms, each such Unit, the Early Cash Settlement Amount on the applicable Early Cancellation Date.
- (b) If a Nominal Call Event occurs, the Issuer may, on giving not less than 15 Business Days' irrevocable notice to Securityholders (such notice a "**Nominal Call Cancellation Notice**") (or such other notice period as may be specified in the applicable Final Terms) (such period the "**Nominal Call Cancellation Notice Period**"), in accordance with Condition 16, cancel all of the Securities of the relevant Series in whole but not in part, subject to Conditions 7, 8 and 9, as follows:
- (i) if "Cash Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(b) or is validly elected (or deemed to have been elected) by the Issuer or Securityholder pursuant to Condition 6.2(b)(iii) or (iv), at its Early Cash Settlement Amount on the relevant Early Cancellation Date; or
  - (ii) if "Physical Settlement" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(b) or is validly elected by the Issuer or Securityholder pursuant to Condition 6.2(b)(iii) or (iv), by delivery of the Early Physical Cancellation Entitlement on the applicable Early Physical Cancellation Date; or
  - (iii) if "Issuer Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(b), in accordance with Condition 6.2(b)(i) if the Issuer elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 6.2(b)(ii) if the Issuer elects for Physical Settlement to apply. Unless otherwise specified in the applicable Final Terms, the Issuer's election will be specified in the Nominal Call Cancellation Notice. If no election is made in the Nominal Call Cancellation Notice, Cash Settlement shall be deemed to have been elected to apply to the Securities; or
  - (iv) if "Securityholder Settlement Option" is specified as the Settlement Method in the applicable Final Terms for the purposes of this Condition 6.2(b), in accordance with Condition 6.2(b)(i) if the Securityholder elects (or is deemed to have elected) for Cash Settlement to apply or in accordance with Condition 6.2(b)(ii) if the Securityholder elects for Physical Settlement to apply in accordance with Condition 7.1.

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

### 6.3 Exercise and Cancellation Procedure

(a) *Exercise*

Unless otherwise specified in the applicable Final Terms or automatically exercised in accordance with Condition 6.4, a Securityholder wishing to exercise any of its Securities (other than CREST Securities) on an Eligible Exercise Date must, on or prior to (i) 10:00 a.m. London time, if the Securities are not Cleared Securities or (ii) 10:00 a.m., Luxembourg or Brussels time, if the Securities are Cleared Securities (as appropriate for the Relevant Clearing System), on such Eligible Exercise Date, deposit (in the case of Bearer Securities) the relevant Bearer Securities (together with all unmatured or unexchanged Coupons or Receipts, as the case may be) with any Paying Agent or (in the case of Registered Securities) the relevant Global Registered Security or Definitive

Registered Security representing such Registered Securities with the Registrar or any Transfer Agent at its specified office, together with a duly completed irrevocable exercise notice (a “**Security Exercise Notice**”) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable). If Units are specified in the applicable Final Terms, the Securities may only be exercised in Units. Each Unit will consist of the number of Warrants or Exercisable Certificates specified in the applicable Final Terms.

If the Securities are Cleared Securities, a Warrant or Exercisable Certificate may be exercised by the relevant Securityholder giving a Security Exercise Notice to the Issue and Paying Agent through the Relevant Clearing Systems in accordance with the Relevant Rules stating the number of Securities or, if applicable, Units to be exercised. No transfers of interests in Cleared Securities in respect of which a Security Exercise Notice has been delivered will be valid and a Security Exercise Notice in respect of Cleared Securities must be accompanied by a copy of instructions given to the Relevant Clearing System by the relevant accountholder that the accountholder’s account be blocked for such purposes.

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

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

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

If CREST Securities are not automatically exercised in accordance with Condition 6.4, such CREST Securities may be exercised by the relevant Securityholder sending a Security Exercise Notice on or prior to the CREST Cut-off Time on an Eligible Exercise Date by way of a Dematerialised Instruction to the Operator (or procuring that such an instruction is sent) in the form obtainable from the Issuer or the CREST Agent. Such Security Exercise Notice must state the number of Securities or, if applicable, Units being exercised and irrevocably instruct the Operator to transfer from the Securityholder’s account to the appropriate account of the Issuer in CREST the relevant Securities to be exercised, provided that the Security Exercise Notice shall not be effective until such transfer into the Issuer’s account is complete.

If a Security Exercise Notice is delivered in respect of CREST Securities after the CREST Cut-off Time on a given Eligible Exercise Date, it shall be deemed to have been delivered,

as the case may be, on the next Eligible Exercise Date (and, if there is no such date, such Security Exercise Notice shall be of no effect).

The right to exercise such Securities in accordance with this Condition 6.3 must be exercised in accordance with the CREST Requirements and if there is any inconsistency between the foregoing and the rules and procedures of CREST, the latter shall prevail. No CREST Securities in respect of which such option has been exercised may be withdrawn without the prior consent of the Issuer.

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

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

(b) *Relevant Settlement Method*

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

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

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

- (iv) if “Securityholder Settlement Option” is specified as the Settlement Method in the applicable Final Terms, in accordance with Condition 6.3(b)(i) if the Securityholder elects (or is deemed to elect) for Cash Settlement to apply or in accordance with Condition 6.3(b)(ii) if the Securityholder elects for Physical Settlement to apply.

#### 6.4 Automatic Exercise

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

(a) *Application of Automatic Exercise*

- (i) If a Multiple Exercise Security is designated in the applicable Final Terms as Multi-Pay and an Actual Exercise Date does not occur on any Eligible Exercise Date on which the Securities are determined by the Determination Agent to be In-The-Money, then such Securities will be automatically exercised to the fullest extent possible on such Eligible Exercise Date (in each case, a “**Multiple Automatic Exercise Date**”); and/or
- (ii) with respect to any Security other than a Multiple Exercise Security designated in the applicable Final Terms as Multi-Pay, if an Actual Exercise Date does not occur on or prior to the Expiration Date and the Securities are determined by the Determination Agent to be In-The-Money, then such Securities will be automatically exercised (subject to the Exercise Parameters) on the Expiration Date (in each case, the “**Expiration Automatic Exercise Date**” and, together with each Multiple Automatic Exercise Date, each an “**Automatic Exercise Date**”).

(b) *Conditions to Settlement following Automatic Exercise*

If an Automatic Exercise Date occurs with respect to any Security, the Issuer will, as soon as reasonably practicable thereafter, notify Securityholders of the occurrence of such Automatic Exercise Date in accordance with Condition 16 (each such notice an “**Automatic Exercise Notice**”).

For the avoidance of doubt, to receive any relevant Settlement Amount or Entitlement relating to an Automatic Exercise Date, the relevant Securityholder must satisfy all relevant conditions to settlement, including, without limitation, (i) depositing (in the case of Bearer Securities) the relevant Bearer Securities with any Paying Agent or (in the case of Registered Securities) the relevant Global Registered Security or Definitive Registered Security representing such Registered Securities with the Registrar or any Transfer Agent at its specified office, (ii) the condition to settlement in Condition 9.6, and/or (iii) if “Physical Settlement” is specified in the applicable Final Terms or elected, delivery of a valid and complete Delivery Entitlement Instruction.

If the Securities are Cleared Securities, this Condition 6.4 may be satisfied by the relevant Securityholder giving a Security Exercise Notice in accordance with the Relevant Rules to the Issue and Paying Agent through the Relevant Clearing Systems stating the number of Securities or, if applicable, Units in respect of which Automatic Exercise has occurred together with payment and delivery instructions, as applicable, for payment to the Issuer

of the relevant Exercise Price, Taxes and any Settlement Expenses and/or delivery instructions for any Entitlement, as applicable.

Notwithstanding anything to the contrary herein, if the Securities are CREST Securities, the relevant conditions to settlement for the purpose of this Condition 6.4 may be satisfied by the relevant Securityholder sending a Security Exercise Notice by way of a Dematerialised Instruction to the Operator (or procuring that such an instruction is sent) stating the number of Securities or, if applicable, Units in respect of which Automatic Exercise has occurred together with payment instructions for payment to the Issuer of the relevant Exercise Price, Taxes and any Settlement Expenses.

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

## **6.5 Maximum and Minimum Exercise Requirements**

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

### **(a) *Restrictions on Securities Exercisable***

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

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

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

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

- (i) deem such Security Exercise Notices to apply on such Exercise Business Day in respect of the exercise of a number of Securities equal to the Daily Maximum Number of such Securities to which they relate (selected, in each case, by the Issue and Paying Agent on a pro rata basis, to the extent possible, failing which

such selection to be at the Issue and Paying Agent's sole discretion and in accordance with the Relevant Rules if the Securities are Cleared Securities and, in each case, to ensure that such Securityholder or group of Securityholders submitting a Security Exercise Notice is, notwithstanding the provisions of this Condition 6.5(b), complying with Condition 6.5(a)); and

- (ii) thereafter, deem each successive Exercise Business Day to be one on which a Security Exercise Notice has been delivered for the purpose of this Condition 6.5 in respect of the remaining Securities (not exceeding such Daily Maximum Number on any Exercise Business Day) until all Securities to which the original Security Exercise Notices have been exercised, provided that where any deemed Actual Exercise Date would thereby fall after the Expiration Date, such Actual Exercise Date shall be deemed to be the new Expiration Date.

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

## 6.6 Time

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

## 7 Settlement

### 7.1 Settlement at Option of Securityholder

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

- (a) deposit and surrender (in the case of Bearer Securities) the relevant Bearer Securities (together with all unmatured or unexchanged Talons and Coupons or Receipts) with any Paying Agent or, with respect to Cleared Securities, the Issue and Paying Agent or (in the case of Registered Securities) the relevant Registered Securities with the Registrar or any Transfer Agent at its specified office, provided that if the Securities are Cleared Securities, the relevant Common Depository, Common Safekeeper, custodian or nominee shall make such deposit and surrender through the Relevant Clearing System in accordance with the Relevant Rules; and
- (b) subject to Condition 7.1(c), deposit with any Paying Agent, Registrar or Transfer Agent, a duly completed settlement irrevocable option election notice (a "**Settlement Election Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) no later than 10 Business Days prior to the Redemption Date, the last day of the relevant Issuer Notice Period, Specified Early Redemption Notice Period or Nominal Call Cancellation Notice Period; or

- (c) with respect to Conditions 5.2 and 6.3 only, make an irrevocable election with respect to settlement in the relevant Option Exercise Notice or Security Exercise Notice, as applicable and such notice shall be deemed to also be a Settlement Election Notice.

If no such settlement election is made in a Settlement Election Notice, Option Exercise Notice or Security Exercise Notice, the relevant Securityholder will be deemed to have elected for Cash Settlement to apply. No Security so deposited and surrendered and Settlement Election Notice, Option Exercise Notice or Security Exercise Notice so deposited may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

## 7.2 Physical Settlement by Delivery of the Entitlement

### (a) *Delivery of Entitlement*

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

- (i) The Issuer shall, subject to Conditions 7, 8 and 9, on any relevant Physical Delivery Date, deliver or procure the delivery of the relevant Entitlement in respect of each Security or Unit to such account in respect of Cleared Securities in the Relevant Clearing System in accordance with the Relevant Rules and, in respect of all other Securities, such account as may be notified by the relevant Securityholder to the Issuer in the relevant Delivery Entitlement Instruction or Exercise Notice, as applicable, at the risk and expense of the relevant Securityholder. If a Securityholder does not provide the Issuer with sufficient instructions in a timely manner to enable the Issuer and/or the Relevant Clearing System, if applicable, to effect any required delivery of the Entitlement, the due date for such delivery shall be postponed accordingly. The Issuer and the Relevant Clearing System, if applicable, shall determine whether any instructions received by it are sufficient and whether they have been received in time to enable delivery on any given date. As used herein, “**delivery**” means, in relation to any Entitlement, the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Entitlement and “**deliver**” shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of any Entitlement once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars or otherwise and shall have no responsibility for the lawfulness of the acquisition or transfer of the Entitlement or any interest therein by any Securityholder or any other person.
- (ii) No delivery by (or on behalf of) the Issuer of a fraction of any component comprising the Entitlement shall be made. Securities (or, if Units are specified in the applicable Final Terms, Units, as the case may be) redeemed or exercised at the same time by the same Securityholder will be aggregated for the purpose of determining the aggregate Entitlement to be delivered, provided that the aggregate Entitlements in respect of the same Securityholder will be rounded down to the nearest whole unit of the relevant Reference Asset(s) or other component(s) of the Entitlement in such manner as the Determination Agent shall

determine. Where the Entitlement would include a fraction of any component comprising the Entitlement, the relevant Securityholder will be entitled to receive an amount in cash in lieu of such fraction as determined by the Determination Agent in its sole discretion.

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

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

- (i) the Issuer shall attempt to deliver any portion of the Entitlement which does not comprise Affected Assets, on the originally designated Physical Delivery Date;

- (ii) the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security by delivering some or all of the Affected Assets using such other commercially reasonable manner as it may select and in such event the relevant Physical Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner; and
- (iii) in respect of any Affected Assets, in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security by payment to the relevant Securityholder of the Disruption Cash Settlement Price on the Disruption Cash Settlement Date.

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

(c) *Substitute Assets*

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

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

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

(d) *Liability*

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

### 7.3 Conditions to Settlement

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

The conditions to settlement to be satisfied by a Securityholder include, without limitation, (a) receipt of all instructions, certifications (including pursuant to Condition 7.5) and information by the Issuer, the Issue and Paying Agent and the Relevant Clearing System, as applicable, required by the Issuer, the Issue and Paying Agent and/or the Relevant Clearing System to effect payment or delivery of the relevant Settlement Amount or Entitlement to the Securityholder (or to its order) within the required time period, (b) the condition to settlement in Condition 9.6, (c) the deposit of a duly completed Exercise Notice, Settlement Election Notice, Delivery Entitlement Instruction or any other applicable notice in accordance with the Conditions, as applicable, and (d) the deposit, presentation or surrender of the relevant Security, as applicable.

If the conditions to settlement to be satisfied by a Securityholder have not been satisfied by (i) 10:00 a.m., London time, if the Securities are not Cleared Securities or (ii) 10:00 a.m., Luxembourg or Brussels time, or such other time as determined by the Determination Agent as appropriate for the Relevant Clearing System, on the day that is the number of calendar days equal to the Settlement Number following the Redemption Date, the Final Physical Redemption Date, the Optional Cash Redemption Date, the Optional Physical Redemption Date, the Early Cash Redemption Date, the Specified Early Cash Redemption Date, the Specified Early Physical Redemption Date, the Early Cancellation Date, the Early Physical Cancellation Date, the Actual

Exercise Date, the Automatic Exercise Date or the Physical Delivery Date, as applicable (the “**Security Settlement Cut-off Date**”) as determined by the Determination Agent, the relevant conditions to settlement will not be capable of being satisfied. With effect from the Security Settlement Cut-off Date, the relevant Securityholder shall have no right to receive any payment or delivery of the Conditional Settlement Amount and shall have no claim against the Issuer or the Guarantor in relation thereto.

#### **7.4 Postponement of Payments and Settlement**

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

#### **7.5 US Certification requirements**

If the Final Terms for Notes or Certificates indicate that Type 1 US Commodities Restrictions apply, the Securityholder must provide the following written certification (or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Securityholder to equivalent effect) as a condition to settlement:

“Neither the person holding the Notes or Certificates that are being redeemed, nor any person on whose behalf the Notes or Certificates that are being redeemed are held, is a US person or a person within the United States or (b) the person redeeming the Notes or Certificates, and each person on whose behalf the Notes or Certificates are being redeemed or who is the beneficial owner thereof, is an Eligible Contract Participant (as such term is defined in the Commodity Exchange Act).

We understand that this certification is required in connection with certain securities, commodities and other legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this certification is or might be relevant, we irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings”.

If the Final Terms for Notes or Certificates indicate that Type 2 US Commodities Restrictions apply, the Securityholder must provide the following written certification (or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Securityholder to equivalent effect) as a condition to settlement:

“Neither the person holding the Notes or Certificates that are being redeemed, nor any person on whose behalf the Notes or Certificates that are being redeemed are held, is a US person or a person within the United States.

We understand that this certification is required in connection with certain securities, commodities and other legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this certification is or might be relevant, we irrevocably authorise you to produce this notice or a copy thereof to any interested party in such proceedings”.

## **8 Calculations and Publication**

### **8.1 Calculations**

For the purposes of any calculations required pursuant to the Conditions (unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms), (a) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (b) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant figure shall be rounded up) and (c) all currency amounts that fall due and payable shall be rounded to the nearest unit of such Currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, “unit” means the lowest amount of such Currency that is available as legal tender in the country of such Currency.

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

As soon as practicable on such date as the Issue and Paying Agent or, as applicable, the Determination Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation in respect of or in connection with any Security, such Agent shall determine such rate and calculate the relevant interest in respect of the Securities for the relevant Interest Calculation Period and calculate any Settlement Amount, Entitlement, Instalment Amounts or any other relevant amount with respect to a Settlement Method, obtain any required quotation or make such determination or calculation, as the case may be, and cause the interest, Interest Rate and Interest Amount, as applicable, for each Interest Calculation Period and the relevant Interest Payment Date and, if required to be calculated, any Settlement Amount, Entitlement, Instalment Amounts or amount in lieu (in whole or in part) of such Entitlement to be notified to the Issuer, each of the Paying Agents, the Securityholders, any other Agent in respect of the Securities that is to make a payment, delivery or further calculation or determination upon receipt of such information and, if the Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (a) the commencement of the relevant Interest Calculation Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount or (b) in all other cases, the fourth Business Day following such determination.

Where any Interest Payment Date or Interest Period End Date is subject to adjustment pursuant to Condition 8.4, the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Calculation Period. If interest bearing Securities become due and payable pursuant to Condition 10, the accrued interest and the Interest Rate payable in respect of the Securities shall nevertheless continue to be calculated as previously in accordance with Condition 4 but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Issue and Paying Agent or, as applicable, the Determination Agent shall (in the absence of manifest error) be final and binding upon all parties.

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

### 8.3 Calculation Amount per Security

(a) *General*

If the Settlement Amount or Entitlement relating to a Security (other than in respect of a Multiple Exercise Security that is specified in the applicable Final Terms to be Multi-Pay) is specified or is to be determined by reference to the Calculation Amount per Security specified in the Final Terms, then, on each occasion on which such Security is redeemed or exercised in part, the corresponding Settlement Amount or Entitlement shall be deemed to have been reduced by an amount proportional to the nominal amount or portion of the Security so redeemed or exercised with effect from the date of such partial reduction or exercise.

(b) *Notes and Calculation Amount per Security*

Notwithstanding anything to the contrary in the Conditions or the Agency Agreement:

- (i) where the Securities are in the form of Definitive Notes and the applicable Final Terms specify a Calculation Amount per Security in addition to one or more Specified Denominations, then each calculation of an amount payable in respect of a Note hereunder shall be made on the basis of the relevant Calculation Amount per Security and the amount payable on any particular Note shall be equal to the product of (i) the amount produced by such calculation (after applying any applicable rounding in accordance with the Conditions) and (ii) the Calculation Amount Factor of that particular Note, where “**Calculation Amount Factor**” means the number equal to the Specified Denomination of the relevant Note divided by the relevant Calculation Amount per Security;

- (ii) where the Securities are in global form or uncertificated registered form, on any date each calculation of an amount payable in respect of a Note hereunder shall be made on the basis of the aggregate nominal amount of all such Securities outstanding on such date (or the relevant affected portion thereof) divided by the number of such Securities outstanding on such date (or the relevant affected portion thereof), rounded in accordance with the method provided in Condition 8.1 above.

#### **8.4 Business Day Convention**

If (a) there is no numerically corresponding day of the calendar month in which an Interest Period End Date should occur or (b) if any date which is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then such date will be adjusted according to the Business Day Convention specified in the applicable Final Terms. If the Business Day Convention is specified to be:

- (i) the “Following”, such date shall be postponed to the next day that is a Business Day;
- (ii) the “Modified Following”, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day;
- (iii) the “Nearest”, such date will be the first preceding day that is a Business Day if the relevant date otherwise falls on a day other than a Sunday or a Monday and will be the first following day that is a Business Day if the relevant date otherwise falls on a Sunday or a Monday; or
- (iv) the “Preceding”, such date shall be brought forward to the immediately preceding Business Day.

#### **8.5 Currency**

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

### **9 Payments and Deliveries**

#### **9.1 Definitive Bearer Securities**

Payments of principal and interest and deliveries of any Entitlement in respect of Definitive Bearer Securities will, subject as mentioned below, be made against and subject to the condition to settlement, presentation and surrender (or, in the case of part payment or delivery of any sum or Entitlement due, endorsement) of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relevant Note), the relevant Definitive Bearer Securities (in the case of payments of principal and, in the case of interest, as specified in Condition 9.5(c)) or Coupons (in the case of interest, save as specified in Condition 9.5(c)), as the case may be, at the specified office of any Paying Agent outside the United States (a) if a payment, by a cheque payable in the relevant currency drawn on, or, at the option of the holder,

by transfer to an account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) denominated in such currency with, an Account Bank, subject to certification of non-US beneficial ownership, as applicable or (b) if a delivery, in the manner notified to Securityholders.

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

A record of each payment and delivery made in respect of a Definitive Bearer Security of any Series will be made on the relevant Definitive Bearer Security by or on behalf of the Issue and Paying Agent, and such record shall be *prima facie* evidence that the payment or delivery in question has been made.

Notwithstanding the foregoing, if any Definitive Bearer Securities are denominated in US dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Definitive Bearer Securities in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

## **9.2 Definitive Registered Securities**

Payments of principal (which for the purposes of this Condition 9.2 shall include final Instalment Amounts but not other Instalment Amounts) and deliveries of any Entitlement in respect of each Definitive Registered Security will be made against and subject to the condition to settlement, presentation and surrender of the relevant Definitive Registered Security at the specified office of the Registrar or any of the Transfer Agents and in the manner provided in the immediately following paragraph below.

Payments of interest (which for the purposes of this Condition 9.2 shall include all Instalment Amounts other than final Instalment Amounts) in respect of each Definitive Registered Security will be made on the relevant due date or next succeeding Business Day to the Securityholder (or the first named of joint Securityholders) of the Definitive Registered Security appearing in the Register at the close of business on the relevant Record Date. Payments of interest on each Definitive Registered Security will be made in the relevant currency by cheque drawn on an Account Bank and mailed to the holder (or to the first-named of joint holders) of such Definitive Registered Security at its address appearing in the Register. Upon application in writing by the holder in accordance with Condition 16.2 to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by electronic transfer to an account in the relevant currency maintained by the payee with an Account Bank. Delivery of any Entitlement will be made in the manner notified to Securityholders.

### 9.3 Global Securities

(a) *Global Bearer Securities*

No payment or delivery falling due after the Exchange Date will be made on any Global Bearer Securities unless exchange for an interest in a Permanent Global Security or for Definitive Bearer Securities is improperly withheld or refused. Payments on any Temporary Global Security issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-US beneficial ownership in the form set out in the Agency Agreement.

(b) *CGNs*

All payments and deliveries in respect of Bearer Securities in CGN Form will be made against and subject to the condition to settlement, presentation for endorsement and, if no further payment or delivery falls to be made in respect of the Global Bearer Securities, surrender of that Global Bearer Security to or to the order of the Issue and Paying Agent or such other Paying Agent as shall have been notified to the Securityholders for such purpose. If the Global Bearer Security is in CGN Form, a record of each payment or delivery so made will be endorsed on each Global Bearer Security, which endorsement will be *prima facie* evidence that such payment or delivery has been made in respect of the Securities. Conditions 11.1(g) and 12(e) will apply to the Definitive Bearer Securities only. Notwithstanding the above, all payments and deliveries in respect of CBF Securities will be made to the persons shown in the records of CBF.

(c) *NGNs and Global Securities held under NSS*

If a Global Bearer Security is a Cleared Security in NGN Form or a Global Registered Security is a Cleared Security held under the NSS, the Issuer shall procure that details of each such payment and delivery shall be entered pro rata in the records of the Relevant Clearing System and, in the case of payments of principal or the delivery of any Entitlement, the nominal amount of Securities in the case of Notes or the relevant portion or number of Securities in the case of Certificates and Warrants, recorded in the records of the Relevant Clearing System and represented by the Global Bearer Securities or Global Registered Securities, will be reduced accordingly (if applicable). Payments and deliveries under the Securities in NGN Form will be made to its holder. Each payment and delivery so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the Relevant Clearing System shall not affect such discharge.

(d) *Global Registered Securities that are Cleared Securities*

All payments and deliveries in respect of Cleared Securities that are represented by a Global Registered Security will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the due date for payment or delivery, for this purpose the Record Date.

(e) *Relationship of Accountholders and Relevant Clearing Systems*

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

(f) *Payments through DTC*

Payments of principal and interest in respect of Global Registered Securities held by a custodian for, and registered in the name of a nominee of, DTC will, if such Global Registered Securities are denominated in US dollars, be made in accordance with the preceding paragraphs. Payments of principal and interest in respect of Global Registered Securities held by a custodian for, and registered in the name of a nominee of, DTC will, if such Global Registered Securities are denominated in a currency other than US dollars, be made or procured to be made by the Exchange Agent in the relevant currency in accordance with the following provisions. The amounts payable by the Exchange Agent or its agent to DTC with respect to such Global Registered Securities will be received in such currency, from the Issuer by the Exchange Agent. The Exchange Agent will make payments by wire transfer of same day funds to the designated bank account in such currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payments, on or prior to the third DTC business day after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 DTC business days prior to the relevant payment date of principal, to receive that payment in such currency, provided that the Registrar has received the related notification from DTC on or prior to the fifth DTC business day after the Record Date for the relevant payment of interest or at least 10 DTC business days prior to the relevant payment date of principal, in respect of such payment, and the Registrar has accordingly notified the Exchange Agent in accordance with the Agency Agreement. If DTC does not so notify the Registrar, the relevant payment will be made in US dollars. The Exchange Agent, after conversion of amounts in such currency into US dollars, will deliver such US dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such currency. The Agency Agreement sets out the manner in which such conversions are to be made. “**DTC business day**” means any day on which DTC is open for business.

(g) *No Responsibility*

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

**9.4 CREST Securities**

The Issuer shall procure that all payments in respect of CREST Securities are made to the relevant Securityholder's cash memorandum account (as shown in the Operator register of corporate securities as at the close of business on the CREST Business Day immediately prior to the date for payment) for value on the Relevant Date, such payment to be made in accordance with the CREST Requirements.

Each of the persons shown in the Operator register of corporate securities as the holder of a particular nominal amount or number of CREST Securities must look solely to the settlement bank or institution at which its cash memorandum account is held for its share of each such payment so made by or on behalf of the Issuer.

**9.5 Unmatured Coupons and Receipts and Unexchanged Talons**

(a) *Unmatured Coupons and Unexchanged Talons Void*

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

(b) *Requirement for Indemnity*

Where any Definitive Bearer Security is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(c) *Interest after Redemption*

If the due date for redemption of any Definitive Bearer Security is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Bearer Security. Interest accrued on a Definitive Bearer Security which only bears interest after its date of redemption shall be payable on redemption of such Definitive Bearer Security against presentation thereof.

(d) *Unmatured Receipts Void*

Upon the due date for redemption of any Definitive Bearer Security that is redeemable in instalments, all Receipts relating to such Security having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

#### **9.6 Taxes, Settlement Expenses and Exercise Price Conditions to Settlement**

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

#### **9.7 Payment Days**

If the due date (which, for the avoidance of doubt, will be determined after any applicable adjustment in accordance with a Business Day Convention) for any payment in respect of any Security or Coupon is not a Payment Day, then payment will not be made until the next succeeding Payment Day in the relevant place, and the holder thereof shall not be entitled to any further payment in respect of such delay.

#### **9.8 Payment and Deliveries subject to Laws**

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

### **10 Events of Default**

If any of the following events occurs and is continuing, (a) the holder of any Security that is not a CREST Security may give notice to the Issue and Paying Agent at its specified office or (b) in respect of a Series of CREST Securities, the holder of any CREST Security may give notice to the Issuer that such Security is, and such Security shall accordingly immediately become, due and repayable at the Early Cash Settlement Amount (and, notwithstanding that “Physical Settlement” is specified as the Settlement Method in the applicable Final Terms or elected for the purposes of Conditions 5, 6 or 7, Cash Settlement shall be deemed to be the Settlement Method):

- (i) any interest or Instalment Amount, as the case may be, on such Securities has not been paid within 14 calendar days of the due date for payment. The Issuer shall not, however, be in default if such sums (“**Withheld Amounts**”) were not paid in order to comply with a mandatory law, regulation or order of any court of competent jurisdiction. Where there is doubt as to the validity or applicability of any such law, regulation or order, the Issuer will not be in default if it acts on the advice given to it during such 14-calendar-day period by independent legal advisers; or
- (ii) without prejudice to Condition 7, the Issuer fails to deliver any Entitlement, in relation to the partial exercise or redemption of the Securities (other than on the Expiration Date), on the due

date for delivery and such failure to deliver has not been remedied within 30 calendar days of notice of such failure having been given to the Issuer by any Securityholder, provided that an Event of Default shall not occur under this Condition 10(b)(ii) and any notice of failure shall not be valid if (I) any of the conditions to settlement to be satisfied by the Securityholder have not been so satisfied as at the due date for delivery or the date of such notice of failure, (II) the Issuer has elected to pay the Disruption Cash Settlement Price or Alternate Cash Amount or to deliver Substitute Assets pursuant to Condition 7.2(b) or (c) (unless the failure to deliver relates to such Substitute Assets) or (III) a notice is given to Securityholders pursuant to Condition 16; or

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

## 11 Agents

### 11.1 Appointment of Agents

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

with, or introduced in order to conform to, such Directive and (h) a CREST Agent in relation to CREST Securities. Notice of any termination of appointment and of any changes to the specified office of any Agent will be given to Securityholders in accordance with Condition 16.

## **11.2 Modification of Agency Agreement**

### **(a) *Securities that are not CREST Securities***

The Issuer and the Guarantor shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement relating to Securities other than CREST Securities if to do so would not in the opinion of the Issuer or Guarantor be expected to be materially prejudicial to the interests of the Securityholders or if such modification is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of any applicable law or to cure, correct or supplement any defective provision contained therein. Any such modification shall be binding on the Securityholders and shall be notified to the Securityholders in accordance with Condition 16 as soon as practicable thereafter, provided that failure to give, or non-receipt of, such notice will not affect the validity or binding nature of such modification.

### **(b) *CREST Securities***

The Agency Agreement in respect of CREST Securities may be amended by the Issuer and the CREST Agent without the consent of the holders of CREST Securities (other than in the case of (v)) but subject, where reasonably practicable, to providing prior notice to holders of CREST Securities in accordance with Condition 16, for the purposes of (i) giving effect to any changes in any CREST Requirements, (ii) curing any ambiguity or reflecting any modification to the Conditions pursuant to Condition 20.1, (iii) curing, correcting or supplementing any defective provisions contained therein, (iv) effecting any amendment in any manner which the Issuer and the CREST Agent may mutually deem necessary or desirable that will not materially adversely affect the interests of the holders of CREST Securities or (v) effecting any other amendment with the prior consent of the requisite majority of Securityholders pursuant to Condition 20.2.

## **11.3 Responsibility of the Issuer, the Guarantor and the Agents**

The Issue and Paying Agent and the Determination Agent, as appropriate, shall have no responsibility or liability to any person for errors or omissions in any calculations, determinations made, or actions taken pursuant to the Conditions, and all such calculations and determinations shall (save in the case of manifest error) be final and binding on the Issuer, the Guarantor, the Agents and the Securityholders.

None of the Issuers, the Guarantor or any Agent shall be held responsible for any loss or damage resulting from any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott or lockout or any other similar event or circumstance. The reservation in respect of strikes, blockades, boycotts and lockouts shall also apply if any of such parties itself take such measures or becomes the subject of such measures. Under no circumstances shall any of the Issuers, Guarantor or Agents be liable to pay compensation to any Securityholder for any loss, damage, liability, cost, claim,

action or demand to any Securityholder in the absence of fraud. Furthermore, under no circumstances shall any of the Issuers, Guarantor or Agents be liable to any Securityholder for loss of profit, indirect loss or damage or consequential loss or damage, notwithstanding it having been pre-advised of the possibility of such loss.

Where any of the Issuers, Guarantor or Agents, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott or lockout or any other similar event or circumstance, is prevented from effecting payment or delivery, such payment or delivery may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay or deliver any additional amounts in respect of such postponement.

## 12 Taxation

Except to the extent that the Issuer or the Guarantor is required by law to withhold or deduct amounts for or on account of Tax or to the extent otherwise disclosed in the Conditions, a Securityholder must pay all Taxes arising from or payable in connection with the payment of interest, any Interest Amount or the ownership, transfer, sale, redemption, exercise or cancellation of any Security and/or the delivery or transfer of any Entitlement, or the payment of any Settlement Amount, and Instalment Amount and/or any other payment relating to the Securities, as applicable. Neither the relevant Issuer nor the Guarantor (if applicable) is liable for, or otherwise obliged to pay amounts in respect of, any such Taxes borne by a Securityholder.

Except as otherwise specified in any Relevant Annex or the applicable Final Terms, all payments in respect of the Securities shall be made free and clear of, and without withholding or deduction for, any present or future Taxes of whatever nature imposed, levied, collected, withheld or assessed by or within the Bank Jurisdiction (or any authority or political subdivision thereof or therein having power to tax) or (in the case of Securities issued by BCCL) the BCCL Jurisdiction (or any authority or political subdivision thereof or therein having power to tax) unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts (“**Additional Amounts**”) as may be necessary in order that the net amounts receivable by the relevant holder after such withholding or deduction shall equal the respective amounts that would have been receivable by such holder in the absence of such withholding or deduction. Notwithstanding the above, no Additional Amounts shall be payable with respect to any Security:

- (a) to, or to a third party on behalf of, a holder who is liable to such Taxes in respect of such Securities by reason of his having a connection with the Bank Jurisdiction or the BCCL Jurisdiction (as appropriate) other than the mere holding of the relevant Security or Coupon; or
- (b) to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Security, Coupon or Receipt is presented for payment; or
- (c) presented for payment more than 30 calendar days after the Relevant Date, except to the extent that the holder would have been entitled to an Additional Amount on presenting such Security for such payment on the last day of such 30-day period; or

- (d) where such withholding or deduction is imposed on a payment to an individual and required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (e) (except in the case of Registered Securities or CREST Securities) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Security, Coupon or Receipt to another Paying Agent without such deduction or withholding; or
- (f) unless it is proved, to the satisfaction of the Issue and Paying Agent or the Paying Agent to whom the Security, Coupon or Receipt is presented or, in respect of CREST Securities, to the satisfaction of the Issuer, that the holder is unable to avoid such withholding or deduction by satisfying any applicable certification, identification or reporting requirements or by making a declaration of non-residence or other similar claim for exemptions to the relevant tax authorities.

The imposition of any withholding or deduction on any payments in respect of the Securities by or on behalf of (i) the Issuer will be an “**Issuer Tax Event**” and (ii) the Guarantor, where the Securities are issued by BCCL, will be a “**Guarantor Tax Event**” if, in either case, such withholding or deduction is required by law.

References in the Conditions to (I) “**principal**” shall be deemed to include any premium payable in respect of the Securities, Settlement Amounts, Instalment Amounts and all other amounts in the nature of principal payable pursuant to Conditions 5 or 6, (II) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (III) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition 12.

### 13 Prescription

Claims against the Issuer and/or the Guarantor, if applicable, for payment in respect of any Security and/or Coupon and/or Receipt (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) of the appropriate Relevant Date in respect of them.

### 14 Replacement of Securities

Should any Security, Coupon or Receipt in respect of any Series be lost, stolen, mutilated, defaced or destroyed, it may, subject to all applicable laws, regulations and any Relevant Stock Exchange or any other relevant authority regulations requirements, be replaced at the specified office of the Issue and Paying Agent, in the case of Bearer Securities, or the Registrar, in the case of Registered Securities, or of such other Paying Agent or Transfer Agent, as may be designated from time to time by the Issuer for such purpose and notice of whose designation is given to Securityholders, in each case on payment by the claimant of the fees, expenses and Taxes incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as the Issuer may require. If any

Security, Coupon or Receipt is mutilated or defaced, it must be surrendered before replacements will be issued. This Condition 14 shall not apply to CREST Securities.

## 15 Unlawfulness or Impracticability

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

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

## 16 Notices

### 16.1 To Securityholders

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

- (a) in the case of Bearer Securities, if published in a daily newspaper of general circulation in England (which is expected to be the *Financial Times*) and will be deemed to have been given on the date of first publication; and/or
- (b) if and so long as Securities are listed on a Relevant Stock Exchange or are admitted to trading by another relevant authority if given in accordance with the rules and regulations of the Relevant Stock Exchange or other relevant authority and will be deemed to have been given on the first date of transmission or publication in accordance with such rules and regulations; and/or
- (c) in the case of Registered Securities, if mailed to the relevant holders of such Registered Securities at their respective designated addresses appearing in the Register and will be deemed delivered on the third weekday (being a day other than a Saturday or a Sunday) after the date of mailing; and/or
- (d) in the case of Cleared Securities, in substitution for publication or mailing as required above, notices to Securityholders may be given to the Relevant Clearing System provided that any publication or other requirements required pursuant to Condition 16.1(b) shall also be complied with if applicable. In such cases, notices will be deemed given on the first date of transmission to the applicable Relevant Clearing System (regardless of any subsequent publication or mailing); and/or
- (e) in the case of CREST Securities, if mailed to the relevant holders of such CREST Securities at their respective designated addresses appearing in the Record on the second CREST Business Day immediately prior to despatch of such notice and will be deemed delivered on the third weekday (being a day other than a Saturday or a Sunday) after the date of mailing or in substitution for mailing, if given to the Operator in which case it will be

deemed delivered on the first date of transmission to the Operator (regardless of any subsequent mailing).

If any publication required pursuant to Condition 16.1(a) or (b) is not practicable, notice shall be validly given if published in another leading English language daily newspaper with circulation in Europe on the date of first publication.

Holders of Coupons or Receipts shall be deemed for all purposes to have notice of the contents of any notice given to holders of Bearer Securities in accordance with this Condition 16.

## **16.2 To the Issuer and the Agents**

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

## **16.3 Validity of Notices**

Any determinations as to whether any notice is valid, effective and/or duly completed and in the proper form shall be made (a) in the case of Cleared Securities, by the Issuer and the Relevant Clearing System or (b) in the case of any notice in respect of CREST Securities that is given to the Operator, by the Issuer, the CREST Agent and the Operator or (c) in the case of any other Securities by the Issuer, in consultation with the Issue and Paying Agent and shall be conclusive and binding on the Issuer, the Guarantor, the Agents and the relevant Securityholder(s).

Any notice determined not to be valid, effective, complete and in proper form shall be null and void unless the Issuer and the Relevant Clearing System, or (in respect of CREST Securities) the Issuer and the Operator, if applicable, agree otherwise. This provision shall not prejudice any right of the person delivering the notice to deliver a new or corrected notice.

The Issuer, Paying Agent, Registrar or Transfer Agent shall use all reasonable endeavours promptly to notify any Securityholder submitting a notice if it is determined that such notice is not valid, effective, complete or in the proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, the Relevant Clearing System (in respect of CREST Securities), the Operator or any Agent, as the case may be, shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with any notification to a Securityholder or determination that a notice is not valid, effective, complete or in the proper form.

# **17 Substitution**

## **17.1 The Issuer**

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

Securities of such Series and (b) the obligations of the New BCCL Issuer shall continue to be guaranteed by the Guarantor.

In the event of any such substitution, any reference in the Conditions of any relevant Securities to the Issuer shall be construed as a reference to the New BCCL Issuer. Such substitution shall be promptly notified to the Securityholders in accordance with Condition 16. In connection with such right of substitution, the Issuer shall not be obliged to have regard to the consequences of the exercise of such right for individual Securityholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with or subject to the jurisdiction of, any particular territory, and no Securityholder shall be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon such Securityholder.

## 17.2 The Bank

The Bank, acting in its capacity as Issuer of the Securities and/or as Guarantor, shall be entitled at any time, without the consent of the Securityholders, to substitute any other entity, the identity of which shall be in the absolute discretion of the Bank in place of the Bank as Issuer or, in relation to Securities issued by BCCL, as Guarantor (the “**New Bank Issuer**” or “**New Guarantor**” respectively) to act as issuer in respect of Securities issued by it and/or as guarantor in respect of the obligations of BCCL under any Series of Securities issued by BCCL that is then outstanding under the Programme and any Series of Securities issued by BCCL thereafter, provided that (a) the New Bank Issuer/New Guarantor’s long-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least the same as Barclays Bank PLC’s long-term rating at the date on which the substitution is to take effect or the New Bank Issuer/New Guarantor has an equivalent long-term rating from another internationally recognised rating agency, (b) any New Guarantor enters into a guarantee on substantially the same terms as the Guarantee (a “**New Guarantee**”), (c) in the case of Securities eligible for sale in the United States to “qualified institutional buyers” in accordance with Rule 144A of the Securities Act, the New Bank Issuer would not be an “investment company” required to register as such under the US Investment Company Act of 1940, as amended, and (d) no event of default as set out in Condition 10 shall occur as a result thereof.

In the event of any such substitution, any reference in the Conditions to the Bank as Issuer or as Guarantor shall be construed as a reference to the New Bank Issuer or New Guarantor and any reference to the Guarantee shall be construed as a reference to the New Guarantee. Such substitution shall be promptly notified to the Securityholders of each Series then outstanding in accordance with Condition 16. In connection with such right of substitution, the Bank, in its capacity as Issuer or Guarantor, as the case may be, shall not be obliged to have regard to the consequences of the exercise of such right for individual Securityholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with or subject to the jurisdiction of, any particular territory, and no Securityholder shall be entitled to claim from the Bank or the New Bank Issuer or New Guarantor any indemnification or payment in respect of any tax consequence of any such substitution upon such Securityholder.

## **18 Governing Law and Jurisdiction**

### **18.1 Governing Law**

Subject as provided in any Relevant Annex, the Securities, Coupons, Receipts and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law.

### **18.2 Jurisdiction**

Subject as provided in any Relevant Annex, the Courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Securities, Coupons, Receipts and/or the Agency Agreement and accordingly any legal action or proceedings arising out of or in connection with them (“**Proceedings**”) shall be brought in such courts.

### **18.3 Service of Process**

BCCL irrevocably appoints Barclays Capital Services Limited at its offices for the time being (being at the date hereof at One Churchill Place, London E14 5HP, United Kingdom) as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by BCCL). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, BCCL irrevocably agrees to appoint a substitute process agent and shall immediately notify Securityholders of such appointment in accordance with Condition 16. Nothing shall affect the right to serve process in any other manner permitted by law.

## **19 Severability**

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

## **20 Modification and Meetings**

### **20.1 Modifications to the Conditions**

The Issuer may, without the consent of the Securityholders, make any modification to the Conditions of any Securities that in its sole opinion is not materially prejudicial to the interests of the Securityholder or that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the Bank Jurisdiction or (in the case of Securities issued by BCCL) any BCCL Jurisdiction, as the case may be, or to cure, correct or supplement any defective provision contained herein and/or therein. Any such modification shall be binding on the Securityholders and any such modification shall be notified to the Securityholders in accordance with Condition 16 as soon as practicable thereafter. Failure to give, or non-receipt of, such notice will not affect the validity of such modification.

Notwithstanding anything to the contrary herein, the Issuer may make any modification to the Conditions of CREST Securities without the consent of the holders of such CREST Securities if such modification is to give effect to any changes in any of the CREST Requirements. Any

modification of this type shall, where reasonably practicable, be subject to prior notice of the modification having been given to holders of CREST Securities pursuant to Condition 16.

## 20.2 Meetings of Securityholders

### (a) *Definitive Securities in Bearer or Registered Form and CREST Securities*

The Agency Agreement contains provisions for convening meetings of the Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of the Conditions or the Agency Agreement. At least 21 calendar days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is to be held) specifying the date, time and place of the meeting shall be given to Securityholders.

Such a meeting may be convened by the Issuer, the Guarantor or Securityholders holding not less than 10 per cent. in nominal amount (in the case of Notes) or number (in the case of Warrants and Certificates) of the Securities for the time being outstanding. The quorum at a meeting of the Securityholders (except for the purpose of passing an Extraordinary Resolution (as defined below)) will be two or more persons holding or representing a clear majority in nominal amount or number of the Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Securities, any Exercise Date or Expiration Date of the Securities or any date for payment of interest or Interest Amounts on the Securities, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption or exercise of, the Securities, (iii) to reduce the rate or rates of interest in respect of the Securities or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Securities, (iv) if a Minimum and/or a Maximum Rate of Interest, or maximum and/or minimum Tradable Amount, Instalment Amount or Entitlement is specified in the applicable Final Terms, to reduce any such minimum and/or maximum, (v) to vary any method of, or basis for, calculating any Settlement Amount or Entitlement (other than as provided for in the Conditions), (vi) to vary the currency or currencies of payment or denomination of the Securities, (vii) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass the Extraordinary Resolution or (viii) to modify or cancel the Guarantee, in which case the quorum shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in nominal amount (in the case of Notes) or number (in the case of Certificates and Warrants) for the time being outstanding. The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount (in the case of Notes) or number (in the case of Warrants and Certificates) outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Securityholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Securityholders.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting and held in accordance with the terms of the Agency Agreement by a

majority of at least 75 per cent. of the votes cast. Any Extraordinary Resolution duly passed shall be binding on all the Securityholders, regardless of whether they are present at the meeting, save for those Securities that have not been redeemed but in respect of which an Exercise Notice shall have been delivered as described in Condition 5.2 or 6 prior to the date of the meeting. Securities that have not been redeemed but in respect of which an Option Exercise Notice has been delivered as described in Condition 5.2 and Securities that are Warrants or Exercisable Certificates that have not been exercised but in respect of which a Security Exercise Notice has been received as described in Condition 6 will not confer the right to attend or vote at, or join in convening, or be counted in the quorum for, any meeting of the Securityholders.

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

(b) *Global Securities in Bearer or Registered Form*

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

## 21 Further Issues

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

## 22 Purchases and Cancellations

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

All Securities so purchased by or on behalf of the Issuer, the Guarantor or any of their subsidiaries may (but need not) be surrendered for cancellation, in the case of Bearer Securities, by surrendering each such Security together with all unmatured Coupons or Receipts, as the case may be, to the Issue and Paying Agent and, in the case of Registered Securities, by surrendering the Definitive Registered Securities or Global Registered Securities representing such Registered Securities to the Registrar and, in each case, if so surrendered, shall, together with all Securities redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons or Receipts, as the case may be, attached thereto or surrendered therewith). Any Securities so surrendered for cancellation may not be reissued or resold

and the obligations of the Issuer and the Guarantor in respect of any such Securities shall be discharged.

Notwithstanding anything to the contrary above, all CREST Securities so purchased by or on behalf of the Issuer or any of its subsidiaries may (but need not) be cancelled by agreement between the Issuer and the CREST Agent, provided that such cancellation shall be in accordance with the CREST Requirements in effect at the relevant time. Any CREST Securities so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such CREST Securities shall be discharged.

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

## 23 Contracts (Rights of Third Parties) Act 1999

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

## 24 Definitions

“**Account Bank**” means, in relation to a payment denominated in a particular currency, a bank in the principal financial centre for such currency as determined by the Determination Agent or, where the relevant payment is denominated in euro, in a city in which banks have access to the TARGET System.

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

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

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

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

“**Affected Jurisdiction Hedging Disruption**” means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to either (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the Currency risk) of

entering into and performing its obligations with respect to the Securities or (b) freely realise, recover, receive, repatriate, remit or transfer the proceeds of Hedge Positions or the Securities between accounts within the Affected Jurisdiction or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction.

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

**“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.

**“Agency Agreement”** means (a) the English law governed Master Agency Agreement dated 5 August 2009, as most recently amended and restated on 5 August 2011 (and as may be further amended from time to time) between the Bank, BCCL, the Guarantor and certain agents or (b) in respect of CREST Securities, the English law governed CREST Agency Agreement dated 6 August 2010 between the Bank and Computershare Investor Services PLC or (c) such other agency agreement as may be specified in any Relevant Annex or applicable Final Terms in respect of the particular Securities (in each case, as amended and/or supplemented and/or restated as at the Issue Date).

**“Aggregate Nominal Amount”** means, in respect of a Series of Securities that are Notes, on the Issue Date, the aggregate nominal amount of the Securities of such Series specified in the applicable Final Terms and on any date thereafter such amount as reduced by any amortisation or partial redemption on or prior to such date.

**“Alternate Cash Amount”** means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Affected Entitlement Components on or about the Alternate Cash Amount Settlement Date, adjusted to take into account any costs, losses and expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the redemption, exercise or cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models or, where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

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

**“Associated Costs”** means, in respect of each Security, an amount determined by the Determination Agent equal to such Security's pro rata proportion of an amount which the Determination Agent determines is appropriate in the context of any financial product which references directly or indirectly such Securities (the **“Related Financial Product”**) to take into account the total amount of any and all actual and anticipated costs associated with or expected to be incurred by the Issuer and/or any hedging counterparty in relation to any Related Financial Product, in each case in connection with or arising as a result of the cancellation of such Securities, including, without limitation, any funding related costs and any costs associated with unwinding the Related Financial Product and/or any hedge positions relating to such Related Financial Product, all as determined by the Determination Agent by reference to such source(s) as it determines appropriate.

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

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

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

**“Banking Day”** means, in respect of any city, any day (other than a Saturday or a Sunday) on which commercial banks are generally open for business, including dealings in foreign exchange and foreign currency deposits in that city.

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

**“Business Day”** means a day which is each of:

- (a) a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in London and any Additional Business Centre specified in the applicable Final Terms;
- (b) in respect of Cleared Securities, a Clearing System Business Day for the Relevant Clearing System;
- (c) in relation to any sum payable in a Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in the principal financial centre of the country of the relevant Currency (if other than London and any Additional Business Centre specified in the applicable Relevant Annex and/or the applicable Final Terms);
- (d) in relation to any sum payable in euro, a TARGET Business Day; and
- (e) in respect of CREST Securities, a CREST Business Day.

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

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

**“Calculation Amount”** means, in respect of a Security that is a (a) Note, the Specified Denomination of such Note unless a Calculation Amount per Security is specified in the applicable Final Terms, in which case it shall be such Calculation Amount per Security or (b) a Certificate or Warrant, the Calculation Amount per Security specified in the applicable Final Terms.

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

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

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

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

**“CDI”** means dematerialised depository interests issued, held, settled and transferred through CREST that represent interests in specified Securities.

**“Change in Law”** means that, on or after the Trade Date (a) due to the adoption or announcement of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines in its sole and absolute discretion that (i) it has become illegal for the Issuer and/or any of its Affiliates to hold, acquire, deal in or dispose of the Hedge Positions relating to the Securities or contracts in securities, options, futures, derivatives or foreign exchange relating to such Securities, (ii) the Issuer or any of its Affiliates will incur a materially increased cost in performing their obligations under such Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on their tax position), or (iii) the Issuer or any of its Affiliates will be subjected to materially less favourable regulatory capital treatment with respect to the Securities and any related Hedge Positions, as compared with the regulatory capital treatment applicable to the Securities and any related Hedge Positions as at the Trade Date. For the avoidance of doubt, for the purposes of the foregoing, “any applicable law or regulation” shall include the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, any rules and regulations promulgated thereunder and any similar law or regulation (collectively, the **“Wall Street Act”**), and any consequences of a Change in Law as set out herein shall apply to any Change in Law arising from any such act, rule or regulation. Furthermore, any additional capital charges or other regulatory capital requirements imposed in connection with the Wall Street Act, if material, shall constitute “a materially increased cost in performing its obligations under such Transaction” for the purposes of (b)(ii) of this definition.

**“Cleared Securities”** means any Securities that are Global Securities held by a Common Depository, Common Safekeeper or custodian for, or registered in the name of a nominee of, a Relevant Clearing System.

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

“**Clearing System Business Day**” means, in respect of a Relevant Clearing System, any day on which such Relevant Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

“**Clearstream**” means Clearstream Banking, *société anonyme* and any successor thereto.

“**Clearstream Frankfurt**” or “**CBF**” means Clearstream Banking AG, Frankfurt am Main.

“**Clearstream Frankfurt Rules**” means the General Terms and Business Conditions of Clearstream Frankfurt and the Instructions to Participants of Clearstream Frankfurt, as may be from time to time amended, supplemented or modified.

“**Clearstream Rules**” means the Management Regulations of Clearstream and the Instructions to Participants of Clearstream, as may be from time to time amended, supplemented or modified.

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

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

“**CREST**” means the system for the paperless settlement of trades and the holding of uncertificated securities operated by the Operator in accordance with the Uncertificated Regulations, as amended from time to time.

“**CREST Business Day**” means any day on which CREST is open for the acceptance and execution of settlement instructions.

“**CREST Deed Poll**” means a global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated).

“**CREST Depository**” means CREST Depository Limited or any successor thereto.

“**CREST Requirements**” has the meaning given to such term in Condition 1.4(i).

“**CREST Security**” means a Security which is specified as a CREST Security in the applicable Final Terms and that is issued and held in uncertificated registered form in accordance with the Uncertificated Regulations.

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

“**Currency Disruption Event**” means, with respect to a Series of Securities, the occurrence or official declaration of an event impacting one or more Currencies that the Issuer, in its sole and absolute discretion, determines would materially disrupt or impair its ability to meet its obligations in the Settlement Currency or otherwise settle, clear, or hedge such Series of Securities.

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

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

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

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

- (a) if “**Actual/Actual (ICMA)**” or “**Act/Act (ICMA)**” is specified in the applicable Final Terms, a fraction equal to “number of days accrued/number of days in year”, as such terms are used in Rule 251 of the statutes, by-laws, rules and recommendations of the International Capital Market Association (the “**ICMA Rule Book**”), calculated in accordance with Rule 251 of the ICMA Rule Book as applied to non US dollar denominated straight and convertible bonds issued after 31 December 1998, as though the interest coupon on a bond were being calculated for a coupon period corresponding to the Calculation Period or Compounding Period in respect of which payment is being made;
- (b) if “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is specified in the applicable Final Terms, the actual number of calendar days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of calendar days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of calendar days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of calendar days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is specified in the applicable Final Terms, the actual number of calendar days in the Calculation Period divided by 360;
- (e) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Final Terms, the number of calendar days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \left( \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360} \right)$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period unless such number would be 31, in which case D1 will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (f) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Final Terms, the number of calendar days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \left( \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360} \right)$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period unless such number would be 31, in which case D1 will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless such number would be 31, in which case D2 will be 30;

- (g) if “**30E/360 (ISDA)**” is specified in the applicable Final Terms, the number of calendar days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \left( \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360} \right)$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period unless (i) that day is the last day of February but not the Redemption Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30.

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

“**Dematerialised Instruction**” means, with respect to CREST Securities, an instruction sent by (or on behalf of) a Securityholder to the Operator in accordance with the rules, procedures and practices of the Operator and CREST in effect at the relevant time.

“**Designated Maturity**” means, in respect of a Reference Rate, the period of time specified in respect of such Reference Rate in the applicable Final Terms.

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

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

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

“**Distribution Compliance Period**” means, subject to the applicable Final Terms, the period that ends 40 calendar days after the completion of the distribution of each Series of Securities, as certified by the relevant Manager (in the case of a non-syndicated issue) or the relevant lead Manager (in the case of a syndicated issue).

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

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

**“Early Cancellation Notice Period”** has the meaning given to it in Condition 6.2(a)(ii).

**“Early Cash Redemption Date”** means the last day of the relevant Early Redemption Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

**“Early Cash Settlement Amount”** means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, in respect of any early redemption or cancellation of the Securities, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities following the event triggering the early redemption or cancellation, adjusted to take into account any costs, losses and expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption or cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs plus, if Associated Costs is specified to apply in the applicable Final Terms, any Associated Costs. In determining the Early Cash Settlement Amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models or, where these pricing methods may not yield a commercially reasonable result, may estimate such Early Cash Settlement Amount in a commercially reasonable manner. The Early Cash Settlement Amount will be determined by the Determination Agent on or as soon as reasonably practicable following the event giving rise to the early redemption or cancellation of the Securities. For the purposes of calculating any Early Cash Settlement Amount at any time following an Event of Default, the Determination Agent will ignore the effect of such Event of Default upon the market value of the Securities.

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

**“Early Physical Cancellation Entitlement”** means the quantity of the Reference Asset(s) or, if “Entitlement Substitution” is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent per Calculation Amount (determined on or about the last day of the relevant Nominal Call Cancellation Notice Period), in each case adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the cancellation of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models or, where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

**“Early Redemption Notice”** has the meaning given to it in Condition 5.3.

“**Early Redemption Notice Period**” has the meaning given to it in Condition 5.4(b).

“**Entitlement**” means the Final Physical Redemption Entitlement, the Optional Physical Redemption Entitlement, the Early Physical Cancellation Entitlement, the Specified Early Physical Redemption Entitlement, the Specified Early Physical Cancellation Entitlement or the Exercise Physical Settlement Entitlement (together with any Transfer Documentation relating thereto) or as may otherwise be specified in the Final Terms.

“**Euroclear**” means Euroclear Bank S.A./N.V or any successor thereto.

“**Euroclear Rules**” means the terms and conditions governing the use of Euroclear and the operating procedures of Euroclear, as may be amended, supplemented or modified from time to time.

“**Euro-zone**” means the region comprising of member states of the European Union that have adopted the euro as the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union.

“**Event of Default**” means each of the events set out in Condition 10.

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

“**Exchange Date**” means, in relation to a Temporary Global Security, the calendar day falling after the expiry of 40 calendar days after its issue date and, in relation to a Permanent Global Security, a calendar day falling not less than 60 calendar days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issue and Paying Agent is located and (if applicable) in the city in which the Relevant Clearing System is located.

“**Exchange Event**” means in respect of Cleared Securities, that the Issuer has been notified that any Relevant Clearing System has permanently ceased doing business and no successor clearing system is available.

“**Exchange Rate**” means the rate of exchange of the Currency of one country for the Currency of another country, as determined by the Determination Agent unless otherwise specified in the applicable Final Terms.

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

“**Exercise Business Day**” means each date specified as such in the applicable Final Terms, provided that with respect to (a) Cash Settled Securities, each such day shall be a day that is a Business Day and (b) Physically Delivered Securities, each such day shall be a day that is both a Business Day and a Scheduled Trading Day.

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

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

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

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

“**Exercise Date(s)**” means:

- (a) in respect of Securities that are specified to be American Style, any Exercise Business Day during the Exercise Period;
- (b) in respect of Securities that are specified to be Bermudan Style, the Potential Exercise Business Dates during the Exercise Period and on the Expiration Date;
- (c) in respect of Securities that are specified to be European Style, the Expiration Date; and
- (d) in respect of Securities that are specified to be Other Style, the date(s) specified as such in the applicable Final Terms.

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

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

“**Exercise Parameters**” means, with respect to Multiple Exercise Securities, the parameters specified in the applicable Final Terms.

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

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

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

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

**“Expiration Date”** means:

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

**“Extraordinary Resolution”** means a resolution passed in accordance with the Agency Agreement relating to the relevant Securities.

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

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

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

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

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

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

**“Hedge Positions”** means any purchase, sale, entry into or maintenance of one or more (a) positions or contracts in securities, options, futures, derivatives or foreign exchange, (b) stock loan transactions

or (c) other instruments or arrangements (howsoever described) by the Issuer or any of its Affiliates in order to hedge individually, or on a portfolio basis, the Issuer's obligations in respect of the Securities.

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

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

**"Increased Cost of Hedging"** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk of issuing and performing its obligations with respect to the relevant Series of Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer shall not be deemed an Increased Cost of Hedging.

**"Instalment Amount"** has the meaning given in Condition 5.1.

**"Instalment Date"** has the meaning given in Condition 5.1.

**"Instalment Notes"** has the meaning given in Condition 5.1.

**"Interest Amount"** means, in respect of an Interest Calculation Period, the amount of interest payable per Calculation Amount (determined as at the first day of such Interest Calculation Period unless otherwise specified in the applicable Final Terms) for that Interest Calculation Period.

**"Interest Calculation Period"** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the next succeeding Interest Period End Date and each successive period beginning on (and including) an Interest Period End Date and ending on (but excluding) the next succeeding Interest Period End Date.

**"Interest Commencement Date"** means, in respect of any interest bearing Security, the Issue Date or such other date as may be set out in the applicable Final Terms.

**"Interest Determination Date"** means, with respect to an Interest Rate and an Interest Calculation Period, the date specified as such in the applicable Final Terms or, if none is so specified:

- (a) the first day of such Interest Calculation Period, if the Relevant Currency is sterling;
- (b) the date falling two TARGET Business Days prior to the first day of such Interest Calculation Period, if the Relevant Currency is euro; or

- (c) in any other case, the date falling two London Banking Days prior to the first day of such Interest Calculation Period,

provided that if “Arrears Setting” is specified as applicable in the applicable Final Terms, the Interest Determination Date in respect of each Interest Calculation Period shall be the first day of the next following Interest Calculation Period or, in the case of the final Interest Calculation Period, the Redemption Date, in each case as determined by the Determination Agent.

“**Interest Period End Date**” means each date specified as such or, if none, each Interest Payment Date, provided that if an Interest Period End Date is specified not to be adjusted or the Interest Rate is Fixed Rate and an adjustment method is not specified, the Interest Period End Date will be each date specified as such or, if none, each Interest Payment Date disregarding any adjustment in accordance with any applicable Business Day Convention.

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

“**ISDA Rate**” means, in respect of an Interest Calculation Period, a rate as determined by the Determination Agent equal to the Floating Rate that would be determined by the Determination Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the applicable Final Terms;
- (b) the Designated Maturity is the period specified in the applicable Final Terms; and
- (c) the relevant Reset Date is the first day of that Interest Calculation Period unless otherwise specified in the applicable Final Terms,

where, for the purposes of this definition, “**Floating Rate**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions and “**Determination Agent**” shall have the meaning given to the term “**Calculation Agent**” in the ISDA Definitions and the Calculation Agent for this purpose shall be the Determination Agent specified in the Final Terms.

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

“**Issuer**” means (a) with respect to CREST Securities, the Bank and (b) with respect to Securities that are not CREST Securities, the Bank or BCCL, as applicable.

“**Issuer Notice Period**” has the meaning given to such term in Condition 5.3.

“**Issuer Option Exercise Date**” means each date that is specified as such in the applicable Final Terms or, if no date is specified, each date that is a Business Day within the Issuer Option Exercise Period.

“**Issuer Option Exercise Period**” means the period specified as such in the applicable Final Terms or, if no such period is specified, the period from (but excluding) the Issue Date to (but excluding) the fifteenth Business Day preceding the Redemption Date.

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

“**Issuer Tax Event**” has the meaning given to it in Condition 12 unless otherwise specified in the applicable Final Terms.

“**Linear Interpolation**” means the straight-line interpolation by reference to two rates based on the relevant ISDA Rate or Screen Rate (as applicable), one of which will be determined as if the Specified Duration were the period of time for which rates are available next shorter than the length of the affected Interest Calculation Period and the other of which will be determined as if the Specified Duration were the period of time for which rates are available next longer than the length of such Interest Calculation Period.

“**Local Market Expenses**” means (a) all costs, charges, fees, accruals, withholdings and expenses incurred in the local market of the underlying Reference Asset or any Hedge Position, and (b) all costs, losses and expenses incurred as a result of any foreign exchange suspension or settlement delays or failures in the local market of the underlying Reference Asset or any Hedge Position. In determining such Local Market Expenses, the Determination Agent may take into account (i) the amount and timing of payments or deliveries that the Issuer or its Affiliates (as the case may be) would receive under its Hedge Position(s), (ii) whether the Hedge Positions include illiquid or non-marketable assets (which may be valued at zero) or synthetic hedges (where the mark-to-market may be zero or in-the-money to the relevant counterparty to the Hedge Positions) and (iii) whether the Issuer or its Affiliates would be subject to contingent liabilities, including any requirement to return any distributions or otherwise make any payments.

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

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

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

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

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

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

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

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

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

**“Operator”** has the meaning given to such term in Condition 1.3(b).

**“Operator register of corporate securities”** has the meaning given to such term in Condition 1.3(b).

**“Optional Cash Redemption Date”** means:

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

**“Optional Cash Settlement Amount”** means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities on or about the date the Early Redemption Notice is given by the Issuer or the date the Option Exercise Notice is received by the Issuer, as the case may be, and in any event no later than the last day of the relevant Issuer Notice Period or Put Notice Period, as applicable, (taking into account the event triggering the redemption), adjusted to take into account any costs, losses and expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models or, where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

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

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

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

account prevailing market prices and/or proprietary pricing models or, where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

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

**“Payment Day”** means any day which is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in:
  - (i) the relevant place of presentation (except in respect of Global Bearer Securities that are Cleared Securities);
  - (ii) London; or
  - (iii) any Additional Business Centre specified in the applicable Final Terms; and
- (b) either:
  - (i) in relation to any sum payable in a Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in the principal financial centre of the country of the relevant Currency; or
  - (ii) in relation to any sum payable in euro, a day on which the TARGET System is open.

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

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

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

**“Proceedings”** has the meaning given it in Condition 18.2.

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

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

**“Put Notice Period”** has the meaning given to such term in Condition 5.2.

**“Put Option Exercise Date”** means each date that is specified as such in the applicable Final Terms or, if no date is specified, each date that is a Business Day within the Put Option Exercise Period.

**“Put Option Exercise Period”** means the period specified as such in the applicable Final Terms or, if no such period is specified, the period from (but excluding) the Issue Date to (but excluding) the fifteenth Business Day preceding the Redemption Date.

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

**“Record Date”** means, in relation to a payment under a Registered Security, the fifteenth calendar day (whether or not such fifteenth calendar day is a business day) before the relevant due date for such payment, except that, with respect to Cleared Securities that are represented by a Global Registered Security, it shall be the day specified in Condition 9.3(d).

**“record of uncertificated corporate securities”** has the meaning given to such term in Condition 1.3(b).

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

**“Reference Asset(s)”** means, in relation to a particular Series of Securities, as appropriate, a single index or a basket of indices, a single share or basket of shares, a single debt instrument or a basket of debt instruments, a single currency or basket of currencies, a single commodity or a basket of commodities, a single fund or basket of funds, an FX rate or basket of FX rates, an interest rate or basket of interest rates, an inflation measure or basket of inflation measures or any other underlying asset(s) specified as such in the applicable Final Terms.

**“Reference Banks”** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London interbank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone interbank market, in each case selected by the Determination Agent.

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

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

**“Regulation S Global Security”** means a Regulation S Security in global form.

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

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

**“Relevant Date”** means, in respect of any Security, Coupon or Receipt, the date on which payment or delivery in respect of it first becomes due (or would have first become due if all conditions to settlement had been satisfied) or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date five calendar days after that on which notice is duly given to the Securityholders that, upon further

presentation of the Security, Coupon or Receipt being made in accordance with these Base Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

**“Relevant Rules”** means the Rules of the Relevant Clearing System.

**“Relevant Screen Page”** means such Reuters screen page as specified in the applicable Final Terms (or the relevant screen page of such other service or services as may be nominated as the information vendor for the purpose of displaying comparable rates in succession thereto) or such other equivalent information vending service as is so specified.

**“Relevant Settlement Day”** means a Clearing System Business Day unless otherwise specified in the applicable Relevant Annex or Final Terms.

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

**“relevant system”** has the meaning given to such term in Condition 1.3(b).

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

**“Rules”** means the Clearstream Rules, the Clearstream Frankfurt Rules, the Euroclear Rules and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System as may be specified in the Final Terms relating to a particular issue of Securities.

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

**“Security”** or **“Securities”** means any Notes, Certificates or Warrants which may from time to time be issued under the Programme. Unless the context otherwise requires, any reference to “Security” shall be deemed to refer to a Note having a nominal amount equal to the relevant Specified Denomination or to a single Certificate or Warrant.

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

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

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

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

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

**“Settlement Disruption Event”** means, in the opinion of the Determination Agent, that an event beyond the control of the Issuer or the Guarantor, if applicable, has occurred as a result of which the Issuer or the Guarantor, as the case may be, cannot make delivery of the Reference Assets.

**“Settlement Election Notice”** has the meaning given to it in Condition 7.1(b).

**“Settlement Expenses”** means, in respect of any Security or Securities, any costs, fees and expenses or other amounts (other than in relation to Taxes) payable by a Securityholder per Calculation Amount on or in respect of or in connection with the redemption, exercise or settlement of such Security or Securities as determined by the Determination Agent in its sole and absolute discretion.

**“Settlement Method”** means, in respect of a Security, the method specified as such in the applicable Final Terms.

**“Settlement Number”** means, in respect of a Series of Securities, 180 unless otherwise specified in the applicable Final Terms.

**“Settlement Price”** means, unless otherwise specified in the applicable Final Terms, in relation to each Warrant, Exercisable Certificate or, if Units are specified in the applicable Final Terms, each Unit, in respect of which Cash Settlement is specified or elected as the Settlement Method:

- (a) in the case of Securities relating to a basket of Reference Assets, an amount equal to the sum of the values calculated for each Reference Asset at the official closing price (or the price at the Relevant Time on the relevant Valuation Date or an Averaging Date if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Reference Asset on (i) if “Averaging” is not specified in the applicable Final Terms, the Valuation Date or (ii) if “Averaging” is specified in the applicable Final Terms, an Averaging Date and, in either case, without regard to any subsequently published correction (or if, in the opinion of the Determination Agent, any such official closing price (or the price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) cannot be so determined and the relevant Valuation Date or Averaging Date is not a Disrupted Day, an amount determined by the Determination Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) for the relevant Reference Asset whose official closing price (or the price at the Relevant Time on the relevant Valuation Date or such Averaging Date if so specified in the applicable Final Terms) cannot be determined based, at the Determination Agent’s discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Determination Agent) engaged in the trading of the relevant Reference Asset or on such other factors as the Determination Agent shall decide), multiplied by the relevant Multiplier, each such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and the sum of such converted amounts to be the Settlement Price, all as determined by or on behalf of the Determination Agent; and
- (b) in the case of Securities relating to a single Reference Asset, an amount equal to the official closing price (or the price at the Relevant Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Reference Asset on (i) if “Averaging” is not specified in the applicable Final Terms, the Valuation Date or (ii) if “Averaging” is specified in the applicable Final Terms, an Averaging Date and, in either case, without regard to any subsequent published correction (or if, in the opinion

of the Determination Agent, any such official closing price (or the price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Determination Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the Reference Asset based, at the Determination Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Determination Agent) engaged in the trading of the Reference Asset or on such other factors as the Determination Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Determination Agent.

**"Specified Duration"** means the duration specified as such or, if none, a period equal to the corresponding Interest Calculation Period, ignoring any adjustment made in accordance with any Business Day convention.

**"Specified Early Cancellation Event"** means each event specified as such in the applicable Final Terms.

**"Specified Early Cancellation Notice"** has the meaning given to it in Condition 6.2(c).

**"Specified Early Cancellation Notice Period"** has the meaning given to it in Condition 6.2(c).

**"Specified Early Cash Cancellation Date"** means the last day of the Specified Early Cancellation Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

**"Specified Early Cash Redemption Date"** means the last day of the Specified Early Redemption Notice Period or such other date specified or determined in accordance with the applicable Final Terms.

**"Specified Early Cash Settlement Amount"** means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities on or about the date the Specified Early Redemption Notice or Specified Early Cancellation Notice, as possible, is given by the Issuer, and in any event no later than the last day of the Specified Early Redemption Notice Period or Specified Early Cancellation Notice Period, as applicable, adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional) plus, if Associated Costs is specified to apply in the applicable Final Terms, any Associated Costs. In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models or, where these pricing methods

may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

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

**“Specified Early Physical Cancellation Entitlement”** means the quantity of the Reference Asset(s) or, if “Entitlement Substitution” is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent per Calculation Amount (determined immediately prior to the relevant Specified Early Physical Cancellation Date), in each case, adjusted to take into account any costs, losses and expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models or, where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

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

**“Specified Early Physical Redemption Entitlement”** means the quantity of the Reference Asset(s) or, if “Entitlement Substitution” is specified in the applicable Final Terms, the Substitute Asset(s), as applicable, (together with any Transfer Documentation relating thereto) specified in the applicable Final Terms or determined in accordance with the method for such determination specified in the applicable Final Terms by the Determination Agent per Calculation Amount (determined immediately prior to the relevant Specified Early Physical Redemption Date), in each case, adjusted to take into account any costs, losses and expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the early redemption of the Securities, including (without duplication or limitation) hedging termination and funding breakage costs (whether actual or notional). In determining such amount, the Determination Agent may take into account prevailing market prices and/or proprietary pricing models or, where these pricing methods may not yield a commercially reasonable result, may determine such amount in a commercially reasonable manner.

**“Specified Early Redemption Event”** means each event specified as such in the applicable Final Terms.

“**Successor**” means, in relation to any Agent or such other or further person as may from time to time be appointed by the Issuer in respect of Securities, the person identified as the successor to such Agent or other person by the Determination Agent (or, if the successor relates to the Determination Agent, the Issuer) in its sole and absolute discretion. Notice of any Successor identified shall be given to Securityholders as soon as reasonably practicable after such identification in accordance with Condition 16.

“**TARGET Business Day**” means a day on which the TARGET System is operating.

“**TARGET System**” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007 (“**TARGET2**”) (or, if such system ceases to be operative, such other system (if any) determined by the Determination Agent to be a suitable replacement).

“**Taxes**” means any tax, duty, impost, levy, charge or contribution in the nature of taxation or any withholding or deduction for or on account thereof, including (but not limited to) any applicable stock exchange tax, turnover tax, stamp duty, stamp duty reserve tax and/or other taxes, duties, assessments or governmental charges of whatever nature chargeable or payable and includes any interest and penalties in respect thereof.

“**TEFRA**” means the US Tax Equity and Fiscal Responsibility Act of 1982.

“**Trade Date**” means the date specified as such in the applicable Final Terms.

“**Transfer Documentation**” means, for each Series of Securities, such documentation as is generally acceptable for settlement of transfer of Reference Assets on any Related Exchange or through the Relevant Clearing System, including, without limitation, stock notes and/or stock transfer forms in the case of settlement on the London Stock Exchange.

“**Uncertificated Regulations**” means the United Kingdom Uncertificated Securities Regulations 2001 (SI 2001/3755) including any modification or re-enactment thereof from time to time in force.

“**Units**” means, in respect of Warrants and Exercisable Certificates, the number of Warrants or Exercisable Certificates specified in the applicable Final Terms.

“**Valuation Date**” has the meaning given to it in any applicable Relevant Annex or the applicable Final Terms.

“**Valuation Time**” means the time specified as such in any applicable Relevant Annex.

“**Variable Rate**” has the meaning given to it in Condition 4.3.

## RELEVANT ANNEXES

### Table of Contents

<b>A. Product Annexes</b>	
1 Bond Linked Annex	206
2 Commodity Linked Annex	234
3 Credit Linked Annex	293
4 Equity Linked Annex	375
5 Warrant Linked Securities Annex	411
6 FX Linked Annex	435
7 Gold Settlement Annex	474
8 Inflation Linked Annex	483
9 Fund Linked Annex	505
10 Barclays Capital Index Annex	526
11 US Warrants Product Annex	633
<b>B. Clearing Annexes</b>	
12 Danish Securities Annex	670
13 Dutch Securities Annex	678
14 Finnish Securities Annex	683
15 French Cleared Securities Annex	691
16 Italian Securities Annex	709
17 Norwegian Securities Annex	741
18 Spanish Securities Annex	749
19 Swedish Securities Annex	754
20 Swiss Securities Annex	762
<b>C. Foreign Law Annexes</b>	
21 French Securities Annex	769

## **BOND LINKED ANNEX**

### **Table of Contents**

#### **PART A – DESCRIPTION AND RISK FACTORS**

1. Brief Description of Bond Linked Securities
2. Risk Factors relating to Bond Linked Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR BOND LINKED SECURITIES**

1. Interest
2. Redemption
3. Early Redemption Terms and Adjustment Provisions
4. Reference Obligation Adjustments
5. Early Redemption following the occurrence of an Additional Disruption Event
6. Call Option Settlement Terms
7. Securityholder Failure to Act
8. Amendments to the Conditions
9. Consequences of the occurrence of FX Disruption Events

#### **PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO BOND LINKED SECURITIES**

**PART A**  
**DESCRIPTION AND RISK FACTORS**

**1 Brief Description of Bond Linked Securities**

Bond Linked Securities are Securities where (i) the payments of interest and/or repayment of principal and/or the amount deliverable on redemption and/or the exercise of any Call Option and (ii) any other amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or be contingent upon:

- (a) the performance of one or more currencies or interest rates or the value or level derived from a formula or index relating to one or more currencies or interest rates or a combination thereof; and/or
- (b) the occurrence of a Call Option Event; and/or
- (c) the performance and/or value of and/or the amount payable in respect of one or more Reference Obligations and/or certain other obligations of one or more Reference Entities, including by reference to the amount a holder of a Reference Obligation would actually receive, if applicable, converted from the relevant Reference Currency into the Settlement Currency (subject to certain deductions); and/or
- (d) the occurrence of certain other events, including, but not limited to, (i) Adjustment Events, (ii) certain tax related events, (iii) events relating to the relevant Reference Obligation Jurisdiction, one or more Reference Obligations and/or one or more Reference Entities and (iv) events that may affect a holder of one or more Reference Obligations, the Reference Currency or the Issuer's hedging activities (if any) in connection with the Securities.

**2 Risk Factors relating to Bond Linked Securities**

Bond Linked Securities have a different risk profile to other unsecured debt securities. The return on a Bond Linked Security is linked, amongst other things, to the amount an investor in a Reference Obligation would actually receive (subject to certain deductions), the credit risk of one or more Reference Entities and certain obligations of one or more Reference Entities underlying that Bond Linked Security, as well as the Reference Currency and Settlement Currency exchange rate and to the occurrence of certain Call Option Events. Investing in a Bond Linked Security is not equivalent to investing directly in a Reference Obligation or in an obligation of a Reference Entity. This section describes additional factors to which prospective investors should have regard when considering an investment in Bond Linked Securities. Prospective investors are also referred to the factors set out in the section headed "Risk Factors" of the Base Prospectus.

***Independent Review and Advice***

Each Securityholder is fully responsible for making its own investment decisions as to whether the Bond Linked Securities (i) are fully consistent with its (or, if it is acquiring the Bond Linked Securities in a fiduciary capacity, the beneficiary's) financial needs, objectives and conditions, (ii) comply and are fully consistent with all investment policies, guidelines and restrictions applicable to it (or its beneficiary) and (iii) are a fit, proper and suitable investment for it (or its beneficiary).

Neither the Issuer nor the Determination Agent is acting as an investment adviser or providing advice of any other nature to any party, including investors or prospective investors in the Bond Linked Securities. Neither the Issuer nor the Determination Agent provides, and neither has provided, any investment advice or recommendation to any party in relation to the Bond Linked Securities. No party may rely on any communication (written or oral) from either the Issuer or the Determination Agent, as the case may be, as investment advice or as a recommendation to enter into any transaction. Accordingly, neither the Issuer nor the Determination Agent is under any obligation to, and shall not, determine the suitability for any party of any transaction or the Securities.

Securityholders are deemed to have sufficient knowledge, experience and professional advice to make their own investment decisions, including, without limitation, their own legal, financial, tax, accounting, credit, regulatory and other business evaluation of the risks and merits of investment in the Bond Linked Securities. Securityholders should ensure that they fully understand the risks associated with investments of this nature. Securityholders should be aware that none of the Issuer, the Guarantor nor any Manager has any duty to conduct or accepts any responsibility for conducting or failing to conduct any investigations, due diligence, searches or other enquiries into the business, financial condition, prospects, creditworthiness, status and/or affairs of any Reference Obligation, any Reference Entity or the Obligations. Securityholders are solely responsible for making their own independent appraisal of and investigation into such matters.

Prospective investors should place no reliance on either the Issuer or the Determination Agent having conducted any investigations, due diligence, searches or other enquiries into the business, financial condition, prospects, creditworthiness, status and/or affairs of any Reference Entity, the Obligations or any Reference Obligations. Any such investigations, due diligence, searches or other enquiries made by the Issuer, the Guarantor and/or any Manager would be made by such party for its own benefit and for its own purposes in accordance with its own criteria, and no such party assumes any responsibility to conduct any such investigations, due diligence, searches or other enquiries or, if it does conduct any such investigations, due diligence, searches or other enquiries, to notify prospective investors of the content or results thereof.

Purchasers of the Bond Linked Securities may not rely on the views or advice of the Issuer or Guarantor for any information in relation to any person other than the Issuer or the Guarantor itself. Neither the Issuer nor the Determination Agent assumes any fiduciary duty or responsibility to, or has any relationship of agency or trust with, any party, including any investors or prospective investors in the Securities. Each of the Issuer and the Determination Agent is acting solely as principal and not as a fiduciary or agent for, or as an adviser to, any party in respect of its duties contained in this document and any document prepared in connection with the Securities.

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

***Securities not Secured or Guaranteed or Insured and an Investment in the Securities is not the same as an Investment in a Reference Obligation***

The obligations of the Issuer under the Securities are not, and will not be, secured and an investment in a Security is not the same as an investment in a Reference Obligation. Securityholders will have no rights against the relevant Reference Entity or interests in any Reference Obligation in the event that the Issuer defaults on its obligations under the Securities for any reason, including following its insolvency or other inability to pay its debts. Payments in respect of the Securities shall be the sole responsibility of the Issuer. The obligations of the Issuer under the Securities are not guaranteed or otherwise supported by any other member of the Barclays Bank plc group.

Consequently, an investor in the Securities will be an unsecured creditor of the Issuer and will have no recourse against any other member of the Barclays Bank plc group in the event of partial or total loss of its investment due to the Issuer's failure to perform any of its obligations under the Securities.

***Securities linked to Emerging Market Jurisdictions***

Where the Securities are linked to securities issued by issuers in emerging market jurisdictions they will involve risks associated with such jurisdictions, including potential risks of volatility, governmental intervention and the lack of a developed system of law. Also, there is generally less publicly available information about emerging market jurisdictions and potentially less developed accounting, auditing and financial reporting standards and requirements and securities trading rules. The prices of securities in emerging market jurisdictions may be affected by political, economic, financial and social factors in such markets, including changes in a country's government, economic and fiscal policies, currency exchange laws or other foreign laws or restrictions.

***Risks related to the Structure of a Particular Issue of Bond Linked Securities***

A particular issue of Bond Linked Securities may have features which contain particular risks for prospective investors. Set out below is a description of the most common such features:

***Bond Linked Securities subject to Optional Redemption by the Issuer after a Call Option Event, an Additional Disruption Event or an Adjustment Event***

The Issuer may redeem Bond Linked Securities (or, if so specified in the applicable Final Terms, a portion thereof) earlier than the stated Redemption Date if a Call Option Event, an Additional Disruption Event or an Adjustment Event occurs. The optional redemption feature of Bond Linked Securities is likely to limit their market value. During any period when the Issuer may elect to redeem Bond Linked Securities, the market value of those Bond Linked Securities generally will not rise substantially above the price at which they can be redeemed.

At the time of such optional redemption, an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bond Linked Securities being redeemed. Prospective Securityholders should consider such reinvestment risk in light of other investments available at the time.

***Risk of Loss of Interest***

Prior to the occurrence of a Call Option Event, payment of interest on the Securities will be contingent upon payments of interest received in respect of one or more Reference Obligations by a holder of such Reference Obligations. Save as otherwise provided in the applicable Final Terms, no interest will

accrue on the Bond Linked Securities (or, if so provided in the applicable Final Terms, on any portion of the Calculation Amount per Security) on or after the occurrence of a Call Option Event or an Additional Disruption Event. In addition, unless otherwise provided in the Final Terms, no interest shall accrue in respect of amounts that would have been received by an investor in the relevant Reference Obligation where there is any delay between the date on which such amount would have been received by such investor and the date on which payments referencing such amounts (if any) are made in respect of the Securities.

### ***Risk of Loss of Principal***

Investors bear the risk of loss if any Call Option Event, Additional Disruption Event or Adjustment Event occurs. Upon redemption of the Securities following the occurrence of a Call Option Event, an Additional Disruption Event or an Adjustment Event, the amount payable in respect of each Bond Linked Security is likely to be less than the issue price of such Security and may be zero. Similarly, the market value of any Reference Obligations due to be delivered upon a redemption of the Securities following the occurrence of a Call Option Event, an Additional Disruption Event or an Adjustment Event is likely to be less than the issue price of such Securities and may be zero.

The amount payable or the value of the assets deliverable to a Securityholder upon redemption of the Securities following a Call Option Event, an Additional Disruption Event or an Adjustment Event will reflect the market value of the obligations of one or more Reference Entities as specified in the Final Terms of the Securities, less a deduction for certain taxes, costs and expenses which may include, but shall not be limited to, the cost to the Issuer of terminating, liquidating, obtaining or re-establishing any hedges, trading positions, term deposits or funding arrangements entered into by it or on its behalf in respect of the Bond Linked Securities. Such taxes, costs and expenses will be determined by the Determination Agent in its sole and absolute discretion, taking into account, *inter alia*, the hedging strategy employed in respect of the Bond Linked Securities and prevailing funding rates, interest rates and credit spreads at the time of determination. Unless otherwise specified in the Final Terms of the Securities, neither the Issuer nor the Guarantor is under any duty to hedge itself with respect to any Bond Linked Securities, nor is the Issuer or the Guarantor required to hedge itself in a manner that will result in the lowest unwind costs. Securityholders should be aware that, upon a redemption of the Securities following a Call Option Event, an Additional Disruption Event or an Adjustment Event, if such costs and expenses are greater than the Final Price or the market value of the relevant Reference Obligation(s), as the case may be, the amount payable by the Issuer will be zero and no Reference Obligation(s) will be required to be delivered by the Issuer.

### ***2003 ISDA Credit Derivatives Definitions***

The terms and conditions of the Bond Linked Securities do not incorporate by reference the definitions and provisions of the 2003 Credit Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. (the "Credit Derivatives Definitions"), and there may be differences between the definitions used in the Bond Linked Annex and the Credit Derivatives Definitions. Consequently, investing in Securities is not equivalent to investing in a credit default swap or credit linked security that incorporates the Credit Derivatives Definitions.

### ***Exposure to Reference Entities and Reference Obligations***

Purchasers of Bond Linked Securities are exposed to the credit risks and other risks associated with one or more Reference Entities, one or more Reference Obligations, Obligations of the relevant Reference Entity or Reference Entities and any relevant jurisdictional and currency related risks.

### ***Synthetic Exposure***

The Bond Linked Securities do not represent a claim against any Reference Entity and, in the event of any loss, purchasers of Bond Linked Securities will not have recourse under the Bond Linked Securities to any Reference Entity. Unless otherwise specified in the Final Terms for any Bond Linked Securities, neither the Issuer nor the Guarantor is obliged to own or hold any Obligation or Reference Obligation, and no inference may be drawn from the Base Prospectus, this Bond Linked Annex or (unless otherwise specified therein) any applicable Final Terms that either the Issuer or the Guarantor holds any such Obligation or Reference Obligation or has any credit exposure to any Reference Entity.

### ***Call Option Events***

Potential purchasers should note that not all Call Option Events have easily ascertainable triggers and disputes can and have arisen as to whether a specific event did or did not constitute a Call Option Event. However, the Issuer's determination of a Call Option Event will be conclusive and binding on all persons (including, without limitation, the Securityholders).

The decision when and whether to deliver a notice to Securityholders of its intention to redeem the Securities (whether in whole or in part) following the occurrence of a Call Option Event, an Adjustment Event or an Additional Disruption Event and the manner in which the Securities are redeemed (including whether cash or physical settlement will apply) is at the sole and absolute discretion of the Issuer. Following the occurrence of a Call Option Event, redemption of the Bond Linked Securities may occur irrespective of whether the relevant Call Option Event is continuing at the relevant time.

In making any applicable determination in connection with the Bond Linked Securities, the Issuer and/or the Determination Agent may (but is not obliged to) have regard to decisions made by the ISDA Credit Derivatives Determinations Committee. Where the Issuer and/or the Determination Agent is a member of such committee, it need not have regard to the interests of Securityholders when taking any action or casting any vote on such committee. Further information about the ISDA Credit Derivatives Determinations Committee may be found at [www.isda.org/credit](http://www.isda.org/credit).

### ***Substitute Reference Obligations***

If specified in the applicable Final Terms, the Issuer may be entitled to effect replacements of the relevant Reference Obligation(s) for a Series of Bond Linked Securities. Unless otherwise specified in the applicable Final Terms, the Issuer may effect such replacements pursuant to any guidelines specified in the applicable Final Terms or the Bond Linked Conditions without regard to their effect on the value, market price or liquidity of any Bond Linked Securities or of the interests of any person other than the Issuer. If the applicable Final Terms entitles the Issuer to effect such replacements, unless otherwise specified, the Issuer shall have no obligation to effect a replacement of a Reference Obligation as a result of any change in the credit of such Reference Obligation or related Reference Entity and no such inference may be drawn from such applicable Final Terms.

As a result of the circumstances discussed in the preceding paragraph, a Series of Bond Linked Securities may be linked to the credit of certain Reference Entities and its Obligations and Reference Obligations, notwithstanding that such Reference Entities, Obligations and Reference Obligations were not specified in the applicable Final Terms upon issuance of such Series of Bond Linked Securities.

#### ***Adjustments to Payments***

Payments to be made in respect of the Bond Linked Securities may be reduced following, amongst other things, the occurrence of an Adjustment Event, a reduction in (or return of) the payments that have been (or would have been) made in respect of the relevant Reference Obligation(s) or the imposition of Applicable Taxes.

#### ***Settlement Timing***

Following the occurrence of a Call Option Event, an Additional Disruption Event or an Adjustment Event, the date of redemption and/or the date on which settlement of the Bond Linked Securities takes place may be later than the Redemption Date.

Interest Payment Dates and/or the Redemption Date may also be adjusted in certain circumstances as specified herein, including, without limitation, following an adjustment to the day on which payments are made on the relevant Reference Obligation(s) or following the occurrence of an FX Disruption Event.

#### ***Issuer and Determination Agent Discretion***

The exercise by the Issuer and/or the Determination Agent of any discretion to redeem the Securities and/or to make any adjustments in respect thereof is intended to preserve the risk profile of the Issuer (including, but not limited to, the Issuer's hedging arrangements (if any) in respect of the Securities), but are not intended to protect any performance of the Securities. Neither the Issuer nor the Determination Agent has any obligation to actively monitor whether or not any event relevant to the Securities has occurred or is likely to occur and neither the Issuer nor the Determination Agent accepts any liability thereof.

Subject to mandatory requirements of applicable law and regulation, the Determination Agent is not required to and shall not take into account the interests of any party (including that of any investors or prospective investors in the Securities), but is permitted to, and shall, act in its own best interests.

#### **Cash and Physical Settlement**

##### ***Settlement Disruption Events***

If a Settlement Disruption Event has occurred and is continuing on an Optional Early Redemption Date, the obligations of the Issuer to redeem the Securities (or any portion thereof) in the manner which it has elected will be suspended until the occurrence of certain specified events. If, following the occurrence of a Settlement Disruption Event, the Securities held by certain affected Securityholders are not redeemed in accordance with the Conditions of the Securities prior to the Final Cut-Off Date, following such date, unless otherwise specified in the applicable Final Terms, the Issuer will have no payment or delivery obligations to the Securityholders in respect of the Securities.

### *Fractions of Reference Obligations*

Where the Entitlement due to be delivered to a Securityholder would include a fraction of any component comprising the Entitlement (including an amount of the relevant Reference Obligation which is less than the minimum denomination of such Reference Obligation) the relevant Securityholder will be entitled to receive an amount in cash in lieu of such fraction as determined by the Determination Agent in its sole discretion.

### *Securityholder Obligations*

If the Bond Linked Securities provide for physical delivery of Reference Obligations, the Issuer's obligation to deliver the Reference Obligations is subject to various conditions, including, without limitation, the obligation of the Securityholder to deliver to the Issuer a Delivery Entitlement Instruction within the prescribed time frame. If a Securityholder fails to do so in a timely manner, the obligations of the Issuer to that Securityholder may be discharged without any payment or delivery.

In any event, no payment or delivery will be made in respect of a Security unless the Issuer has received any required instructions, certifications, information and, where applicable, the relevant Security has been delivered and surrendered in accordance with the terms of the Master Agency Agreement (as amended from time to time), the Base Conditions and the terms of any relevant Global Security. In addition, the Issuer's obligation to deliver any Entitlements in respect of a Security may be dependent upon the Issuer's option to elect cash settlement instead of physical settlement in respect of a Security.

### *Final Price*

Upon a redemption of the Securities following the occurrence of a Call Option Event, an Additional Disruption Event or an Adjustment Event, the Determination Agent may value the relevant Reference Obligation(s). The Determination Agent may determine such value by asking for quotations from dealers. The date, time and method of such request will impact the Final Price. The dealers selected by the Determination Agent for this purpose may include the Issuer or the Guarantor; however, no such dealer has any duty towards any Securityholder and may not be aware that the purpose of the request is to determine a Final Price for purposes of the Bond Linked Securities or any other securities.

### *Leverage*

Certain Bond Linked Securities may be highly leveraged investments, including, without limitation, Bond Linked Securities linked to a notional amount of Reference Obligations exceeding the Aggregate Nominal Amount of Securities. The use of leverage is a speculative investment technique to enhance returns. However, leverage will also magnify the adverse impact of Call Option Events.

### *No Guarantee of Performance*

The Bond Linked Securities constitute direct, unsubordinated and unsecured obligations of the Issuer that are linked to the credit risk of the Reference Entities and/or Reference Obligations specified in the applicable Final Terms. None of the Issuer, the Guarantor, the Manager and/or any Agent or any Affiliate of any of them (each such entity, a "**Programme Party**") guarantees the performance of or otherwise stands behind the performance of any Reference Entity or Reference Obligation or is under any obligation to make good losses suffered as a result of Call Option Events.

No Reference Obligation is in any way controlled, sponsored, endorsed or promoted by the Issuer or the Determination Agent. Neither the Issuer nor the Determination Agent take responsibility for the

management or administration of any Reference Obligation or for monitoring the activities of any Reference Entity, and neither makes any warranty, express or implied, as to how any Reference Entity and/or any related party will manage or administer any Reference Obligation or the performance thereof.

Neither the Issuer nor the Determination Agent gives any assurance that the activities and operations of any Reference Entity or any related party are free from conduct that could be damaging to the performance of any related Reference Obligation. The Issuer shall not be liable, in negligence or otherwise, to any party for any costs or losses arising either directly or indirectly from any acts and/or omissions of any Reference Entity and/or any related party.

### ***Highly Structured Nature of Securities***

The Securities are highly structured and their price may be more volatile than that of unstructured securities. The occurrence of a Call Option Event, an Additional Disruption Event or an Adjustment Event may cause the Securities to redeem early. Upon such early redemption, any payments due in respect of the Securities will be linked to a number of factors, including the then prevailing value of the Reference Obligation(s) as well as, in certain circumstances, the Reference Currency and Settlement Currency exchange rate. In certain circumstances, Securityholders may receive physical delivery of the Reference Obligation(s). The return received by an investor in the Securities may differ from the Reference Obligation(s) and the market value of the Securities may not reflect movements in the price of the Reference Obligation(s).

### ***Hedging***

In the ordinary course of their business, including, without limitation, in connection with their market-making activities, any Programme Party may effect transactions for their own account or for the account of their customers and hold long or short positions in any applicable Reference Obligation, Obligation or related derivatives. In addition, in connection with the offering of the Bond Linked Securities, the Issuer and/or any other Programme Party may enter into one or more hedging transactions with respect to any applicable Reference Obligation, Obligation or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any other Programme Party, the Issuer and/or any other Programme Party may enter into transactions with respect to any applicable Reference Obligation, Obligation and/or Reference Entity or related derivatives which may affect the market price, liquidity or value of the Bond Linked Securities and which could be deemed to be adverse to the interests of the relevant Securityholders. The Issuer and/or any other Programme Party may pursue such hedging or related derivatives actions and take such steps as they deem necessary or appropriate to protect their interests without regard to the consequences for any Securityholder and no hedging activities undertaken by the Issuer and/or any other Programme Party shall confer upon any Securityholder any right in respect of any Obligation, any Reference Obligation or any Reference Entity.

### ***Exchange Rate Risk***

The exchange rate between the Reference Currency and the Settlement Currency will fluctuate during the term of the Securities and may affect the amount of any payment on the Securities and the value of Bond Linked Securities.

Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value of a currency, regardless of other market forces. Purchasers of some

Bond Linked Securities risk losing their entire investment if exchange rates of the relevant currency move sufficiently in an unanticipated direction.

Furthermore, investors who intend to convert gains or losses from the redemption, exercise or sale of Bond Linked Securities into their home currency may be affected by fluctuations in exchange rates between their home currency and the relevant currency.

Where the Bond Linked Securities are denominated in an emerging market currency or linked to one or more Reference Obligations denominated in emerging market currencies, prospective investors should note that it is a general feature of emerging markets that they are subject to rapid change and high volatility and that the risks involved also may change rapidly. Emerging market currencies are highly exposed to the risk of a currency crisis happening in the future and this could trigger the need for the Determination Agent to make adjustments to the terms and conditions of the Securities or a redemption of the Securities. Governments have imposed, from time to time, and may in the future impose, exchange controls that could also affect the availability of a relevant currency. Even if there are no actual exchange controls, it is possible that a relevant currency would not be available when payments on the relevant Bond Linked Securities are due.

Furthermore, several risks could have a simultaneous or compounding effect with respect to the Reference Currency/Settlement Currency exchange rate and relative returns on Securities denominated in the Reference Currency or the Settlement Currency. No assurance can be given about the effect that any combination of risks may have on an investor's return on the Securities. The amount of any payment on the Securities could be less than investments in other instruments.

***No Assurance of Future Rates of Exchange of the Reference Currency to the Settlement Currency***

Historical or prevailing rates of exchange of the Reference Currency to the Settlement Currency should not be taken as an indication of future exchange rates. No assurance can be given that the Reference Currency will not depreciate as against the Settlement Currency and thereby reduce the amount of any payment in Settlement Currency due to the Securityholders under the Securities.

The government of a Reference Entity or a Reference Entity itself may from time to time intervene in the foreign exchange market and these interventions or other governmental actions could adversely affect the value of the Securities, as well as the yield (in Settlement Currency terms) on the Securities and the amount payable at redemption. Even in the absence of governmental action directly affecting exchange rates, political or economic developments in the jurisdiction of a Reference Entity or elsewhere could lead to significant and sudden changes in the exchange rate of the Reference Currency to the Settlement Currency.

***Provision of Information***

The Programme Parties, whether by virtue of the types of relationships described herein or otherwise, may possess information in relation to a Reference Entity, any Affiliate of a Reference Entity, a Reference Obligation or Obligation or any guarantor that is or may be material in the context of the Bond Linked Securities and that may or may not be publicly available or known to the Securityholders or any other person. The Bond Linked Securities will not create any obligation on the part of any of the Programme Parties to disclose any such relationship or information (whether or not confidential).

***No Representations***

None of the Programme Parties makes any representation, express or implied, as to any Reference Entity, any Reference Obligation or any Obligation or the credit quality thereof, or any information contained in any documents provided or published by any Reference Entity or filed by a Reference Entity with any exchange or with any governmental authority.

**PART B**  
**ADDITIONAL TERMS AND CONDITIONS FOR BOND LINKED SECURITIES**

*The terms and conditions applicable to Bond Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Bond Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Bond Linked Conditions set out below, the Bond Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Bond Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Bond Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities if specified to be Bond Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

**1 Interest**

**1.1 Interest Amount**

- (i) If “Bond Linked Securities – Pass Through Interest” is specified as the Interest Rate in the applicable Final Terms and:
  - (A) payments in respect of the Securities are specified to be paid in the Settlement Currency in the applicable Final Terms, the Issuer shall pay to each Securityholder on each Interest Payment Date an amount in the Settlement Currency per Calculation Amount per Security equal to the amount (if any) actually received by way of interest in respect of the Reference Obligation Principal Amount of the relevant Reference Obligation by a holder of such Reference Obligation during the Interest Calculation Period ending on (but excluding) such Interest Payment Date divided by the Number of Securities Outstanding (in respect of such Interest Calculation Period) converted from the Reference Currency into the Settlement Currency by the Determination Agent at the FX Fixing on the Valuation Date immediately preceding such Interest Payment Date; or
  - (B) payments in respect of the Securities are specified to be paid in the Reference Currency in the applicable Final Terms, the Issuer shall pay to each Securityholder on each Interest Payment Date an amount in the Reference Currency per Calculation Amount per Security equal to the amount (if any) actually received by way of interest in respect of the Reference Obligation Principal Amount of the relevant Reference Obligation by a holder of such Reference Obligation during the Interest Calculation Period ending on (but excluding) such Interest Payment Date divided by the Number of Securities Outstanding.
- (ii) If “Bond Linked Securities – Fixed Coupon” is specified as the Interest Rate in the applicable Final Terms and:
  - (A) payments in respect of the Securities are specified to be paid in the Settlement Currency in the applicable Final Terms, the Interest Amount shall be paid in the Settlement Currency determined in accordance with Condition 4 of the Base Conditions and, if applicable, converted from the Reference Currency into the

Settlement Currency by the Determination Agent at the FX Fixing on the relevant Valuation Date; or

- (B) payments in respect of the Securities are specified to be paid in the Reference Currency in the applicable Final Terms, the Interest Amount shall be paid in the Reference Currency determined in accordance with Condition 4 of the Base Conditions;

in each case less the sum of (a) all Applicable Taxes and (b) if Custody Charge Deduction is specified as applicable in the applicable Final Terms, a pro rata amount in respect of each Security of the Custody Charge applicable on such Interest Payment Date, all as calculated by the Determination Agent in its sole discretion.

## 1.2 Interest Amount Adjustment

In the event that any amount paid in respect of a Reference Obligation in respect of an Interest Calculation Period, whether made in part or in full, is required by law or otherwise to be repaid or returned to the Reference Entity or any other person (including, without limitation, any bankruptcy trustee or paying agent for the Reference Entity), or if the Issuer pays an Interest Amount but fails to receive the corresponding amount of interest due in respect of the Reference Obligation in whole (the amount of such shortfall, a “Coupon Amount Deduction”), then (i) the Interest Amount due in respect of each Security on each following Interest Payment Date shall be reduced by a pro rata amount equal to the Coupon Amount Deduction, until the amount due to the Issuer in respect of the Coupon Amount Deduction has been discharged and (ii) in the event that the relevant Interest Amount has already been paid to any Securityholder, the amount of such reduction shall be repaid by such Securityholder to the Issuer within two Business Days of demand.

## 1.3 Interest Payment Dates

Notwithstanding anything to the contrary in Condition 4 of the Base Conditions, if “Bond Linked Securities – Pass Through Interest” is specified as the Interest Rate in the applicable Final Terms, the Interest Payment Date in respect of such Security shall be the date which falls the number of Business Days specified in the Final Terms after the corresponding Valuation Date; provided however, that the final Interest Payment Date shall fall on the Redemption Date, subject to the Early Redemption Terms and Adjustment provisions set forth below.

## 2 Redemption

Notwithstanding anything to the contrary in Condition 5.1(a) of the Base Conditions, if “Cash Settlement” is specified as the Settlement Method in the applicable Final Terms for the purposes of Condition 5.1 of the Base Conditions, subject to the Early Redemption Terms and Adjustment provisions set forth below (unless previously redeemed in accordance with these Bond Linked Conditions or Condition 5 of the Base Conditions or purchased and cancelled in accordance with Condition 22 of the Base Conditions) on the Redemption Date, the Issuer shall, subject to Conditions 7, 8 and 9 of the Base Conditions, redeem each Security in whole but not in part by paying each Securityholder:

- (i) if the applicable Final Terms specify that the Final Cash Settlement Amount shall be payable in the Settlement Currency, unless otherwise specified in the Final Terms, an amount per

Calculation Amount per Security in the Settlement Currency equal to the amount actually received by way of principal in respect of the redemption of the Reference Obligation Principal Amount of each Reference Obligation by a holder of such Reference Obligation divided by the Number of Securities Outstanding less all Applicable Taxes, as calculated by the Determination Agent, and converted from the Reference Currency into the Settlement Currency by the Determination Agent at the FX Fixing on the final Valuation Date; or

- (ii) if the applicable Final Terms specify that the Final Cash Settlement Amount shall be payable in the Reference Currency, unless otherwise specified in the Final Terms, an amount per Calculation Amount per Security in the Reference Currency equal to the amount actually received by way of principal in respect of the redemption of the Reference Obligation Principal Amount of each Reference Obligation by a holder of such Reference Obligation divided by the Number of Securities Outstanding less all Applicable Taxes, as calculated by the Determination Agent.

### **3 Early Redemption Terms and Adjustment Provisions**

#### **3.1 Adjustment Provisions**

The following adjustment provisions shall apply in respect of the Securities:

- (i) **Adjustment to Interest Payment Date and/or Redemption Date**

If the Valuation Date in respect of an Interest Payment Date and/or the Redemption Date, as the case may be, is not the Scheduled Valuation Date in respect of such Interest Payment Date or Redemption Date, as the case may be, then such Interest Payment Date or Redemption Date, as the case may be, shall be as soon as practicable after the relevant Valuation Date, but in no event later than the day which is two Business Days after the relevant Valuation Date. No additional amounts shall be payable because of such adjustment.

- (ii) **Adjustment to Optional Early Redemption Date**

If the Valuation Date occurring on the Optional Early Redemption Date is not the date originally specified as such by the Issuer pursuant to Bond Linked Condition 3.2, then the Optional Early Redemption Payment Date shall be as soon as practicable after such Valuation Date, but in no event later than the day which is two Business Days after such Valuation Date. No additional amounts shall be payable to any Securityholder because of such adjustment.

- (iii) **Adjustment Amount**

Upon the occurrence of an Adjustment Event, the Issuer has the right to determine in its sole discretion whether the Securities will continue in full force and effect, or, if applicable, whether the Securities will be subject to early redemption. If the Issuer determines that the Securities will continue in full force and effect, all amounts payable or deliverable by the Issuer in connection with the Securities (including without limitation, any Interest Amount, the Final Cash Settlement Amount, the Early Cash Settlement Amount, any amount due under the Call Option Settlement Terms, the Reference Currency Market Value Amount and the Settlement Currency Market Value

Amount) will be reduced by the pro rata portion of any loss suffered or costs or expenses incurred or expected to be incurred by the Issuer or its agents or Affiliates as a result of the occurrence of the Adjustment Event or which would have been suffered or incurred assuming the Issuer or its agents or Affiliates had held and/or delivered the relevant Reference Obligation(s), as applicable, pursuant to the terms of these Bond Linked Conditions (including the aggregate of all costs, charges, taxes, expenses and duties of whatever nature incurred or expected to be incurred by or on behalf of the Issuer or its agents or Affiliates). The total amount of such losses or costs or expenses and the amounts to be deducted from payments due under the Securities (the “Adjustment Amount”) will be determined by the Determination Agent in its sole and absolute discretion. The occurrence of an Adjustment Event shall be an Additional Disruption Event, and, accordingly, the Issuer may redeem the Securities early in accordance with Condition 5.4 of the Base Conditions.

### **3.2 Early Redemption at the Option of the Issuer following the Occurrence of a Call Option Event**

If “Call Option” is specified to apply in the applicable Final Terms, the Call Option provisions set out in the Base Conditions shall not apply, and Condition 5.3 of the Base Conditions shall, to the extent necessary, be deemed amended by the following provisions and shall be construed accordingly.

The Issuer has the right to redeem each Security in whole or in part (subject to the following sentence) at any time following the occurrence of a Call Option Event, whether or not such occurrence is continuing. The Issuer shall determine in its sole and absolute discretion whether a Call Option Event has occurred. The Issuer may determine in its sole and absolute discretion to redeem each Security in part where the Securities are linked to more than one Reference Obligation and a Call Option Event occurs with respect to one or more but not all of the relevant Reference Obligations.

Upon the Issuer electing to redeem the Securities following the occurrence of a Call Option Event, the Issuer shall give notice to the Securityholders of its intention to redeem the Securities, whether in whole or in part, on a date specified by the Issuer therein (such date, the “Optional Early Redemption Date”) which date (i) shall, notwithstanding any adjustment pursuant to this Bond Linked Condition 3.2, be deemed to be a Valuation Date and (ii) may be designated (A) as early as the first day such notice is effective, which shall be no less than five Business Days following delivery of the relevant notice in accordance with the Base Conditions or (B) as a date after the scheduled Redemption Date, and which is subject to adjustment in accordance with the Following Business Day convention following the occurrence of a Settlement Disruption Event and/or an FX Disruption Event as determined by the Determination Agent in its sole discretion. Following the occurrence of a Settlement Disruption Event with respect to some but not all Securities (or portion thereof subject to early redemption), the Issuer shall have the right to designate a different Optional Early Redemption Date in respect of each Security (or portion thereof subject to early redemption).

Notwithstanding the foregoing, the notice of a Call Option Event is effective when delivered by the Issuer to the Issue and Paying Agent, which will deliver such notice to the Securityholders in accordance with the Base Conditions, provided that delivery of, or failure to deliver, such notice

to the Securityholders will not affect the effectiveness of any such notices delivered by the Issuer to the Issue and Paying Agent.

If notice of a Call Option Event has been delivered by the Issuer or if a Call Option Event has occurred and is continuing on any Interest Payment Date or the Redemption Date, no further payments will be due by the Issuer with respect to the Securities (or portion thereof subject to early redemption), except as set forth under the Call Option Settlement Terms below. If the Issuer exercises its rights pursuant to the Call Option, the payment and/or delivery obligations of the parties shall be determined by the Determination Agent, if necessary, as set forth under the Call Option Settlement Terms below, no other payments and/or deliveries shall be due in respect of the Securities (or portion thereof subject to early redemption) and upon satisfaction of such terms, the Issuer will be released from its obligations under the Securities (or portion thereof subject to early redemption).

#### **4 Reference Obligation Adjustments**

If a Reference Obligation is subdivided, consolidated, reclassified or altered, or any other similar event occurs as determined by the Determination Agent, then the Determination Agent will make such adjustments to the Conditions of the Securities (including, without limitation, the Reference Obligation Principal Amount, the identity of the relevant Reference Obligation and the principal amount of the relevant Reference Obligation) as it determines appropriate to account for such event. If a Reference Obligation is converted into other securities in accordance with the terms of any voluntary or involuntary exchange or restructuring programme following the occurrence of a Credit Event, such securities shall become the Reference Obligation(s) (it being understood that any elections under the terms of any such exchange or restructuring shall be made by the Determination Agent in its sole discretion).

If “Substitute Reference Obligations” is specified as being applicable in the applicable Final Terms, at any time following the occurrence of a Credit Event, the Issuer or any of its agents or Affiliates may replace all or some of the Reference Obligation(s) with (a) Substitute Reference Obligation(s) selected by it in its sole discretion. If a Substitute Reference Obligation has replaced, in whole or in part, a Reference Obligation, the principal amount of the Reference Obligation that comprises the Substitute Reference Obligation in respect of each Security shall be calculated by the Determination Agent as the equivalent of the number of Substitute Reference Obligations that could have been purchased with the proceeds from the sale of such Reference Obligation assuming that the Reference Obligation had been sold at its Final Price on the date of the substitution (determined as if such day was the Optional Early Redemption Date), and the Determination Agent will make such adjustments to the Conditions of the Securities (including, without limitation, the Reference Obligation Principal Amount and the principal amount of the relevant Reference Obligations) as it determines appropriate to account for such substitution.

#### **5 Early Redemption following the occurrence of an Additional Disruption Event**

In addition to the rights of the Issuer set forth in Condition 5.4 of the Base Conditions, upon the occurrence of an Additional Disruption Event, the Issuer has the right to redeem the Securities in whole or in part (subject to the following sentence) at any time, whether or not such occurrence is continuing in accordance with these Bond Linked Conditions as if such Additional Disruption Event

constituted a Call Option Event. The Issuer may determine in its sole and absolute discretion to redeem each Security in part where the Securities are linked to more than one Reference Obligation, and an Additional Disruption Event occurs with respect to one or more but not all of the relevant Reference Obligations. If the Issuer elects to redeem the Securities (whether in whole or in part) as if the relevant Additional Disruption Event constituted a Call Option Event, the payment and/or delivery obligations of the parties shall be determined by the Determination Agent, if necessary, as set forth under the Call Option Settlement Terms below. No other payments and/or deliveries shall be due in respect of the Securities (or portion thereof subject to early redemption) and, upon satisfaction of such terms, the Issuer will be released from its obligations under the Securities.

## **6 Call Option Settlement Terms**

### **6.1 Inconvertibility Event Settlement**

If the Issuer exercises its right to redeem the Securities (whether in whole or in part) by exercise of the Call Option following the occurrence of an Inconvertibility Event, the Issuer will, subject to the Securityholder Failure to Act provisions below, Bond Linked Conditions 6.3 and 6.4 and Conditions 7, 8 and 9 of the Base Conditions, in its sole discretion elect to redeem the Securities (whether in whole or in part) in accordance with one of the following options on the Optional Early Redemption Date:

- (i) pay to each Securityholder an amount per Calculation Amount per Security equal to the Settlement Currency Market Value Amount per Security on the Optional Early Redemption Payment Date; or
- (ii) pay to each Securityholder, to such Securityholder's account in the Reference Obligation Jurisdiction (relating to the affected Reference Obligations(s)), an amount per Calculation Amount per Security determined by the Determination Agent on the Optional Early Redemption Date denominated in the Reference Currency equal to the Reference Currency Market Value Amount per Security on the Optional Early Redemption Payment Date, subject to such conditions that the Issuer in its sole discretion shall determine necessary prior to any such payment.

Following such payment, the Issuer's obligations in respect of the Securities (or portion thereof subject to early redemption) shall irrevocably cease.

All such amounts to be paid hereunder shall be reduced by the Applicable Taxes.

### **6.2 Credit Event Settlement**

If the Issuer exercises its right to redeem the Securities by exercise of the Call Option following the occurrence of a Credit Event or a Credit Event and Inconvertibility Event, the Issuer will, subject to the Securityholder Failure to Act provisions below, Bond Linked Conditions 6.3 and 6.4 and Conditions 7, 8 and 9 of the Base Conditions, in its sole discretion elect to redeem the Securities in whole or in part, as provided in Bond Linked Condition 3.2, in accordance with one of the following options on the Optional Early Redemption Date:

- (i) deliver a principal amount of the affected Reference Obligation(s) in an amount in respect of the Calculation Amount per Security equal to the relevant Reference Obligation Principal Amount divided by the Number of Securities Outstanding to each

Securityholder on the Optional Early Redemption Payment Date, subject to such conditions that the Issuer in its sole discretion shall determine necessary prior to any such delivery;

- (ii) pay to each Securityholder an amount per Calculation Amount per Security equal to the Settlement Currency Market Value Amount per Security on the Optional Early Redemption Payment Date; or
- (iii) pay to each Securityholder, to such Securityholder's account in the relevant Reference Obligation Jurisdiction(s), an amount per Calculation Amount per Security determined by the Determination Agent on the Optional Early Redemption Date denominated in the relevant Reference Currency equal to the Reference Currency Market Value Amount per Security, subject to such conditions that the Issuer in its sole discretion shall determine necessary prior to any such payment.

Following such payment or delivery, the Issuer's obligations in respect of the Securities shall irrevocably cease.

All such amounts or Reference Obligations to be paid or delivered hereunder shall be reduced by the Applicable Taxes or, in the case of a delivery, an amount of the Reference Obligations equal in value to the Applicable Taxes (determined by the Determination Agent by reference to the Final Price).

### **6.3 Settlement Disruption Event following a Credit Event or a Credit Event and an Inconvertibility Event**

If the Issuer exercises its right to redeem the Securities, whether in whole or in part, pursuant to the Call Option provisions due to the occurrence of a Credit Event or a Credit Event and an Inconvertibility Event and a Settlement Disruption Event has occurred and is continuing with respect to the Securities held by one or more Securityholders on the Optional Early Redemption Payment Date, the obligations of the Issuer in respect of the Securities of such Securityholder(s) (as used in this Bond Linked Condition 6.3, the "Affected Securityholders") will be suspended in respect of the Securities of such Securityholder(s) until the earliest to occur of:

- (i) where relevant, the Settlement Disruption Event is no longer continuing with respect to delivery of the relevant Reference Obligation(s) (or any part thereof) to the Affected Securityholders, in which case the Issuer will, subject to Conditions 7, 8 and 9 of the Base Conditions, redeem each Security held by the relevant Affected Securityholders by delivering the relevant Reference Obligation(s) in an amount per Calculation Amount per Security equal to the Reference Obligation Principal Amount divided by the Number of Securities Outstanding, as soon as reasonably practicable following the cessation of the Settlement Disruption Event, subject to such conditions that the Issuer in its sole discretion shall determine necessary prior to any such delivery;
- (ii) where relevant, if an Inconvertibility Event is continuing, but the Settlement Disruption Event is no longer continuing with respect to payment of any Reference Currency amount, in which case the Issuer will, subject to Conditions 7, 8 and 9 of the Base Conditions, redeem each Security, whether in whole or in part, held by the relevant Affected Securityholders by paying to each Affected Securityholder, to such

Securityholder's account in the relevant Reference Obligation Jurisdiction, an amount per Calculation Amount per Security determined by the Determination Agent on the Optional Early Redemption Date denominated in the Reference Currency equal to the Reference Currency Market Value Amount per Security (determined as at the adjusted Optional Early Redemption Date relating to the relevant Security) as soon as reasonably practicable following the cessation of the Settlement Disruption Event, subject to such conditions that the Issuer in its sole discretion shall determine necessary prior to any such payment;

- (iii) where relevant, the Inconvertibility Event is no longer continuing, in which case the Issuer will, subject to Conditions 7, 8 and 9 of the Base Conditions, redeem each Security (or portion thereof subject to early redemption) held by the relevant Affected Securityholders by paying to each Affected Securityholder an amount per Calculation Amount per Security in the Settlement Currency equal to the Settlement Currency Market Value Amount per Security (determined as at the adjusted Optional Early Redemption Date relating to the relevant Security (or portion thereof subject to early redemption)) converted from the Reference Currency into the relevant Settlement Currency by the Determination Agent at the FX Fixing on the Valuation Date which is the Optional Early Redemption Date, on the third Business Day after the cessation of the Inconvertibility Event; or
- (iv) the occurrence of the Final Cut-Off Date, following such date, unless otherwise specified in the applicable Final Terms, the Issuer will have no payment or delivery obligations to the relevant Affected Securityholders hereunder in respect of the Securities (or portion thereof subject to early redemption) and its obligations in respect of the Securities (or portion thereof subject to early redemption) shall cease.

No Affected Securityholder shall be entitled to any additional amount in the event of any delay in payment or delivery owed to it in respect of any Security (or portion thereof subject to early redemption) resulting from a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer, the Guarantor and/or the Determination Agent.

#### **6.4 Settlement Disruption Event in the case of an Inconvertibility Event**

If the Issuer exercises its right to redeem the Securities or portion thereof pursuant to the Call Option provisions due to the occurrence of an Inconvertibility Event and a Settlement Disruption Event has occurred and is continuing with respect to the Securities held by one or more Securityholders on the Optional Early Redemption Payment Date, the obligations of the Issuer in respect of the Securities of such Securityholder(s) (as used in this Bond Linked Condition 6.4, the "Affected Securityholders") will be suspended until the earliest to occur of:

- (i) the Settlement Disruption Event is no longer continuing with respect to the payment of any Reference Currency amount, in which case the Issuer will, subject to Conditions 7, 8 and 9 of the Base Conditions, elect to redeem the Securities (or portion thereof subject to early redemption) held by the relevant Affected Securityholders in accordance with one of the options set forth under the Inconvertibility Event Settlement provisions in Bond Linked Condition 6.1(i) or (ii); or

- (ii) the Inconvertibility Event is no longer continuing, in which case the Issuer will, subject to Conditions 7, 8 and 9 of the Base Conditions, redeem each Security (or portion thereof subject to early redemption) held by the relevant Affected Securityholders by paying to each Affected Securityholder an amount per Calculation Amount per Security in the Settlement Currency equal to the Settlement Currency Market Value Amount per Security (determined as at the adjusted Optional Early Redemption Date relating to the relevant Security) converted from the Reference Currency into the Settlement Currency by the Determination Agent at the FX Fixing on the Valuation Date which is the Optional Early Redemption Date, on the third Business Day after the cessation of the Inconvertibility Event; or
- (iii) the occurrence of the Final Cut-Off Date, following such date, unless otherwise specified in the applicable Final Terms, the Issuer will have no payment or delivery obligations to the relevant Affected Securityholders in respect of the Securities (or portion thereof subject to early redemption) hereunder and its obligations in respect of the Securities (or portion thereof subject to early redemption) shall cease.

No Affected Securityholder shall be entitled to any additional amount in the event of any delay in payment or delivery owed to it in respect of any Security (or portion thereof subject to early redemption) resulting from a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer, the Guarantor and/or the Determination Agent.

## **7 Securityholder Failure to Act**

Unless otherwise specified in the applicable Final Terms, if the Issuer is unable to or not permitted to deliver any amount or a Reference Obligation or make a payment of any amount in the Reference Currency hereunder due to a failure by a Securityholder to take any necessary or reasonable steps to permit or effect such delivery or payment before the Final Cut-off Date (including the unavailability or unwillingness of such Securityholder to accept such delivery or payment or its failure to execute and deliver in a timely manner any requisite documentation or take any necessary steps in respect of such delivery or payment, as determined by the Determination Agent in its sole and absolute discretion) (a “Securityholder Failure to Act”), then the Issuer will not be required to either deliver the relevant Reference Obligation (or any part thereof) or pay the relevant Reference Currency amount in respect of the Securities and the Issuer shall have no further obligations in respect thereof.

## **8 Amendments to the Conditions**

For the purposes of the Conditions:

- (i) any Reference Obligation (or part thereof) and/or Substitute Reference Obligation (or part thereof) which is deliverable by the Issuer in accordance with the “Inconvertibility Event Settlement” or “Credit Event Settlement” provisions hereof shall constitute an Entitlement and a Reference Asset and the Physical Delivery Date in respect of such Reference Obligation (or part thereof) shall be the Optional Early Redemption Payment Date; and
- (ii) any Settlement Currency amount or Reference Currency amount payable by the Issuer in accordance with Bond Linked Condition 6 shall constitute a Settlement Amount.

For the purposes of the Securities, the last paragraph of Condition 7.3 of the Base Conditions shall be amended by the inclusion of the words “any date on which settlement or delivery is due in respect of the Securities in accordance with the terms of the Bond Linked Securities” after the words “Actual Exercise Date” in the eighth line therein.

## **9 Consequences of the occurrence of FX Disruption Events**

Unless specified otherwise in the applicable Final Terms, if one or more FX Disruption Events occurs at any time and is continuing, the Issuer may in its sole and absolute discretion take any one or more of the following actions:

- (i) deduct from any payments to be made in respect of the Securities an amount calculated by the Determination Agent as representing a cost, expense, charge and/or deduction arising in connection with such FX Disruption Event(s) or under any other adjustment with respect thereto; and/or
- (ii) adjust any Valuation Date, Interest Payment Date, Redemption Date, Optional Early Redemption Payment Date, and/or any other date for payment of the relevant amount and/or calculation thereof; and/or
- (iii) (in the case of a Price Source Disruption) specify and adopt:
  - (A) an appropriate alternate fallback or alternative price or rate source or method of determination selected by the Determination Agent in its sole discretion (which may (or may not) be by reference to dealer poll or such other publication page or service as may replace the relevant page or service for the purpose of displaying a currency exchange rate comparable or equivalent to the relevant FX Fixing); or
  - (B) a replacement of any one or more relevant currencies, as the case may be; and/or
- (iv) treat the relevant FX Disruption Event(s) as if an Additional Disruption Event had occurred in respect of the Securities for the purposes of exercising any applicable rights under the Base Conditions (including, without limitation, exercising the cancellation or adjustment rights in Condition 5.4 or 6.2 of the Base Conditions).

**PART C**  
**DEFINITIONS AND INTERPRETATIONS APPLICABLE TO BOND LINKED SECURITIES**

Certain general definitions relating to Bond Linked Securities

“**Adjustment Event**” means the occurrence of one or more of the following events as determined by the Determination Agent in its sole and absolute discretion:

- (i) Market Disruption Event;
- (ii) Residual Risk Event;
- (iii) Tax Adjustment Event; or
- (iv) Custodial Event.

“**Applicable Taxes**” means any amount due by way of charges, taxes, expenses and duties of whatever nature incurred by or on behalf of the Issuer or its agents or Affiliates payable on payments in respect of a Reference Obligation.

“**Call Option**” means the Issuer’s right to redeem each Security, in whole or in part, at any time following the occurrence of a Call Option Event pursuant to Bond Linked Condition 3.2.

“**Call Option Event**” means the occurrence of a Credit Event and/or an Inconvertibility Event as determined by the Determination Agent in its sole discretion.

“**Credit Event**” means the occurrence of any of the following:

- (i) “**Bankruptcy**”: a Reference Entity: (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due; (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (d) institutes or has instituted against it a proceeding seeking a 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, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (1) results in a judgement 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 (2) is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days of the institution or presentation thereof; (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days thereof; or (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (a) to (g) (inclusive);

- (ii) **“Failure to Pay”**: the failure by a Reference Entity to make, when and where due, without regard to any applicable grace period, any payments under one or more Obligations in accordance with the terms of such Obligations at the time of such failure;
- (iii) **“Obligation Default”**: one or more Obligations have become capable of being declared due and payable before they would otherwise become due and payable as a result of, or on the basis of, the occurrence of a default, event of default, or other similar condition or event (howsoever described), other than a failure to make any required payment, under one or more Obligations;
- (iv) **“Redemption”**: a Reference Obligation is redeemed in full prior to its scheduled maturity date for any reason in accordance with the terms and conditions of such Reference Obligation;
- (v) **“Repudiation/Moratorium”**: a Reference Entity or a Governmental Authority (a) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations or (b) declares or imposes a moratorium, standstill or deferral, whether *de facto* or *de jure*, with respect to one or more Obligations; or
- (vi) **“Restructuring”**: any one or more of the following events occurs in respect of any Obligation, is agreed between a Reference Entity or a Governmental Authority and the holder or holders of any Obligation or is announced (or otherwise decreed) by a Reference Entity or Governmental Authority in a form that is binding upon all holders of such Obligations:
  - (a) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;
  - (b) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
  - (c) postponement or other deferral of a date or dates for either: (1) the payment or accrual of interest; or (2) the payment of principal or premium;
  - (d) a change in the ranking in priority of payment of any Obligation of a Reference Entity, causing the subordination of such Obligation, such that claims of holders of such Obligation will be satisfied after the claims of holders of other Obligations of such Reference Entity; or
  - (e) any change in the currency or composition of any payment of interest or principal to any currency.

**“Custodial Event”** means the Issuer determines in its sole discretion that the custodian (including any sub-custodian, settlement agent, broker dealer or account bank) used by the Issuer or any of its agents or Affiliates with respect to a Reference Obligation:

- (i) is dissolved, becomes insolvent or is unable to pay its debts as they become due, makes a general assignment, arrangement or composition with or for the benefit of its creditors, institutes or has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any law, has a secured party take possession of all or substantially all its assets or takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or
- (ii) fails to do one or more of the following:

- (a) deliver or credit any Reference Currency amount, or Obligations owned by the Issuer (or any of its agents or Affiliates), to the account of the Issuer (or any of its agents or Affiliates) as instructed by the Issuer (or any of its agents or Affiliates);
- (b) deliver any Reference Currency amount to a third party when requested to do so by the Issuer (or any of its agents or Affiliates);
- (c) surrender any Obligations owned by the Issuer (or its agents or Affiliates) when requested to do so by the Issuer (or any of its agents or Affiliates);
- (d) purchase or sell any Obligations or take any other action when instructed to do so by the Issuer (or any of its agents or Affiliates); or
- (e) perform in a full and timely manner all of its obligations to the Issuer under any custodial, or similar arrangements entered into by the Issuer (or any of its agents or Affiliates) at any time in relation to a Reference Obligation and/or the Reference Currency (which shall include, for the avoidance of doubt, a repudiation or termination in whole or in part, or challenging the validity of any such arrangements without the prior consent of the Issuer or any of its agents or Affiliates).

**“Custody Charge”** means the charge specified as such in the Final Terms and expressed to be a percentage of each Security.

**“Custody Charge Deduction”** means the amount payable or expected to be payable by the Issuer to any custodian, sub-custodian or equivalent entity in connection with the Issuer’s obligations under the Bond Linked Securities and/or any Reference Obligations, calculated by the Determination Agent in accordance with the Custody Charge.

**“Expense Amount”** means the aggregate of all costs, charges, taxes, expenses and duties incurred by or on behalf of the Issuer (including by its agents or Affiliates) in connection with:

- (i) terminating, liquidating, obtaining or re-establishing any hedge or related trading position, including, without limitation, breakage costs and any associated costs of funding; or
- (ii) the delivery of a Reference Obligation or the Reference Currency Market Value Amount, as applicable (including, without limitation, the costs of ensuring that delivery of a Reference Obligation is in compliance with applicable securities laws); or
- (iii) holding a Reference Obligation or any amount due to the Securityholder, as applicable, after the Redemption Date (plus the Expense Amount Fee).

**“Expense Amount Fee”** means the fee specified as such (if any) in the applicable Final Terms and expressed as a percentage of each Security.

**“Final Cut-Off Date”** means, unless specified otherwise in the applicable Final Terms, the date that is the one-year anniversary of the date scheduled to be the relevant Optional Early Redemption Date, subject to the Following Business Day Convention.

**“Final Price”** means, for any day on which a determination is required, the price (expressed as a percentage of par, and subject to a minimum value of zero) determined by the Determination Agent equal to (i) the highest firm bid price (expressed as a percentage of par and including any accrued and unpaid interest) solicited by the Determination Agent on or about the Optional Early Redemption Date

for the purchase of a Reference Obligation in a principal amount equal to the Reference Obligation Principal Amount, less (ii) an amount determined by the Determination Agent (expressed as a percentage of the Reference Obligation Principal Amount) equal to any Adjustment Amount, minus (iii) an amount determined by the Determination Agent (expressed as a percentage of the Reference Obligation Principal Amount) equal to any Expense Amount, provided that, if no such firm bids are provided, the amount constituting clause (i) shall be zero and provided that if the sum of (ii) and (iii) is greater than (i), then the Final Price shall be zero (for the avoidance of doubt, such price shall be determined net of any Applicable Taxes).

“**FX Disruption Event(s)**” means the occurrence (in the sole determination of the Determination Agent) of any of the following events:

- (i) “**Currency Replacement**”: the Reference Currency or Settlement Currency is replaced by a new currency in a Reference Obligation Jurisdiction or any other relevant jurisdiction;
- (ii) “**Dual Exchange Rate**”: a relevant exchange rate splits into dual or multiple currency exchange rates;
- (iii) “**Governmental Authority Event**”: a Governmental Authority of a Reference Obligation Jurisdiction or any other relevant jurisdiction has given public notice of its intention to impose any controls which are likely to materially affect the Issuer’s ability to hedge its obligations with respect to the Securities or to unwind any such hedge;
- (iv) “**Illiquidity**”: it is or becomes or is likely to become impossible or impracticable for the Issuer to obtain any Reference Currency or Settlement Currency or obtain or use a relevant exchange rate in an appropriate amount;
- (v) “**Inconvertibility**”: the occurrence of any event that makes it or is likely to make it impossible and/or impracticable for the Issuer to convert one Reference Currency or Settlement Currency into another through customary legal channels (including, without limitation, any event that has the direct or indirect effect of hindering, limiting or restricting convertibility by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions on repatriation of one currency into another currency);
- (vi) “**Non-Transferability**”: the occurrence of any event in or affecting any Reference Obligation Jurisdiction or any other relevant jurisdiction that makes it or is likely to make it impossible and/or impracticable for the Issuer to deliver any Reference Currency or Settlement Currency into a relevant account in the Reference Obligation Jurisdiction; and/or
- (vii) “**Price Source Disruption**”: it becomes impossible or impracticable to obtain a relevant exchange rate on or in respect of a Valuation Date.

“**FX Fixing**” means the spot currency exchange rate for the purchase of the Settlement Currency and sale of the Reference Currency, as determined by the Determination Agent on the relevant Valuation Date in its sole and absolute discretion.

“**Governmental Authority**” means any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the

central bank or treasury or ministry of finance or equivalent of the Reference Entity) of a Reference Entity or of the jurisdiction of organisation of a Reference Entity.

**“Inconvertibility Event”** means the occurrence of any action, event or circumstance whatsoever that:

- (i) has the direct or indirect effect of hindering, limiting or restricting the convertibility of the Reference Currency (including the proceeds of any Obligations) into the Settlement Currency, or the transfer of the Settlement Currency from the Reference Obligation Jurisdiction to any other country (including, without limitation, by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions on repatriation of the Reference Currency into the Settlement Currency); or
- (ii) results in the unavailability of the Settlement Currency in the interbank foreign exchange market located in the Reference Obligation Jurisdiction in accordance with normal commercial practice thereof, as determined by the Determination Agent in its sole discretion.

**“Issuer Optional Early Redemption Date”** means each date specified as such in the applicable Final Terms.

**“Issuer Optional Early Redemption Event”** means, if stated to be applicable in the applicable Final Terms, the election by the Issuer on any Issuer Optional Early Redemption Date to redeem each Security in whole but not in part.

**“Market Disruption Event”** means, on any Business Day, the Determination Agent determines in its sole discretion that it is unable to determine any amount or rate falling to be determined under the Securities due to market conditions, such market conditions including, but not limited to, (i) market volatility, (ii) factors affecting market liquidity and (iii) legal, regulatory or artificial market limitations.

**“Number of Securities Outstanding”** means, at any time, an amount equal to the Aggregate Nominal Amount as at the Issue Date divided by the Calculation Amount per Security.

**“Obligation”** means any obligation of a Reference Entity (as principal or surety or otherwise) for the payment or repayment of borrowed money that is in the form of, or represented by, a bond, note, certificated debt security or other debt security (whether such obligation is present or future, contingent or otherwise), including, without limitation, a Reference Obligation of such Reference Entity, as determined by the Determination Agent.

**“Optional Early Redemption Payment Date”** means the day which is two Business Days following the Optional Early Redemption Date.

**“Reference Currency”** means, in respect of a Reference Obligation, the currency in which such Reference Obligation is denominated as specified in the applicable Final Terms.

**“Reference Currency Market Value Amount”** means, for any day on which a relevant determination is required in respect of a Bond Linked Security, an amount in the Reference Currency determined in accordance with the following formula:

$$\text{Reference Obligation Principal Amount} * \text{Final Price}$$

**“Reference Currency Market Value Amount per Security”** means the Reference Currency Market Value Amount divided by the Number of Securities Outstanding.

“**Reference Entity**” means each Reference Entity specified in the applicable Final Terms and any Successor thereto.

“**Reference Obligation**” means each Reference Obligation described in the applicable Final Terms.

“**Reference Obligation Jurisdiction**” means, in respect of each Reference Entity, the jurisdiction specified as such in the applicable Final Terms or, if none is specified, the jurisdiction of each Reference Entity or, where a Reference Entity is a corporate, the jurisdiction of incorporation of such Reference Entity.

“**Reference Obligation Principal Amount**” means the amount specified as such in the applicable Final Terms; provided that, in the case of an early redemption of the Securities in part, the Reference Obligation Principal Amount shall be the pro rata portion of the Reference Obligation Principal Amount specified in the Final Terms corresponding to the portion of each Security that is being redeemed early.

“**Residual Risk Event**” means any event, action or circumstance whatsoever which:

- (i) results in (or is likely to result in) a holder of the Reference Obligation receiving less than the full value of any principal, interest or other amounts due under such Reference Obligation on the dates that they are due; or
- (ii) affects in any way (or is likely to affect in any way) the cost to the Issuer (or its agent or Affiliates) of acquiring, holding or redeeming a Reference Obligation or converting any amount of the Reference Currency into the Settlement Currency (or any other freely convertible and transferable currency) or *vice versa*.

“**Settlement Currency**” means the currency other than the Reference Currency in which, subject to Bond Linked Condition 6, payments in respect of the Securities will be made, as specified in the applicable Final Terms.

“**Settlement Currency Market Value Amount**” means, for any day on which a determination is required hereunder, an amount in the Settlement Currency equal to the Reference Currency Market Value Amount converted into the Settlement Currency by the Issuer using the FX Fixing as determined by the Determination Agent on or around the Valuation Date which is the Optional Early Redemption Event.

“**Settlement Currency Market Value Amount per Security**” means the Settlement Currency Market Value Amount divided by the Number of Securities Outstanding.

“**Settlement Disruption Event**” means an event, determined by the Determination Agent, as a result of which it is, or is likely to become, impossible, unlawful or otherwise impracticable for the Issuer (or its agents or Affiliates) to make delivery of any Reference Currency amount or any Reference Obligation in accordance with the relevant terms herein. (A Settlement Disruption Event may, but need not, occur as a result of a Securityholder Failure to Act.)

“**Substitute Reference Obligations**” means, in respect of a Reference Obligation, any Obligation denominated in the Reference Currency that ranks at least *pari passu* with such Reference Obligations, as determined by the Determination Agent.

“**Successor**” means, in respect of a Reference Entity, any direct or indirect successor to the Reference Entity irrespective of whether such successor assumes any of the obligations of the Reference Entity, as determined by the Determination Agent.

“**Tax Adjustment Event**” means any of the following:

- (i) the enactment, promulgation, execution, ratification or adoption of, or any change in or amendment to, any applicable law, rule, regulation, or statute or the applicability or interpretation of the same by any Reference Entity or any Governmental Authority; or
- (ii) the issuance of any order or decree by any Reference Entity or any Governmental Authority; or
- (iii) any action being taken by a taxing authority of any Reference Entity or in any Reference Obligation Jurisdiction; or
- (iv) the occurrence of any other act or event at any time relating to withholding or deduction for or on account of tax in relation to any Reference Obligation or any Obligations,

which in any case will (or there is a substantial likelihood that it will), in the reasonable opinion of the Determination Agent, adversely affect the economic value of a Reference Obligation to a holder thereof (having taken into consideration any direct or indirect hedging of the Issuer or any of its agents or Affiliates’ obligation hereunder); or

- (a) the imposition of any taxes on the transfer of the Settlement Currency from any Reference Obligation Jurisdiction; or
- (b) the imposition of any taxes on the conversion of a Reference Currency into the Settlement Currency; or
- (c) the imposition of any additional taxes on any Reference Obligation or any other Obligations issued in a Reference Obligation Jurisdiction and/or by any Reference Entity.

“**Unscheduled Holiday**” means, in respect of a Reference Entity, a day that is not a Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in the city of the such Reference Entity specified in the applicable Final Terms, (or, if none is specified, the principal financial centre in the relevant Reference Obligation Jurisdiction) two Business Days prior to the relevant Scheduled Valuation Date.

“**Valuation Date**” means, in respect of a Reference Obligation, unless otherwise specified in the Final Terms, in respect of any Interest Payment Date and/or the Redemption Date, one Business Day after the date on which payment is actually made by way of interest and/or principal in respect of such Reference Obligation, as applicable, provided that if such day, but for the occurrence on that day of an Unscheduled Holiday would have been a Valuation Date (a “**Scheduled Valuation Date**”), is as a result of such occurrence not a Business Day, the Valuation Date in question shall be the next following Business Day on which an Unscheduled Holiday does not occur, provided that if the Valuation Date has not occurred on or before the 14th consecutive day after the relevant Scheduled Valuation Date, then such 14th day, if a Business Day but for the Unscheduled Holiday, or the next day that would have been a Business Day but for the Unscheduled Holiday, shall be deemed to be the relevant Valuation Date.

## COMMODITY LINKED ANNEX

### Table of Contents

#### **PART A – DESCRIPTION AND RISK FACTORS**

- 1 Brief Description of Commodity Linked Securities
- 2 Risk Factors Relating to Commodity Linked Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY LINKED SECURITIES**

- 1 Determination of Relevant Commodity Price for Commodity Linked Securities
- 2 Commodity Market Disruption Events and Disruption Fallback
- 3 Common Pricing
- 4 Correction to Published Prices
- 5 Adjustments to Commodity Index
- 6 Adjustments to Payment Dates, Exercise Dates and Settlement Dates
- 7 Commodity Business Day Convention
- 8 Physical Settlement

#### **PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO COMMODITY LINKED SECURITIES**

- 1 Certain general definitions relating to Commodity Linked Securities
- 2 Terms relating to Commodity Market Disruption Events and Disruption Fallback
- 3 Commodity Reference Prices

**PART A**  
**DESCRIPTION AND RISK FACTORS**

**1 Brief Description of Commodity Linked Securities**

Commodity Linked Securities are Securities where (i) in relation to Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option; (ii) in relation to Exercisable Certificates and Warrants, the exercise of the such Securities or the amount payable or deliverable on exercise; or (iii) any additional amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance, level, price, or other factor relating to a specified commodity, commodity index, basket of commodities and/or commodity indices over a period of time or on certain dates.

Commodities and commodity indices are generally divided into four main classes: (i) energy, which includes crude oil, gasoline, heating oil and natural gas, (ii) agriculture, which includes corn, soybeans, wheat, sugar, cocoa, cotton and coffee, (iii) livestock, which includes cattle and hogs, and (iv) metals, which can be subdivided into base metals such as aluminium, copper, nickel, lead and zinc, and precious metals such as gold and silver.

A commodity index comprises a weighted basket of commodities that satisfy specified criteria and is designed to be a liquid and diversified benchmark for commodities. Each commodity index has its own composition and calculation methodology and is usually expressed in terms of a change from a base value.

**2 Risk Factors Relating to Commodity Linked Securities**

Commodity Linked Securities have a different risk profile to ordinary unsecured debt securities. The return on a Commodity Linked Security is linked to the performance of a Relevant Commodity or Commodity Index. Investing in a Commodity Linked Security is not equivalent to investing directly in the Relevant Commodity or Commodity Index or the underlying Commodity Index components.

This section describes additional factors to which prospective investors should have regard when considering an investment in Commodity Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

**2.1 Risks Associated with all Commodity Linked Securities**

2.1.1 The market value of Commodity Linked Securities may be influenced by many unpredictable factors.

The market value of Commodity Linked Securities may be influenced by many unpredictable factors and may fluctuate between the date of purchase and the applicable pricing date(s). Investors may also sustain a significant loss if they sell Commodity Linked Securities in the secondary market. Several factors, many of which are beyond the control of the Issuer and/or the Guarantor (if applicable), will influence the market value of Commodity Linked Securities. It is expected that generally the value of the Relevant Commodity or the value of the Commodity Index components and of the Commodity

Index underlying the Commodity Linked Securities will affect the market value of those Commodity Linked Securities more than any other factor. Other factors that may influence the market value of Commodity Linked Securities include:

- prevailing spot prices for the Relevant Commodity or commodities underlying the Commodity Index;
- the time remaining to the redemption, exercise or expiration, as applicable, of the Commodity Linked Securities;
- supply and demand for the Commodity Linked Securities;
- economic, financial, political, regulatory, geographical, biological, or judicial events that affect the market price of the underlying Relevant Commodity or the level of the Commodity Index or the market price of the components included in the Commodity Index;
- the general interest rate environment; and
- the creditworthiness of the Issuer and/or Guarantor.

These factors interrelate in complex ways, and the effect of one factor on the market value of the Commodity Linked Securities may offset or enhance the effect of another factor.

- 2.1.2 Commodity prices may change unpredictably, affecting the value of Relevant Commodities or Commodity Indices and the value of Commodity Linked Securities in unforeseeable ways.

For example, trading in futures contracts on physical commodities, including trading in the components of a Commodity Index, is speculative and can be extremely volatile. Market prices may fluctuate rapidly based on numerous factors, including: changes in supply and demand relationships (whether actual, perceived, anticipated, unanticipated or unrealised); weather; agriculture; trade; fiscal, monetary and exchange control programmes; domestic and foreign political and economic events and policies; disease; pestilence; technological developments; changes in interest rates, whether through governmental action or market movements; and monetary and other governmental policies, action and inaction. The current or “spot” prices of physical commodities may also affect, in a volatile and inconsistent manner, the prices of futures contracts in respect of a commodity. These factors may affect the value of the Relevant Commodity or Commodity Index underlying Commodity Linked Securities and therefore the value of Commodity Linked Securities in varying ways, and different factors may cause the prices of Relevant Commodities or Commodity Index components, and the volatilities of their prices, to move in inconsistent directions at inconsistent rates.

- 2.1.3 Supply of and demand for physical commodities tends to be particularly concentrated, so prices are likely to be volatile.

The prices of physical commodities, including the commodities underlying a Commodity Index, can fluctuate widely due to supply and demand disruptions in major producing or consuming regions or industries.

Certain commodities are used primarily in one industry, and fluctuations in levels of activity in (or the availability of alternative resources to) one industry may have a disproportionate effect on global demand for a particular commodity. Moreover, recent growth in industrial production and gross domestic product has made China and other developing nations oversized users of commodities and has increased the extent to which certain commodities rely on the those markets. Political, economic and other developments that affect those countries may affect the value of a Relevant Commodity or the commodities included in a Commodity Index and, thus, the value of Commodity Linked Securities linked to that Relevant Commodity or Commodity Index.

In addition, because certain Relevant Commodities and certain of the commodities underlying a Commodity Index may be produced in a limited number of countries and may be controlled by a small number of producers, political, economic and supply-related events in such countries or with such producers could have a disproportionate impact on the prices of such commodities and therefore the value of Commodity Linked Securities.

- 2.1.4 Suspension or disruptions of market trading in commodities and related futures contracts may adversely affect the value of Commodity Linked Securities.

Commodity markets are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets, the participation of speculators and government regulation and intervention. In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in some futures contract prices that may occur during a single business day. These limits are generally referred to as “daily price fluctuation limits” and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a “limit price”. Once the limit price has been reached in a particular contract, no trades may be made at a price beyond the limit, or trading may be limited for a set period of time. Limit prices have the effect of precluding trading in a particular contract or forcing the liquidation of contracts at potentially disadvantageous times or prices. These circumstances could adversely affect the value of any Relevant Commodity or Commodity Index underlying Commodity Linked Securities and, therefore, the value of those Commodity Linked Securities.

- 2.1.5 Concentration risks associated with a Relevant Commodity or Commodity Index may adversely affect the value of Commodity Linked Securities.

Because Commodity Linked Securities are linked to one or more Relevant Commodities or Commodity Indices comprising of one or more contracts on physical commodities, it will be less diversified than other funds, investment portfolios or indices investing in or tracking a broader range of products and, therefore, could experience greater volatility. Investors should be aware, in particular, that some Commodity Indices are more diversified than others in terms of both the number of and variety of futures contracts (especially in the case of the Commodity Linked Securities linked to a sub-index of a Commodity Index). An investment in Commodity Linked Securities may carry risks similar to a concentrated securities investment in a limited number of industries or sectors, in one industry or sector or in one issuer.

- 2.1.6 Future prices of commodities within a Commodity Index that are different relative to their current prices may result in a reduced amount payable or deliverable upon redemption or exercise.

Unlike equities, which typically entitle the holder to a continuing stake in a corporation, commodity futures contracts normally specify a certain date for delivery of the underlying physical commodity. As the exchange-traded futures contracts that comprise a Commodity Index approach expiration, they are replaced by similar contracts that have a later expiration. Thus, for example, a futures contract purchased and held in August may specify an October expiration. As time passes, the contract expiring in October may be replaced by a contract for delivery in November. This process is referred to as “rolling”. If the market for these contracts is (putting aside other considerations) in “backwardation”, which means that the prices are lower in the distant delivery months than in the nearer delivery months, the sale of the October contract would take place at a price that is higher than the price of the November contract, thereby creating a “roll yield”. The actual realisation of a potential roll yield will be dependent upon the level of the related spot price relative to the unwind price of the commodity futures contract at the time of sale of the contract. While many of the contracts included in Commodity Indices have historically exhibited consistent periods of backwardation, backwardation will most likely not exist at all times. Moreover, certain of the commodities reflected in Commodity Indices have historically traded in “contango” markets. Contango markets are those in which the prices of contracts are higher in the distant delivery months than in the nearer delivery months. The absence of backwardation in the commodity markets could result in negative “roll yields”, which could adversely affect the value of a Commodity Index underlying Commodity Linked Securities and, accordingly, decrease the amount received by Securityholders upon redemption or exercise.

- 2.1.7 Commodity Indices may include contracts that are not traded on regulated futures exchanges.

Commodity Indices are typically based solely on futures contracts traded on regulated futures exchanges. However, a Commodity Index may include over-the-counter contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. As a result, trading in such contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the provisions of, and the protections afforded by, for example, the U.S. Commodity Exchange Act of 1936, or other applicable statutes and related regulations, that govern trading on regulated U.S. futures exchanges, or similar statutes and regulations that govern trading on regulated UK futures exchanges. In addition, many electronic trading facilities have only recently initiated trading and do not have significant trading histories. As a result, the trading of contracts on such facilities, and the inclusion of such contracts in a Commodity Index, may be subject to certain risks not presented by, for example, U.S. or UK exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts.

- 2.1.8 Historical values of Relevant Commodities, Commodity Indices and the components in a Commodity Index should not be taken as an indication of future performance.

The actual performance of a Relevant Commodity, Commodity Index or the components included in a Commodity Index underlying Commodity Linked Securities, as well as the amount payable or deliverable upon redemption or exercise, may bear little relation to the historical values of that Relevant Commodity, Commodity Index or the components included in that Commodity Index, which in most cases have been highly volatile.

- 2.1.9 Changes in the Treasury Bill rate of interest may affect the value of a Commodity Index underlying Commodity Linked Securities.

If the value of a Commodity Index is linked, in part, to the Treasury Bill rate of interest that could be earned on cash collateral invested in specified Treasury Bills, changes in the Treasury Bill rate of interest may affect the amount payable or deliverable on any Commodity Linked Securities linked to that Commodity Index upon redemption or exercise and, therefore, the market value of such Commodity Linked Securities. Assuming the trading prices of the commodity components included in the Commodity Index remain constant, an increase in the Treasury Bill rate of interest will increase the value of the Commodity Index and, therefore, the value of the Commodity Linked Securities. A decrease in the Treasury Bill rate of interest will adversely impact the value of the Commodity Index and, therefore, the value of the Commodity Linked Securities.

- 2.1.10 Securityholders will not have rights in any Relevant Commodity (unless expressly provided for in the Final Terms) or components of any Commodity Index.

A Securityholder will not have rights that investors in a Relevant Commodity or in the components included in a Commodity Index underlying Commodity Linked Securities may have. The Securities will be paid in cash, and you will have no right to receive delivery of any Relevant Commodity unless expressly provided for in the applicable Final Terms.

- 2.1.11 The Issuer is not responsible for the public disclosure of information relating to a Commodity Index, which may change over time.

This Issuer has no ability to control or predict the actions of the sponsor of a Commodity Index, including any errors in, or discontinuation of disclosure regarding the methods or policies relating to the calculation of, a Commodity Index. The sponsor of a Commodity Index is typically not under any obligation to continue to calculate the Commodity Index or required to calculate any successor indices. If the sponsor discontinues or suspends the calculation of a Commodity Index, it may become difficult to determine the market value of the Commodity Linked Securities linked to that Commodity Index or the amount payable or deliverable upon redemption or exercise. The Determination Agent may designate a successor index selected in its sole discretion. If the Determination Agent determines in its sole discretion that no successor index comparable to the discontinued or suspended Commodity Index exists, the amount received by Securityholders upon redemption or exercise of the Commodity Linked Securities linked to that Commodity Index will be determined by the Determination Agent in its sole discretion. See “Adjustments to Commodity Index” in this Product Annex.

- 2.1.12 The policies of the sponsor of a Commodity Index and changes that affect the composition and valuation of a Commodity Index or the components included in a Commodity Index could affect the amount payable or deliverable on the Commodity Linked Securities and their market value.

The policies of the sponsor of a Commodity Index concerning the calculation of the level of a Commodity Index, additions, deletions or substitutions of index components and the manner in which changes affecting the index components are reflected in a Commodity Index could affect the value of the Commodity Index and, therefore, the amount payable or deliverable on the Commodity Linked Securities upon redemption or exercise and the market value of the Commodity Linked Securities prior to redemption or expiration.

Additional commodity futures contracts may satisfy the eligibility criteria for inclusion in a Commodity Index, and the commodity futures contracts currently included in a Commodity Index may fail to satisfy such criteria. The weighting factors applied to each futures contract included in a Commodity Index may change, based on changes in commodity production and volume statistics. In addition, the sponsor of a Commodity Index may modify the methodology for determining the composition and weighting of a Commodity Index, for calculating its value in order to assure that the relevant Commodity Index represents an adequate measure of market performance or for other reasons, or for calculating the value of the relevant Commodity Index. The sponsor of a Commodity Index may also discontinue or suspend calculation or publication of a Commodity Index, in which case it may become difficult to determine the market value of that Commodity Index. Any such changes could adversely affect the value of the Commodity Linked Securities.

If events such as these occur, or if the value of a Relevant Commodity or a Commodity Index is not available or cannot be calculated because of a market disruption event, the Determination Agent may be required to estimate, in a commercially reasonable manner determined in its sole discretion, the value of such Relevant Commodity or Commodity Index. See “Commodity Market Disruption Event and Disruption Fallback” and “Adjustments to Commodity Index” in this Product Annex.

- 2.1.13 If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities.

The determination of the value of a Relevant Commodity or Commodity Index on a pricing date may be delayed or postponed if the Determination Agent determines that a Commodity Market Disruption Event with respect to that Relevant Commodity or Commodity Index has occurred or is continuing on such valuation date. As a result, the relevant settlement date, exercise date(s) or expiration date, as the case may be, of the Commodity Linked Securities could also be delayed or postponed. Where a Commodity Market Disruption Event occurs on a pricing date and continues for longer than a set period of consecutive days, the Determination Agent will estimate, in a commercially reasonable manner determined in its sole discretion, the value of the Relevant

Commodity or Commodity Index for such valuation date. See “Commodity Market Disruption Event and Disruption Fallback” in this Product Annex.

- 2.1.14 Data sourcing and calculation associated with Commodity Indices may adversely affect the market price of Commodity Linked Securities.

The annual composition of Commodity Indices are typically recalculated in reliance upon historic price, liquidity and production data that are subject to potential errors in data sources or other errors that may affect the weighting of the index components. Any discrepancies that require revision are not applied retroactively but will be reflected in the weighting calculations of the Commodity Index for the following year. Additionally, sponsors of a Commodity Index may not discover every discrepancy. Furthermore, the annual weightings for a Commodity Index are typically determined by the sponsor of the Commodity Index under the supervision of the supervisory committee, which has a significant degree of discretion in exercising its supervisory duties with respect to the Commodity Index and has no obligation to take the needs of any parties to transactions involving the Commodity Indices (including Securityholders) into consideration when reweighting or making any other changes to the Commodity Index.

- 2.1.15 The sponsor of a Commodity Index may be required to replace a futures contract or other component in a Commodity Index if the existing futures contract or other component is terminated or replaced.

The sponsor of a Commodity Index will typically select futures contracts and other price sources as the reference contracts for the physical commodities in the Commodity Index. Data concerning these underlying components will be used to calculate the level of the Commodity Index. If a component were to be terminated or replaced in accordance with the methodology of the Commodity Index, a comparable futures contract or other price source would be selected by the index sponsor or supervisory committee, if available, to replace that component. The termination or replacement of any component may have an adverse impact on the value of any Commodity Index in which the relevant component is included.

## **2.2 Additional Risks Associated with Commodity Linked Securities linked to Aluminium, Copper, Lead, Nickel, Tin or Zinc**

- 2.2.1 Commodity Linked Securities may be subject to certain risks specific to aluminium, copper, lead, nickel, tin or zinc as a commodity.

Aluminium, copper, lead, nickel, tin and zinc are industrial metals. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities that are linked to the price of aluminium, copper, lead, nickel, tin or zinc may be subject to a number of additional factors specific to industrial metals, and in particular aluminium, copper, lead, nickel, tin or zinc, that might cause price volatility. These may include, among others:

- changes in the level of industrial activity using industrial metals, and, in particular, aluminium, copper, lead, nickel, tin or zinc, including the availability of substitutes such as man-made or synthetic substitutes;

- disruptions in the supply chain, from mining to storage to smelting or refining;
- adjustments to inventory;
- variations in production costs, including storage, labour and energy costs;
- costs associated with regulatory compliance, including environmental regulations; and
- changes in industrial, government and consumer demand, both in individual consuming nations and internationally.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of aluminium, copper, lead, nickel, tin or zinc, may offset or enhance the effect of another factor.

**2.3 The London Metal Exchange’s use of or omission to use price controls may result in limited appreciation but unlimited depreciation in the price of aluminium, copper, lead or nickel futures contracts traded on the London Metal Exchange (the “LME”) and, therefore, the value of Commodity Linked Securities linked to the price of such aluminium, copper, lead or nickel futures contracts.**

U.S. exchanges have regulations that limit the amount of fluctuation in some futures contract prices that may occur during a single business day. These limits are generally referred to as “daily price fluctuation limits”. In contrast, futures contracts on aluminium, copper, lead, nickel that are traded on the LME are not subject to daily price fluctuation limits to restrict the extent of daily fluctuations in the prices of such contracts. In a declining market, therefore, it is possible that prices for one or more contracts traded on the LME would continue to decline without limitation within a trading day or over a period of trading days. A steep decline in the price of the futures contract could have a significant adverse impact on the value of any Commodity Linked Securities linked to such aluminium, copper, lead, nickel futures contracts.

Moreover, the LME has discretion to impose “backwardation limits” by permitting short sellers who are unable to effect delivery of an underlying commodity and/or borrow such commodity at a price per day that is no greater than the backwardation limit to defer their delivery obligations by paying a penalty in the amount of the backwardation limit to buyers for whom delivery was deferred. Backwardation limits tend to either constrain appreciation or cause depreciation of the prices of futures contracts expiring in near delivery months. Impositions of such backwardation limits could adversely affect the value of any Commodity Linked Securities linked to such aluminium, copper, lead, nickel futures contracts.

**2.3.1 Contracts traded on the LME are exposed to concentration risks beyond those characteristic of futures contracts on U.S. futures exchanges.**

Futures contracts traded on U.S. futures exchanges generally call for delivery of the physical commodities to which such contracts relate in stated delivery months. In contrast, contracts traded on the LME may call for delivery on a daily, weekly or monthly basis. As a result, there may be a greater risk of a concentration of positions in contracts trading on the LME on particular delivery dates than for futures contracts traded on U.S. futures exchanges, since, for example, contracts calling for delivery on a daily, weekly or

monthly basis could call for delivery on the same or approximately the same date. Such a concentration of positions, in turn, could cause temporary aberrations in the prices of contracts traded on the LME for delivery dates to which such positions relate. To the extent such aberrations are in evidence on a given pricing date with respect to the price of any such futures contract, they could adversely affect the value of any Commodity Linked Securities linked to such futures contracts.

## **2.4 Additional Risks Associated with Commodity Linked Securities linked to Cocoa, Coffee, Corn, Cotton, Soybeans, Soybean Oil, Sugar or Wheat**

2.4.1 Commodity Linked Securities may be subject to certain risks specific to cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat as a commodity.

Cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar and wheat are agricultural commodities. Cocoa, coffee, cotton and sugar are soft commodities; corn, soybeans and wheat are grains. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities that are linked to the price of cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat may be subject to a number of additional factors specific to agricultural commodities and softs or grains, and in particular cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat, that might cause price volatility. These may include, among others:

- weather conditions, including floods, drought and freezing conditions;
- changes in government policies;
- changes in global demand for food or clothing;
- planting decisions;
- changes in bio-diesel or ethanol demand; and
- changes in demand for agricultural products, softs or grains, and in particular cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat, both with end users and as inputs into various industries.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of cocoa, coffee, corn, cotton, soybeans, soybean oil, sugar or wheat may offset or enhance the effect of another factor.

## **2.5 Additional Risks Associated with Commodity Linked Securities Linked to Crude Oil, Heating Oil, Natural Gas or Unleaded Gasoline**

2.5.1 Commodity Linked Securities may be subject to certain risks specific to crude oil, heating oil, natural gas or unleaded gasoline as a commodity.

Crude oil, heating oil, natural gas and unleaded gasoline are energy-related commodities. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities linked to the price of crude oil, heating oil, natural gas or unleaded gasoline may be subject to a number of additional factors specific to energy-related commodities, and in particular crude oil, heating oil, natural gas or unleaded gasoline, that might cause price volatility. These may include, among others:

- changes in the level of industrial and commercial activity with high levels of energy demand;
- disruptions in the supply chain or in the production or supply of other energy sources;
- price changes in alternative sources of energy;
- adjustments to inventory;
- variations in production and shipping costs;
- costs associated with regulatory compliance, including environmental regulations; and
- changes in industrial, government and consumer demand, both in individual consuming nations and internationally.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of crude oil, heating oil, natural gas or unleaded gasoline may offset or enhance the effect of another factor.

## **2.6 Additional Risks Associated with Commodity Linked Securities Linked to Gold, Silver, Platinum or Palladium**

2.6.1 Commodity Linked Securities may be subject to certain risks specific to gold, silver, platinum or palladium as a commodity.

Gold, silver, platinum and palladium are precious metals. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities linked to the price of gold, silver, platinum or palladium may be subject to a number of additional factors specific to precious metals, and in particular gold, silver, platinum or palladium, that might cause price volatility. These may include, among others:

- disruptions in the supply chain, from mining to storage to smelting or refining;
- adjustments to inventory;
- variations in production costs, including storage, labour and energy costs;
- costs associated with regulatory compliance, including environmental regulations;
- changes in industrial, government and consumer demand, both in individual consuming nations and internationally;
- precious metal leasing rates;
- currency exchange rates;
- level of economic growth and inflation; and
- degree to which consumers, governments, corporate and financial institutions hold physical gold as a safe haven asset (hoarding) which may be caused by a

banking crisis/recovery, a rapid change in the value of other assets (both financial and physical) or changes in the level of geopolitical tension.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of gold, silver, platinum or palladium may offset or enhance the effect of another factor.

## **2.7 Additional Risks Associated with Securities Linked to an Index that Includes Lean Hogs or Live Cattle**

2.7.1 Commodity Linked Securities may be subject to certain risks specific to lean hogs or live cattle as a commodity.

Lean hogs and live cattle are a type of livestock. Consequently, in addition to factors affecting commodities generally that are described above, Commodity Linked Securities linked to the price of lean hogs or live cattle may be subject to a number of additional factors specific to livestock, and in particular lean hogs or live cattle, that might cause price volatility. These may include, among others:

- weather conditions, including floods, drought and freezing conditions;
- disease and famine;
- changes in government policies; and
- changes in end-user demand for livestock.

These factors interrelate in complex ways, and the effect of one factor on the market value of Commodity Linked Securities linked to the price of lean hogs or live cattle may offset or enhance the effect of another factor.

## **2.8 Commodity Indices – General Information**

All information contained in this Product Annex and the applicable Final Terms regarding any Commodity Index, including, without limitation, its make up, its method of calculation and changes in its components, is derived from publicly available information. Such information reflects the policies of, and is subject to change by, the index sponsors.

Commodity Indices are sponsored, calculated and published by index sponsors. In connection with any offering of Securities, neither the Issuer nor the Guarantor have participated in the preparation of any information relating to any Commodity Index or made any due diligence inquiry with respect to the index sponsors. Neither the Issuer nor the Guarantor makes any representation or warranty as to the accuracy or completeness of such information or any other publicly available information regarding any Commodity Index or the index sponsors.

Securityholders should make their own investigation into any Commodity Index and the index sponsors. The index sponsors are not involved in any offer of Securities in any way and have no obligation to consider the interests of any Securityholder. The index sponsors have no obligation to continue to publish any Commodity Index and may discontinue or suspend publication of a Commodity Index at any time in their sole discretion.

Some index sponsors and their affiliates actively trade futures contracts and options on futures contracts on the commodities that underlie Commodity Indices, as well as commodities, including commodities included in Commodity Indices. Some index sponsors and their affiliates also actively enter into or trade and market securities, swaps, options, derivatives, and related instruments which are linked to the performance of commodities or are linked to the performance of Commodity Indices. Some index sponsors and their affiliates may underwrite or issue other securities or financial instruments linked to one or more Commodity Indices, and may license the Commodity Indices for publication or for use by unaffiliated third parties. These activities could present conflicts of interest and could affect the value of the Commodity Indices. For instance, a market maker in a financial instrument linked to the performance of a Commodity Index may expect to hedge some or all of its position in that financial instrument. Purchase (or selling) activity in the underlying index components in order to hedge the market maker's position in the financial instrument may affect the market price of the futures contracts or other components included in the Commodity Index, which in turn may affect the value of the Commodity Index. With respect to any of the activities described above, the index sponsors and their affiliates have no obligation to take the needs of any buyers, sellers or holders of the Securities into consideration at any time.

Historical performance of a Commodity Index is not an indication of future performance. Future performance of a Commodity may differ significantly from historical performance, either positively or negatively.

A Commodity Index is composed of one or more futures contracts on physical commodities. Futures contracts on physical commodities and commodity indices are traded on regulated futures exchanges, and physical commodities and other derivatives on physical commodities and commodity indices are traded in the over-the-counter market and on various types of physical and electronic trading facilities and markets. An exchange-traded futures contract provides for the purchase and sale of a specified type and quantity of a commodity or financial instrument during a stated delivery month for a fixed price. A futures contract on an index of commodities provides for the payment and receipt of cash based on the level of the index at settlement or liquidation of the contract. A futures contract provides for a specified settlement month in which the cash settlement is made or in which the commodity or financial instrument is to be delivered by the seller (whose position is therefore described as "short") and acquired by the purchaser (whose position is therefore described as "long").

There is no purchase price paid or received on the purchase or sale of a futures contract. Instead, an amount of cash or cash equivalents must be deposited with the broker as "initial margin". This amount varies based on the requirements imposed by the exchange clearing houses, but may be lower than 5 per cent. of the notional value of the contract. This margin deposit provides collateral for the obligations of the parties to the futures contract.

By depositing margin, which may vary in form depending on the exchange, with the clearing house or broker involved, a market participant may be able to earn interest on its margin funds, thereby increasing the total return that it may realise from an investment in futures contracts. The market participant normally makes to, and receives from, the broker subsequent daily payments as the price of the futures contract fluctuates. These payments are called "variation

margin” and are made as the existing positions in the futures contract become more or less valuable, a process known as “marking to the market”.

Futures contracts are traded on organised exchanges, known as “designated contract markets” in the United States. At any time prior to the expiration of a futures contract, subject to the availability of a liquid secondary market, a trader may elect to close out its position by taking an opposite position on the exchange on which the trader obtained the position. This operates to terminate the position and fix the trader’s profit or loss. Futures contracts are cleared through the facilities of a centralised clearing house and a brokerage firm, referred to as a “futures commission merchant”, which is a member of the clearing house. The clearing house guarantees the performance of each clearing member that is a party to a futures contract by, in effect, taking the opposite side of the transaction. Clearing houses do not guarantee the performance by clearing members of their obligations to their customers.

Unlike equity securities, futures contracts, by their terms, have stated expirations and, at a specified point in time prior to expiration, trading in a futures contract for the current delivery month will cease. As a result, a market participant wishing to maintain its exposure to a futures contract on a particular commodity with the nearest expiration must close out its position in the expiring contract and establish a new position in the contract for the next delivery month, a process referred to as “rolling”. For example, a market participant with a long position in November crude oil futures that wishes to maintain a position in the nearest delivery month will, as the November contract nears expiration, sell November futures, which serves to close out the existing long position, and buy December futures. This will “roll” the November position into a December position, and, when the November contract expires, the market participant will still have a long position in the nearest delivery month.

Futures exchanges and clearing houses in the United States are subject to regulation by the Commodities Futures Trading Commission. Exchanges may adopt rules and take other actions that affect trading, including imposing speculative position limits, maximum price fluctuations and trading halts and suspensions and requiring liquidation of contracts in certain circumstances. Futures markets outside the United States are generally subject to regulation by comparable regulatory authorities. The structure and nature of trading on non-U.S. exchanges, however, may differ from this description.

**PART B**  
**ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY LINKED SECURITIES**

*The terms and conditions applicable to Commodity Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Commodity Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Commodity Linked Conditions set out below, the Commodity Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Commodity Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Commodity Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Commodity Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

These Commodity Linked Conditions apply to Commodity Linked Securities linked to (i) a single Relevant Commodity, (ii) a Commodity Index, (iii) a Basket of Commodities or (iv) a basket of various products which includes a Relevant Commodity or Commodity Index.

**1 Determination of Relevant Commodity Price for Commodity Linked Securities**

The Relevant Commodity Price for a Relevant Commodity or a Commodity Index for any Pricing Date shall be the price, expressed as a price per unit of the Relevant Commodity or the price of the Commodity Index, determined by the Determination Agent with respect to that Pricing Date in respect of which:

- (i) the Commodity Reference Price is as specified in the applicable Final Terms;
- (ii) the Specified Price is as specified in the applicable Final Terms;
- (iii) the Delivery Date (if any) is as specified in the applicable Final Terms; and
- (iv) the Pricing Date(s) is/are date(s) as specified in the applicable Final Terms.

**2 Commodity Market Disruption Event and Disruption Fallback**

If, in the opinion of the Determination Agent, a Commodity Market Disruption Event has occurred and is continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Relevant Commodity Price for that Pricing Date will be determined by the Determination Agent in accordance with the first applicable Disruption Fallback that provides a Relevant Commodity Price.

**3 Common Pricing**

With respect to Securities relating to a Basket of Commodities, if “Common Pricing” has been selected in the applicable Final Terms as:

- (i) “applicable”, then no date will be a Pricing Date unless such date is a day on which all referenced Commodity Reference Prices (for which such date would otherwise be a Pricing Date) are scheduled to be published or announced; and

- (ii) “inapplicable”, then if the Determination Agent determines that a Commodity Market Disruption Event has occurred or exists on the Pricing Date in respect of any Relevant Commodity and/or Commodity Index in the basket (the “**Affected Commodity**”), the Relevant Commodity Price of each Relevant Commodity and/or Commodity Index within the basket which is not affected by the occurrence of a Commodity Market Disruption Event shall be determined on its scheduled Pricing Date and the Relevant Commodity Price for the Affected Commodity shall be determined in accordance with the first applicable Disruption Fallback that provides a Relevant Commodity Price.

#### 4 Correction to Published Prices

For purposes of determining or calculating the Relevant Commodity Price, if the price published or announced on a given day and used or to be used by the Determination Agent to determine the Relevant Commodity Price in respect of that day is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within 30 calendar days of the original publication or announcement, the Determination Agent may, in its sole discretion, recalculate the Relevant Commodity Price for that day, using such corrected price. The Determination Agent shall notify the Issuer of any such correction, the revised Relevant Commodity Price and, if any amount (the “**Actual Amount**”) has been paid or delivered to Securityholders on the basis of the original Relevant Commodity Price, the amount that should have been paid or delivered to the Securityholders on the basis of the corrected Relevant Commodity Price (the “**Adjusted Amount**”). Upon being notified of the Adjusted Amount, the Issuer may (but shall not be obliged to) take such action as it considers necessary or appropriate to either pay or deliver additional amounts (if the Adjusted Amount is greater than the Actual Amount) or recover amounts (if the Adjusted Amount is less than the Actual Amount), from the person to whom the Actual Amounts were paid or delivered. Notwithstanding the foregoing, under no circumstances shall the Issuer be obliged to recover any monies from any Relevant Clearing System. The Determination Agent shall not be obliged to make any determination under this Commodity Linked Condition and shall have no liability to any person for any determination made or not made under this Commodity Linked Condition.

Notwithstanding the foregoing, where the Determination Agent, in its sole discretion, determines that the price published or announced on a given day and used or to be used by it to determine the Relevant Commodity Price in respect of that day is expected to be subsequently corrected, then the Determination Agent may, in its sole discretion, delay the determination or calculation of the Relevant Commodity Price in respect of such day and instead notify the Issuer of the expected correction. If the Determination Agent notifies the Issuer of an expected correction to a Relevant Commodity Price, the Issuer shall not make any payments or deliveries until the Determination Agent determines or calculates the correct Relevant Commodity Price, and the day on which such payments or deliveries are due shall be delayed to the same extent as was the determination or calculation of the correct Relevant Commodity Price. No additional amounts shall be payable or deliverable as a result of any such delay.

#### 5 Adjustments to Commodity Index

With respect to a Commodity Index:

- (i) If the Determination Agent determines that:

- (a) the Commodity Index is permanently cancelled or the Commodity Reference Price is not calculated and announced by the sponsor of such Commodity Index or any of its affiliates (together the “**Sponsor**”) but (I) is calculated and announced by a successor sponsor (the “**Successor Sponsor**”) acceptable to the Determination Agent, or (II) replaced by a successor index (the “**Successor Index**”) using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Relevant Commodity Price, then the Relevant Commodity Price will be deemed to be the price so calculated and announced by that Successor Sponsor or that Successor Index, as the case may be; and
  - (b) the official closing price of any index, calculated and announced by the Sponsor, and which is included as a component of the Commodity Index (each an “**Individual Commodity Index**”), is not calculated and announced by the Sponsor but (I) is calculated and announced by a successor sponsor (the “**Successor Individual Commodity Sponsor**”) acceptable to the Determination Agent, or (II) replaced by a successor commodity index (the “**Successor Individual Commodity Index**”) using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the official closing price of that Individual Commodity Index, then the official closing price will be deemed to be the price calculated in accordance with the formula for and methodology of the official closing price of the Individual Commodity Index announced by that Successor Individual Commodity Sponsor or that Successor Individual Commodity Index, as the case may be.
- (ii) If the Determination Agent determines that in relation to:
- (a) a Relevant Commodity Price: (I) the Sponsor makes a material change in the formula for or the method of calculating the Relevant Commodity Price or in any other way materially modifies such Commodity Index (other than a modification prescribed in that formula or method to maintain the Relevant Commodity Price in the event of changes in constituent commodities and weightings and other routine events), or (II) the Sponsor permanently cancels the Commodity Index or (III) the Sponsor fails to calculate and announce the Commodity Index for a continuous period of three Trading Days and the Determination Agent determines that there is no Successor Sponsor or Successor Index (such events (I), (II) and (III) to be collectively referred to as “**Index Adjustment Events**”), then the Determination Agent may at its option (in the case of (I)) and shall (in the case of (II) and (III)) calculate the Relevant Commodity Price using, in lieu of the published level for that Commodity Index (if any), the level for that Commodity Index as at the relevant determination date as determined by the Determination Agent in accordance with the formula for and method of calculating that Commodity Index last in effect prior to the relevant Index Adjustment Event, but using only those futures contracts that comprised that Commodity Index immediately prior to the relevant Index Adjustment Event (other than those futures contracts that have ceased to be listed on any relevant exchange), provided always that, if the Determination Agent determines that it is unable, or can no longer continue, to calculate the Relevant Commodity Price, the Determination Agent may, in its sole discretion, deem such Index Adjustment Event to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust,

redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions, as the case may be, in respect of the Securities; and

- (b) an Individual Commodity Index: (I) the Sponsor makes a material change in the formula for or the method of calculating the official closing price of an Individual Commodity Index or in any other way materially modifies an Individual Commodity Index (other than a modification prescribed in that formula or method to maintain the official closing price for the Individual Commodity Index in the event of changes in constituent commodities and weightings and other routine events), or (II) the Sponsor permanently cancels an Individual Commodity Index or (III) the Sponsor fails to calculate and announce the official closing price for an Individual Commodity Index for a continuous period of three Trading Days and the Determination Agent determines that there is no Successor Individual Commodity Sponsor or Successor Individual Commodity Index (such events (I),(II) and (III) to be collectively referred to as “Individual Commodity Index Adjustment Events”) , then the Determination Agent may at its option (in the case of (I)) and shall (in the case of such (II) and (III)) calculate the official closing price of such Individual Commodity Index using, in lieu of the published level for that Individual Commodity Index (if any), the level for that Individual Commodity Index as at the relevant determination date as determined by the Determination Agent in accordance with the formula for and method of calculating that the official closing price of that Individual Commodity Index last in effect prior to the relevant Individual Commodity Index Adjustment Event, but using only those futures contracts that comprised that Individual Commodity Index immediately prior to the relevant Individual Commodity Index Disruption Event (as the case may be) (other than those futures contracts that have ceased to be listed on any relevant exchange), provided always that, if the Determination Agent determines that it is unable, or can no longer continue, to calculate the official closing price of an Individual Commodity Index, the Determination Agent may, in its sole discretion, deem such Individual Commodity Index Adjustment Event to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions, as the case may be, in respect of the Securities.

- (iii) Any other adjustment specified in the applicable Final Terms.

## **6 Adjustments to Payment Dates, Exercise Dates and Settlement Dates**

Notwithstanding anything to the contrary in the Base Conditions, if, as a result of a delay or postponement pursuant to the occurrence of a Commodity Market Disruption Event or Index Adjustment Event, a Relevant Commodity Price used to determine (i) whether any right of exercise, Call Option, Put Option or any other right may be exercised or (ii) any amount payable or deliverable on any Interest Payment Date Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Early Cancellation Date, Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, Specified Early Physical Redemption Date, the Specified Early Physical Cancellation Date, Early Cancellation Date, Early Physical

Cancellation Date, Exercise Date, Expiration Date, Exercise Cash Settlement Date or Physical Delivery Date (as the case may be) or on any other date specified in the applicable Final Terms is unavailable, such determination and/or date will, subject to the applicable Final Terms, be delayed or postponed to fall on the second Business Day following the determination of the Relevant Commodity Price under the Disruption Fallback provision or Adjustments to Commodity Index provision as determined by Determination Agent.

No additional amounts shall be payable or deliverable by the Issuer or Guarantor to any Securityholder as a result of any such delay or postponement.

## 7 Commodity Business Day Convention

If any date applicable to a Commodity Linked Security that is specified to be subject to adjustment in accordance with a Commodity Business Day Convention would otherwise fall on a day that is not a Commodity Business Day, such date will be adjusted according to the Commodity Business Day Convention specified in the applicable Final Terms.

If the Commodity Business Day Convention is:

- (i) the “Following”, such date shall be postponed to the next day that is a Commodity Business Day;
- (ii) the “Modified Following”, such date shall be postponed to the next day that is a Commodity Business Day, unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Commodity Business Day;
- (iii) the “Nearest”, such date will be the first preceding day that is a Commodity Business Day if the relevant date otherwise falls on a day other than a Sunday or a Monday and will be the first following day that is a Commodity Business Day if the relevant date otherwise falls on a Sunday or a Monday; or
- (iv) the “Preceding”, such date shall be brought forward to the immediately preceding Commodity Business Day.

## 8 Physical Settlement

With respect to a Commodity Linked Security, if (i) “Physical Settlement” is specified in the applicable Final Terms or (ii) “Securityholder Settlement Option” or “Issuer Settlement Option” is specified in the applicable Final Terms and the relevant Securityholder or the Issuer, as the case may be, has elected Physical Settlement to be applicable in accordance with Condition 5 or 6 of the Base Conditions, then such Commodity Linked Security (a “**Physically Delivered Commodity Linked Security**”) will be settled as set out in Condition 7.2 of the Base Conditions or as otherwise set out in the Final Terms.

With respect to any Physically Delivered Commodity Linked Security:

- (i) the method of delivery of the Entitlement;
- (ii) the Relevant Clearing System through which the Issuer will endeavour to deliver (or procure delivery of) the Entitlement to the Securityholder; and

- (iii) the Final Physical Redemption Date, Optional Physical Redemption Date or Exercise Physical Settlement Date and the definitions of Final Physical Redemption Entitlement, Optional Physical Redemption Entitlement, Specified Early Physical Redemption Entitlement, Early Physical Cancellation Date or Exercise Physical Settlement Entitlement, Settlement Disruption Event and Disruption Cash Settlement Price, Delivery Entitlement Instruction,

are each set out in the applicable Final Terms or otherwise as specified in the Base Conditions.

With respect to any Physically Delivered Commodity Linked Security, a Delivery Entitlement Instruction shall, in addition to specifying all the matters stipulated in the Base Conditions, include such other information (if any) as set out in the applicable Final Terms to enable the Issuer to endeavour to deliver (or procure delivery of) the Entitlement to the Securityholder. Failure to include such other information may, at the sole discretion of the Determination Agent, constitute a Settlement Disruption Event.

**PART C**  
**DEFINITIONS AND INTERPRETATIONS APPLICABLE TO COMMODITY LINKED SECURITIES**

**1 Certain general definitions relating to Commodity Linked Securities**

“**Basket of Commodities**” means, in relation to a particular Security, a basket composed of Relevant Commodities and/or Commodity Indices in the relative proportions specified in the applicable Final Terms.

“**Commodity Business Day**” means (a) in respect of a Commodity Linked Security for which the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or would have been, but for the occurrence of a Commodity Market Disruption Event) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time and (b) in respect of a Commodity Linked Security for which the Commodity Reference Price is not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or would have published, but for the occurrence of a Commodity Market Disruption Event) a price.

“**Commodity Index**” means, in relation to a Commodity Linked Security, the index comprising one or more commodities or commodity futures contracts, as specified in the applicable Final Terms.

“**Commodity Linked Security**” means a Security, in respect of which (a) in relation to Notes and Certificates (other than Exercisable Certificates), payments of interest and/or repayment of principal and/or the exercise of any Put Option or Call Option; or (b) in relation to Exercisable Certificates and Warrants, the exercise of such Security or the amount payable or deliverable on exercise; and/or (c) any additional amounts payable or deliverable in respect of such Security, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the price of a Relevant Commodity, Commodity Index or a Basket of Commodities, each as specified in the applicable Final Terms.

“**Commodity Reference Price**” means, in respect of a Relevant Commodity or Commodity Index, the reference price as specified in the applicable Final Terms and determined by the Determination Agent. The specified Commodity Reference Price may be defined in the applicable Final Terms or be interpreted by reference to Section 3 of this Part C.

“**Delivery Date**” means, in respect of a Commodity Reference Price, the relevant date or month for delivery of the Relevant Commodity as specified in the applicable Final Terms and determined by the Determination Agent as follows:

- (a) if a date is, or a month and year are, specified, that date or that month and year;
- (b) if a Nearby Month is specified, the month of expiration of the relevant Futures Contract; and
- (c) if a method is specified for the purpose of determining the Delivery Date, the date or month and year determined pursuant to that method.

“**Exchange**” means each exchange or principal trading market specified in the applicable Final Terms or Commodity Reference Price.

“**Nearby Month**” means, in respect of a Delivery Date and a Pricing Date, when preceded by a numerical adjective, the month of expiration of the Futures Contract identified by that numerical adjective, so that, for example, (a) “First Nearby Month” means the month of expiration of the first Futures Contract to expire following that Pricing Date; (b) “Second Nearby Month” means the month of expiration of the second Futures Contract to expire following that Pricing Date; and (c) “Sixth Nearby Month” means the month of expiration of the sixth Futures Contract to expire following that Pricing Date.

“**Pricing Date**” means, in respect of a Commodity Reference Price, each date specified as such in the applicable Final Terms, which date is a day in respect of which a Relevant Commodity Price is to be determined.

“**Price Source**” means, in respect of a Commodity Reference Price, the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) as specified in the relevant Commodity Reference Price or the applicable Final Terms.

“**Relevant Commodity**” means, in respect of a Commodity Linked Security, the commodity specified in the applicable Final Terms.

“**Relevant Commodity Price**” means, in respect of a Relevant Commodity or Commodity Index, for any Pricing Date, the price, expressed as a price per unit of the Relevant Commodity or the price of the Commodity Index, determined by the Determination Agent with respect to that Pricing Date for the specified Commodity Reference Price.

“**Specified Price**” means, in respect of a Commodity Reference Price, the price as specified in the applicable Final Terms.

## 2 Terms relating to Commodity Market Disruption Events and Disruption Fallback

“**Commodity Market Disruption Event**” means, in respect of a Relevant Commodity or Commodity Index, the occurrence of any of the following events:

- (a) with respect to a Relevant Commodity:
  - (i) Price Source Disruption;
  - (ii) Trading Disruption;
  - (iii) Disappearance of Commodity Reference Price;
  - (iv) Material Change in Formula;
  - (v) Material Change in Content; or
  - (vi) any additional Commodity Market Disruption Events specified in the applicable Final Terms and;
- (b) with respect to a Commodity Index:
  - (i) a temporary or permanent failure by the applicable exchange or other price source to announce or publish (A) the final settlement price for the Commodity Reference Price or

- (B) the closing price for any futures contract or index included, directly or indirectly, in the Commodity Reference Price;
- (ii) a material limitation, suspension or disruption of trading in (A) one or more of the futures contracts included, directly or indirectly, in the Commodity Reference Price or (B) any other contract which is customarily traded on the applicable exchange or other price source in order to hedge any futures contract or index included, directly or indirectly, as a component in the Commodity Reference Price; or
  - (iii) the closing price for (A) any futures contract included, directly or indirectly, in the Commodity Reference Price or (B) any other contract which is customarily traded on the applicable exchange or other price source in order to hedge any futures contract or index included, directly or indirectly, as a component in the Commodity Reference Price, is a “limit price”, which means that the closing price for such contract for a day has increased or decreased from the previous day’s closing price by the maximum amount permitted under applicable exchange rules; and
  - (iv) if “Market Disruption of connected Futures Contracts” is specified as applicable in the applicable Final Terms, and a Market Disruption Event occurs with respect to any futures contracts of a commodity and that futures contract is an active pricing component included, directly or indirectly, in the Commodity Reference Price, then all the futures contracts of that commodity shall be deemed to be subject to a Market Disruption Event.

**“Delayed Publication or Announcement”** means, in respect of a Disruption Fallback, that the Relevant Commodity Price for a Pricing Date will be determined based on the Specified Price in respect of the original day scheduled as such Pricing Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date), or the Relevant Commodity Price continues to be unavailable, for two consecutive Commodity Business Days.

**“Determination Agent Determination”** means, in respect of a Disruption Fallback, the Determination Agent will determine the Relevant Commodity Price (or a method for determining the Relevant Commodity Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in its sole discretion it deems relevant.

**“Disappearance of Commodity Reference Price”** means, in respect of a Commodity Market Disruption Event, (a) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange; (b) the disappearance of, or of trading in, the Relevant Commodity; or (c) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or the Relevant Commodity.

**“Disruption Fallback”** means a source or method that may give rise to an alternative basis for determining the Relevant Commodity Price in respect of a specified Commodity Reference Price when a Commodity Market Disruption Event occurs or exists on a day that is a Pricing Date. A Disruption Fallback is applicable (in the order specified, if any) if it is specified in the applicable Final Terms or, if

no Disruption Fallback is specified in the applicable Final Terms, the following Disruption Fallbacks shall be deemed to have been specified:

- (a) with respect to a Relevant Commodity (in the following order):
  - (i) Fallback Reference Price (if applicable);
  - (ii) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days of disruption (measured from and including the original day that would otherwise have been the Pricing Date); provided, however, that the price determined by Postponement shall be the Relevant Commodity Price only if Delayed Publication or Announcement does not yield a Relevant Commodity Price within that two consecutive Commodity Business Days period); and
  - (iii) Determination Agent Determination; and
- (b) with respect to a Commodity Index, the following fallback determination mechanism:
  - (i) with respect to each futures contract or index included directly or indirectly in the Commodity Reference Price which is not affected by the Commodity Market Disruption Event, the Relevant Commodity Price will be based on the closing prices of each such contract or index on the applicable determination date;
  - (ii) with respect to each futures contract or index included directly or indirectly in the Commodity Reference Price which is affected by the Commodity Market Disruption Event, the Relevant Commodity Price will be based on the closing prices of each such contract or index on the first day following the applicable determination date on which no Commodity Market Disruption Event is occurring with respect to such contract or index (as the case may be);
  - (iii) subject to (iv) below, the Determination Agent shall determine the Relevant Commodity Price by reference to the closing prices determined in (i) and (ii) above using the then-current method for calculating the Relevant Commodity Price; and
  - (iv) where a Commodity Market Disruption Event with respect to one or more futures contracts or indices included directly or indirectly in the Commodity Reference Price continues to exist (measured from and including the first day following the applicable determination date) for five consecutive Trading Days, the Determination Agent shall determine the Relevant Commodity Price in a commercially reasonable manner.

**“Fallback Reference Price”** means, in respect of a Disruption Fallback, that the Determination Agent will determine the Relevant Commodity Price based on the price for that Pricing Date of the first alternate Commodity Reference Price, if any, specified in the applicable Final Terms and not subject to a Commodity Market Disruption Event.

**“Futures Contract”** means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Relevant Commodity referred to in that Commodity Reference Price.

**“Material Change in Content”** means, in respect of a Commodity Market Disruption Event, the occurrence since the Trade Date of the Commodity Linked Security of a material change in the content, composition or constitution of the Relevant Commodity or relevant Futures Contract.

**“Material Change in Formula”** means, in respect of a Commodity Market Disruption Event, the occurrence since the Trade Date of the Commodity Linked Security of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

**“Postponement”** means, in respect of a Disruption Fallback, that the Pricing Date will be deemed, for purposes of the application of this Disruption Fallback only, to be the first succeeding Commodity Business Day on which the Commodity Market Disruption Event ceases to exist, unless that Commodity Market Disruption Event continues to exist for two consecutive Commodity Business Days (measured from and including the original day that would otherwise have been the Pricing Date).

**“Price Source Disruption”** means, in respect of a Commodity Market Disruption Event, (a) the failure of the Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price; or (b) the temporary or permanent discontinuance or unavailability of the Price Source.

**“Trading Day”** means, a day when:

- (a) the Determination Agent is open for business in London and New York; and
- (b) the exchanges of all futures contracts included in the Commodity Index are open for trading.

**“Trading Disruption”** means, in respect of a Commodity Market Disruption Event, the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Relevant Commodity on the Exchange or any other contract which is customarily traded on the applicable exchange or other price source in order to hedge any futures contract included as a component in the Relevant Price or in any additional futures contract, options contract or commodity on any Exchange as specified in the applicable Final Terms. For these purposes:

- (a) a suspension of the trading in the Futures Contract or the Relevant Commodity or any other contract which is customarily traded on the applicable exchange or other price source in order to hedge any futures contract included as a component in the Relevant Price on any Commodity Business Day shall be deemed to be material only if:
  - (i) all trading in the Futures Contract or the Relevant Commodity is suspended for the entire Pricing Date; or
  - (ii) all trading in the Futures Contract or the Relevant Commodity is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Relevant Commodity on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and
- (b) a limitation of trading in the Futures Contract or the Relevant Commodity or any other contract which is customarily traded on the applicable exchange or other price source in order to hedge any futures contract included as a component in the Relevant Price on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on

the range within which the price of the Futures Contract or the Relevant Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Relevant Commodity on such day is at the upper or lower limit of that range.

### 3 Commodity Reference Prices

#### 3.1 Section 1: Commodity Reference Prices

Subject to Part B (*Additional Terms and Conditions for Commodity Linked Securities*), for purposes of determining the Relevant Commodity Price for a Relevant Commodity or Commodity Index:

##### 3.1.1 Agricultural Products

(a) **Azuki Beans**

“AZUKI BEANS-TGE” means that the price for a Pricing Date will be that day’s Specified Price per bag of deliverable grade azuki beans on the TGE of the Futures Contract, stated in Japanese Yen, as made public by the TGE and displayed on Reuters Screen page “0#JRB:” on that Pricing Date.

(b) **Barley**

“BARLEY-WCE” means that the price for a Pricing Date will be that day’s Specified Price per tonne of deliverable grade Canadian feed barley on the WCE of the Futures Contract, stated in Canadian Dollars, as made public by the WCE and displayed on Reuters Screen page “0#AB:” on that Pricing Date.

(c) **Canola**

“CANOLA-WCE” means that the price for a Pricing Date will be that day’s Specified Price per ton of deliverable grade non-commercially clean Canadian canola on the WCE of the Futures Contract, stated in Canadian Dollars, as made public by the WCE and displayed on Reuters Screen page “0#RS:” on that Pricing Date.

(d) **Cocoa**

“COCOA-NYBOT” means that the price for a Pricing Date will be that day’s Specified Price per metric ton of deliverable grade cocoa beans on the NYBOT of the Futures Contract, stated in U.S. Dollars, as made public by the NYBOT and displayed on Reuters Screen page “0#CC:” on that Pricing Date.

(e) **Coffee**

“COFFEE ARABICA-NYBOT” means that the price for a Pricing Date will be that day’s Specified Price per pound of deliverable grade washed arabica coffee on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page “0#KC:” on that Pricing Date.

(f) **Corn**

“CORN-CBOT” means that the price for a Pricing Date will be that day’s Specified Price per bushel of deliverable grade corn on the CBOT of the Futures Contract,

stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#C:" on that Pricing Date.

**(g) Cotton**

"COTTON NO. 2-NYBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade cotton No. 2 on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page "0#CT:" on that Pricing Date.

**(h) Livestock**

(i) "FEEDER CATTLE-CME" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade medium and large frame #1 feeder steers on the CME of the Futures Contract, stated in U.S. cents, as made public by the CME and displayed on Reuters Screen page "0#FC:" on that Pricing Date.

(ii) "LIVE CATTLE-CME" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade live steers on the CME of the Futures Contract, stated in U.S. cents, as made public by the CME and displayed on Reuters Screen page "0#LC:" on that Pricing Date.

(iii) "LEAN HOGS-CME" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade lean value hog carcasses on the CME of the Futures Contract, stated in U.S. cents, as made public by the CME and displayed on Reuters Screen page "0#LH:" on that Pricing Date.

**(i) Lumber**

"LUMBER-CME" means that the price for a Pricing Date will be that day's Specified Price per thousand board feet (mbf) of deliverable grade random length lumber on the CME of the Futures Contract, stated in U.S. Dollars, as made public by the CME and displayed on Reuters Screen page "0#LB:" on that Pricing Date.

**(j) Oats**

"OATS-CBOT" means that the price for a Pricing Date will be that day's Specified Price per bushel of deliverable grade oats on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#O:" on that Pricing Date.

**(k) Orange Juice**

"FROZEN CONCENTRATED ORANGE JUICE NO. 1-NYBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade orange solids on the NYBOT of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page "0#OJ:" on that Pricing Date.

**(l) Palm Oil**

- (i) "PALM OIL-BURSA MALAYSIA" means that the price for a Pricing Date will be that day's Specified Price per metric ton of deliverable grade crude palm oil on the Bursa Malaysia of the Futures Contract, stated in Malaysian Ringgit, as made public by the Bursa Malaysia, and displayed on Reuters Screen page "0#PO:" on that Pricing Date.
- (ii) "PALM KERNEL OIL-BURSA MALAYSIA" means that the price for a Pricing Date will be that day's Specified Price per metric ton of deliverable grade crude palm kernel oil on the Bursa Malaysia of the Futures Contract, stated in Malaysian Ringgit, as made public by the Bursa Malaysia and displayed on Reuters Screen page "0#KPO:" on that Pricing Date.

**(m) Rice**

"RICE-CBOT" means that the price for a Pricing Date will be that day's Specified Price per hundredweight of deliverable grade rough rice on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#RR:" on that Pricing Date.

**(n) Rubber**

"RUBBER-TOCOM" means that the price for a Pricing Date will be that day's Specified Price per kilogram of rubber on the TOCOM of the Futures Contract for the Delivery Date, stated in Japanese Yen, as made public by the TOCOM and displayed on Reuters Screen page "0#JRU:" on that Pricing Date.

**(o) Soybeans**

- (i) "SOYBEANS-CBOT" means that the price for a Pricing Date will be that day's Specified Price per bushel of deliverable grade soybeans on CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#S:" on that Pricing Date.
- (ii) "SOYBEAN MEAL-CBOT" means that the price for a Pricing Date will be that day's Specified Price per ton of deliverable grade soybean meal on the CBOT of the Futures Contract, stated in U.S. Dollars, as made public by the CBOT and displayed on Reuters Screen page "0#SM:" on that Pricing Date.
- (iii) "SOYBEAN OIL-CBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade crude soybean oil on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page "0#BO:" on that Pricing Date.

**(p) Sugar**

"SUGAR # 11 (WORLD)-NYBOT" means that the price for a Pricing Date will be that day's Specified Price per pound of deliverable grade cane sugar on the NYBOT

of the Futures Contract, stated in U.S. cents, as made public by the NYBOT and displayed on Reuters Screen page “0#SB:” on that Pricing Date.

**(q) Wheat**

- (i) “WHEAT-CBOT” means that the price for a Pricing Date will be that day’s Specified Price per bushel of deliverable grade wheat on the CBOT of the Futures Contract, stated in U.S. cents, as made public by the CBOT and displayed on Reuters Screen page “0#W:” on that Pricing Date.
- (ii) “WHEAT HRW-KCBOT” means that the price for a Pricing Date will be that day’s Specified Price per bushel of deliverable grade hard red winter wheat on the KCBOT of the Futures Contract, stated in U.S. cents, as made public by the KCBOT and displayed on Reuters Screen page “0#KW:” on that Pricing Date.

**(r) Wool**

“GREASY WOOL (21 MICRON)-SFE” means that the price for a Pricing Date will be that day’s Specified Price per kilogram of deliverable grade merino combing fleece on the SFE of the Futures Contract, stated in Australian cents, as made public by the SFE and displayed on Reuters Screen page “0#YGS:” on that Pricing Date.

**3.1.2 Energy**

**(a) Coal**

- (i) “COAL-TFS API 2-ARGUS/MCCLOSKEY’S” means that the price for a Pricing Date will be that day’s Specified Price per tonne of steam coal 6,000 kcal/kg, up to 1 per cent. sulphur NAR basis, cif ARA, stated in U.S. Dollars, published under the heading “International Coal Indexes incorporating the TFS APITM Indices: Monthly Coal Price Indexes: TFS API 2 (cif ARA)” in the issue of Argus/McCloskey’s Coal Price Index Report that reports prices effective on that Pricing Date.
- (ii) “COAL-TFS API 4-ARGUS/MCCLOSKEY’S” means that the price for a Pricing Date will be that day’s Specified Price per tonne of steam coal 6,000 kcal/kg, up to 1 per cent. sulphur NAR basis, fob Richards Bay, stated in U.S. Dollars, published under the heading “International Coal Indexes incorporating the TFS APITM Indices: Monthly Coal Price Indexes: TFS API 4 (fob Richards Bay)” in the issue of Argus/McCloskey’s Coal Price Index Report that reports prices effective on that Pricing Date.

**(b) Electricity**

- (i) “ELECTRICITY-MONTH FUTURES BASE-EEX” means that the price for a Pricing Date will be that day’s Specified Price per MWh of base electricity on the EEX of the Futures Contract, stated in Euros, published at [www.eex.de](http://www.eex.de), under the headings “Info Center: Download: Market Data: Derivatives-Results Derivatives Market (Year): F1BM” or any successor headings, that reports prices effective on that Pricing Date.

- (ii) “ELECTRICITY-QUARTER FUTURES BASE-EEX” means that the price for a Pricing Date will be that day’s Specified Price per MWh of base electricity on the EEX of the Futures Contract, stated in Euros, published at [www.eex.de](http://www.eex.de), under the headings “Info Center: Download: Market Data: Derivatives-Results Derivatives Market (Year): F1BQ” or any successor headings, that reports prices effective on that Pricing Date.
  - (iii) “ELECTRICITY-YEAR FUTURES BASE-EEX” means that the price for a Pricing Date will be that day’s Specified Price per MWh of base electricity on the EEX of the Futures Contract, stated in Euros, published at [www.eex.de](http://www.eex.de), under the headings “Info Center: Download: Market Data: Derivatives-Results Derivatives Market (Year): F1BY” or any successor headings, that reports prices effective on that Pricing Date.
- (c) **Gas Oil**

“GAS OIL-IPE” means that the price for a Pricing Date will be that day’s Specified Price per metric ton of gas oil on the IPE of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the IPE on that Pricing Date.
- (d) **Gasoline**

“GASOLINE RBOB-NEW YORK-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per gallon of New York Harbor unleaded gasoline on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.
- (e) **Heating Oil**

“HEATING OIL-NEW YORK-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per gallon of New York Harbor No. 2 heating oil on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.
- (f) **Jet Fuel/Kerosene**

“JET FUEL-CARGOES CIF NWE/BASIS ARA-PLATTS EUROPEAN” means that the price for a Pricing Date will be that day’s Specified Price per metric ton of jet fuel, stated in U.S. Dollars, published under the heading “Cargoes CIF NWE/Basis ARA: Jet” in the issue of Platts European that reports prices effective on that Pricing Date.
- (g) **Natural Gas**
  - (i) “NATURAL GAS-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per MMBTU of natural gas on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.
  - (ii) “NATURAL GAS-HENRY HUB-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per MMBTU of natural gas on the

NYMEX of the Henry Hub Natural Gas Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

**(h) Oil**

- (i) “OIL-BRENT-IPE” means that the price for a Pricing Date will be that day’s Specified Price per barrel of Brent blend crude oil on the IPE of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the IPE on that Pricing Date.
- (ii) “OIL-WTI-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per barrel of West Texas Intermediate light sweet crude oil on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.

**3.1.3 Metals**

**(a) Aluminium**

- (i) “ALUMINIUM-LME CASH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (ii) “ALUMINIUM-LME 3 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (iii) “ALUMINIUM-LME 15 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (iv) “ALUMINIUM-LME 27 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of high grade Primary Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.

**(b) Copper**

- (i) “COPPER-LME CASH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.

- (ii) “COPPER-LME 3 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
  - (iii) “COPPER-LME 15 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
  - (iv) “COPPER-LME 27 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Copper Grade A on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
  - (v) “COPPER-COMEX” means that the price for a Pricing Date will be that day’s Specified Price per pound of high grade copper on the COMEX of the Futures Contract for the Delivery Date, stated in U.S. cents, as made public by the COMEX on that Pricing Date.
- (c) Gold**
- (i) “GOLD-A.M. FIX” means that the price for a Pricing Date will be that day’s morning Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. Dollars, as determined by the London Gold Market and displayed on Reuters Screen page “GOFO” that displays prices effective on that Pricing Date.
  - (ii) “GOLD-P.M. FIX” means that the price for a Pricing Date will be that day’s afternoon Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. Dollars, as calculated by the London Gold Market and displayed on Reuters Screen page “GOFO” that displays prices effective on that Pricing Date.
- (d) Lead**
- (i) “LEAD-LME CASH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Standard Lead on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
  - (ii) “LEAD-LME 3 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Standard Lead on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME

and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.

- (iii) “LEAD-LME 15 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Standard Lead on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.

**(e) Nickel**

- (i) “NICKEL-LME CASH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (ii) “NICKEL-LME 3 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (iii) “NICKEL-LME 15 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (iv) “NICKEL-LME 27 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Primary Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.

**(f) Palladium**

- (i) “PALLADIUM-A.M. FIX” means that the price for a Pricing Date will be that day’s morning Palladium fixing price per troy ounce gross of Palladium for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page “STBL” that displays prices effective on that Pricing Date.
- (ii) “PALLADIUM-P.M. FIX” means that the price for a Pricing Date will be that day’s afternoon Palladium fixing price per troy ounce gross of Palladium for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page “STBL” that displays prices effective on that Pricing Date.

**(g) Platinum**

- (i) “PLATINUM-A.M. FIX” means that the price for a Pricing Date will be that day’s morning Platinum fixing price per troy ounce gross of Platinum for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page “STBL” that displays prices effective on that Pricing Date.
- (ii) “PLATINUM-P.M. FIX” means that the price for a Pricing Date will be that day’s afternoon Platinum fixing price per troy ounce gross of Platinum for delivery in Zurich through a member of the LPPM authorized to effect such delivery, stated in U.S. Dollars, as calculated by the LPPM and displayed on Reuters Screen page “STBL” that displays prices effective on that Pricing Date.
- (iii) “PLATINUM-NYMEX” means that the price for a Pricing Date will be that day’s Specified Price per troy ounce of Platinum on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date.
- (iv) “PLATINUM-TOCOM” means that the price for a Pricing Date will be that day’s Specified Price per gram of fine Platinum on the TOCOM of the Futures Contract for the Delivery Date, stated in Japanese Yen, as made public by the TOCOM on that Pricing Date.

**(h) Silver**

“SILVER-FIX” means that the price for a Pricing Date will be that day’s Silver fixing price per troy ounce of Silver for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. cents, as calculated by the London Silver Market and displayed on Reuters Screen page “SIFO” that displays prices effective on that Pricing Date.

**(i) Tin**

- (i) “TIN-LME CASH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Tin on the LME for the Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (ii) “TIN-LME 3 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Tin on the LME for the Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (iii) “TIN-LME 15 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Tin on the LME for the Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.

**(j) Zinc**

- (i) “ZINC-LME CASH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (ii) “ZINC-LME 3 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (iii) “ZINC-LME 15 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.
- (iv) “ZINC-LME 27 MONTH” means that the price for a Pricing Date will be that day’s Specified Price per tonne of Special High Grade Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date.

**3.1.4 Composite Commodity Indices**

**(a) S&P GSCI**

- (i) “S&P GSCI™ Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSCITR” that displays prices effective on that Pricing Date.
- (ii) “S&P GSCI™ Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSCIP” that displays prices effective on that Pricing Date.
- (iii) “S&P GSCI™ Energy Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Energy Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSEINTR” that displays prices effective on that Pricing Date.
- (iv) “S&P GSCI™ Energy Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Energy Index

Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSENP" that displays prices effective on that Pricing Date.

- (v) "S&P GSCI™ Petroleum Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Petroleum Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPTTR" that displays prices effective on that Pricing Date.
- (vi) "S&P GSCI™ Petroleum Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Petroleum Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPTP" that displays prices effective on that Pricing Date.
- (vii) "S&P GSCI™ Non-Energy Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Energy Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNETR" that displays prices effective on that Pricing Date.
- (viii) "S&P GSCI™ Non-Energy Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Energy Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNEP" that displays prices effective on that Pricing Date.
- (ix) "S&P GSCI™ Reduced Energy Index (CPW 2) Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Reduced Energy Index (CPW 2) Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSRETR" that displays prices effective on that Pricing Date.
- (x) "S&P GSCI™ Reduced Energy Index (CPW 2) Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Reduced Energy Index (CPW 2) Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSREP" that displays prices effective on that Pricing Date.
- (xi) "S&P GSCI™ Light Energy Index (CPW 4) Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Light Energy Index (CPW 4) Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLETR" that displays prices effective on that Pricing Date.
- (xii) "S&P GSCI™ Light Energy Index (CPW 4) Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Light Energy Index (CPW 4) Excess Return Index, stated in U.S. Dollars,

published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLEP" that displays prices effective on that Pricing Date.

- (xiii) "S&P GSCI™ Ultra-Light Energy Index (CPW 8) Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Ultra-Light Energy Index (CPW 8) Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSUETR" that displays prices effective on that Pricing Date.
- (xiv) "S&P GSCI™ Ultra-Light Energy Index (CPW 8) Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Ultra-Light Energy Index (CPW 8) Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSUEP" that displays prices effective on that Pricing Date.
- (xv) "S&P GSCI™ Energy and Metals Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Energy and Metals Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSEMTR" that displays prices effective on that Pricing Date.
- (xvi) "S&P GSCI™ Energy and Metals Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Energy and Metals Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSEMP" that displays prices effective on that Pricing Date.
- (xvii) "S&P GSCI™ Industrial Metals Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Industrial Metals Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSINTR" that displays prices effective on that Pricing Date.
- (xviii) "S&P GSCI™ Industrial Metals Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Industrial Metals Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSINP" that displays prices effective on that Pricing Date.
- (xix) "S&P GSCI™ Precious Metals Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Precious Metals Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPMTR" that displays prices effective on that Pricing Date.
- (xx) "S&P GSCI™ Precious Metals Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Precious Metals Index Excess Return Index, stated in U.S. Dollars, published by

Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPMP" that displays prices effective on that Pricing Date.

- (xxi) "S&P GSCI™ Agriculture Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSAGTR" that displays prices effective on that Pricing Date.
- (xxii) "S&P GSCI™ Agriculture Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSAGP" that displays prices effective on that Pricing Date.
- (xxiii) "S&P GSCI™ Livestock Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Livestock Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLVTR" that displays prices effective on that Pricing Date.
- (xxiv) "S&P GSCI™ Livestock Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Livestock Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLVP" that displays prices effective on that Pricing Date.
- (xxv) "S&P GSCI™ Non-Livestock Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Livestock Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNLTR" that displays prices effective on that Pricing Date.
- (xxvi) "S&P GSCI™ Non-Livestock Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Non-Livestock Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNLP" that displays prices effective on that Pricing Date.
- (xxvii) "S&P GSCI™ Agriculture and Livestock Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture and Livestock Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSALTR" that displays prices effective on that Pricing Date.
- (xxviii) "S&P GSCI™ Agriculture and Livestock Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Agriculture and Livestock Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on

Reuters Screen page “.SPGSALP” that displays prices effective on that Pricing Date.

- (xxix) “S&P GSCI™ Non-Precious Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Non-Precious Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSXPTR” that displays prices effective on that Pricing Date.
- (xxx) “S&P GSCI™ Non-Precious Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Non-Precious Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSXPP” that displays prices effective on that Pricing Date.
- (xxxii) “S&P GSCI™ Grains Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Grains Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSGRTR” that displays prices effective on that Pricing Date.
- (xxxiii) “S&P GSCI™ Grains Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Grains Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSGRP” that displays prices effective on that Pricing Date.
- (xxxiv) “S&P GSCI™ Crude Oil Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Crude Oil Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSCLTR” that displays prices effective on that Pricing Date.
- (xxxv) “S&P GSCI™ Crude Oil Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Crude Oil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSCLP” that displays prices effective on that Pricing Date.
- (xxxvi) “S&P GSCI™ Brent Crude Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Brent Crude Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSBRTR” that displays prices effective on that Pricing Date.
- (xxxvii) “S&P GSCI™ Brent Crude Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Brent Crude Index Excess Return Index, stated in U.S. Dollars, published by

Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSBRP" that displays prices effective on that Pricing Date.

- (xxxvii) "S&P GSCI™ Heating Oil Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Heating Oil Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHOTR" that displays prices effective on that Pricing Date.
- (xxxviii) "S&P GSCI™ Heating Oil Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Heating Oil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHOP" that displays prices effective on that Pricing Date.
- (xxxix) "S&P GSCI™ Unleaded Gasoline Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Unleaded Gasoline Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHUTR" that displays prices effective on that Pricing Date.
- (xl) "S&P GSCI™ Unleaded Gasoline Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Unleaded Gasoline Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSHUP" that displays prices effective on that Pricing Date.
- (xli) "S&P GSCI™ GasOil Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ GasOil Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGOTR" that displays prices effective on that Pricing Date.
- (xlii) "S&P GSCI™ GasOil Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ GasOil Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSGOP" that displays prices effective on that Pricing Date.
- (xliii) "S&P GSCI™ Natural Gas Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Natural Gas Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSNGTR" that displays prices effective on that Pricing Date.
- (xliv) "S&P GSCI™ Natural Gas Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Natural Gas Index Excess Return Index, stated in U.S. Dollars, published by Standard

& Poor's or its successor, and displayed on Reuters Screen page ".SPGSNGP" that displays prices effective on that Pricing Date.

- (xlv) "S&P GSCI™ Live Cattle Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Live Cattle Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLCTR" that displays prices effective on that Pricing Date.
- (xlvi) "S&P GSCI™ Live Cattle Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Live Cattle Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLCP" that displays prices effective on that Pricing Date.
- (xlvii) "S&P GSCI™ Lean Hogs Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Lean Hogs Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLHTR" that displays prices effective on that Pricing Date.
- (xlviii) "S&P GSCI™ Lean Hogs Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Lean Hogs Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSLHP" that displays prices effective on that Pricing Date.
- (xlix) "S&P GSCI™ Feeder Cattle Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Feeder Cattle Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSFCTR" that displays prices effective on that Pricing Date.
- (l) "S&P GSCI™ Feeder Cattle Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Feeder Cattle Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSFCP" that displays prices effective on that Pricing Date.
- (li) "S&P GSCI™ Wheat Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Wheat Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSWHTR" that displays prices effective on that Pricing Date.
- (lii) "S&P GSCI™ Wheat Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Wheat Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's

or its successor, and displayed on Reuters Screen page “.SPGSWHP” that displays prices effective on that Pricing Date.

- (liii) “S&P GSCI™ Kansas Wheat Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Kansas Wheat Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSKWTR” that displays prices effective on that Pricing Date.
- (liv) “S&P GSCI™ Kansas Wheat Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Kansas Wheat Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSKWP” that displays prices effective on that Pricing Date.
- (lv) “S&P GSCI™ Corn Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Corn Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSCNTR” that displays prices effective on that Pricing Date.
- (lvi) “S&P GSCI™ Corn Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Corn Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSCNP” that displays prices effective on that Pricing Date.
- (lvii) “S&P GSCI™ Soybeans Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Soybeans Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSSOTR” that displays prices effective on that Pricing Date.
- (lviii) “S&P GSCI™ Soybeans Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Soybeans Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSSOP” that displays prices effective on that Pricing Date.
- (lix) “S&P GSCI™ Sugar Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Sugar Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSSBTR” that displays prices effective on that Pricing Date.
- (lx) “S&P GSCI™ Sugar Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Sugar Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s

or its successor, and displayed on Reuters Screen page “.SPGSSBP” that displays prices effective on that Pricing Date.

- (Ixi) “S&P GSCI™ Coffee Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Coffee Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSKCTR” that displays prices effective on that Pricing Date.
- (Ixii) “S&P GSCI™ Coffee Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Coffee Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSKCP” that displays prices effective on that Pricing Date.
- (Ixiii) “S&P GSCI™ Cocoa Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Cocoa Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSCCTR” that displays prices effective on that Pricing Date.
- (Ixiv) “S&P GSCI™ Cocoa Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Cocoa Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSCCP” that displays prices effective on that Pricing Date.
- (Ixv) “S&P GSCI™ Cotton Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Cotton Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSCTTR” that displays prices effective on that Pricing Date.
- (Ixvi) “S&P GSCI™ Cotton Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Cotton Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSCTP” that displays prices effective on that Pricing Date.
- (Ixvii) “S&P GSCI™ Silver Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Silver Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSSITR” that displays prices effective on that Pricing Date.
- (Ixviii) “S&P GSCI™ Silver Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Silver Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its

successor, and displayed on Reuters Screen page “.SPGSSIP” that displays prices effective on that Pricing Date.

- (Ixx) “S&P GSCI™ Gold Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Gold Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSGCTR” that displays prices effective on that Pricing Date.
- (Ixx) “S&P GSCI™ Gold Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Gold Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSGCP” that displays prices effective on that Pricing Date.
- (Ixxi) “S&P GSCI™ Aluminum Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Aluminum Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSIATR” that displays prices effective on that Pricing Date.
- (Ixxii) “S&P GSCI™ Aluminum Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Aluminum Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSIAP” that displays prices effective on that Pricing Date.
- (Ixxiii) “S&P GSCI™ Zinc Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Zinc Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSIZTR” that displays prices effective on that Pricing Date.
- (Ixxiv) “S&P GSCI™ Zinc Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Zinc Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSIZP” that displays prices effective on that Pricing Date.
- (Ixxv) “S&P GSCI™ Nickel Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Nickel Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSIKTR” that displays prices effective on that Pricing Date.
- (Ixxvi) “S&P GSCI™ Nickel Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Nickel Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s

or its successor, and displayed on Reuters Screen page “.SPGSIKP” that displays prices effective on that Pricing Date.

- (lxxvii) “S&P GSCI™ Copper Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Copper Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSICTR” that displays prices effective on that Pricing Date.
- (lxxviii) “S&P GSCI™ Copper Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Copper Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSICP” that displays prices effective on that Pricing Date.
- (lxxix) “S&P GSCI™ Lead Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Lead Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSILTR” that displays prices effective on that Pricing Date.
- (lxxx) “S&P GSCI™ Lead Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Lead Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSILP” that displays prices effective on that Pricing Date.
- (lxxxii) “S&P GSCI™ Platinum Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Platinum Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSPLTR” that displays prices effective on that Pricing Date.
- (lxxxiii) “S&P GSCI™ Platinum Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Platinum Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSPLP” that displays prices effective on that Pricing Date.
- (lxxxiiii) “S&P GSCI™ Soybean Oil Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Soybean Oil Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor’s or its successor, and displayed on Reuters Screen page “.SPGSBOTR” that displays prices effective on that Pricing Date.
- (lxxxv) “S&P GSCI™ Soybean Oil Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the S&P GSCI™ Soybean Oil Index Excess Return Index, stated in U.S. Dollars, published by Standard

& Poor's or its successor, and displayed on Reuters Screen page ".SPGSBOP" that displays prices effective on that Pricing Date.

- (lxxxv) "S&P GSCI™ Palladium Index Total Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Palladium Index Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPATR" that displays prices effective on that Pricing Date.
- (lxxxvi) "S&P GSCI™ Palladium Index Excess Return" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ Palladium Index Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SPGSPAP" that displays prices effective on that Pricing Date.
- (lxxxvii) "S&P GSCI™ one Month Forward Total Return Index" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ one Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG1MCITR" that displays prices effective on that Pricing Date.
- (lxxxviii) "S&P GSCI™ one Month Forward Excess Return Index" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ one Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG1MCIP" that displays prices effective on that Pricing Date.
- (lxxxix) "S&P GSCI™ two Month Forward Total Return Index" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ two Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG2MCITR" that displays prices effective on that Pricing Date.
- (xc) "S&P GSCI™ two Month Forward Excess Return Index" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ two Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG2MCIP" that displays prices effective on that Pricing Date.
- (xci) "S&P GSCI™ three Month Forward Total Return Index" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ three Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG3MCITR" that displays prices effective on that Pricing Date.
- (xcii) "S&P GSCI™ three Month Forward Excess Return Index" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ three Month Forward Excess Return Index, stated in U.S. Dollars, published

by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG3MCIP" that displays prices effective on that Pricing Date.

- (xciii) "S&P GSCI™ four Month Forward Total Return Index" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ four Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG4MCITR" that displays prices effective on that Pricing Date.
- (xciv) "S&P GSCI™ four Month Forward Excess Return Index" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ four Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG4MCIP" that displays prices effective on that Pricing Date.
- (xcv) "S&P GSCI™ five Month Forward Total Return Index" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ five Month Forward Total Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG5MCITR" that displays prices effective on that Pricing Date.
- (xcvi) "S&P GSCI™ five Month Forward Excess Return Index" means that the price for a Pricing Date will be that day's Specified Price for the S&P GSCI™ five Month Forward Excess Return Index, stated in U.S. Dollars, published by Standard & Poor's or its successor, and displayed on Reuters Screen page ".SG5MCIP" that displays prices effective on that Pricing Date.

**(b) DJ-UBS Commodity Indices**

- (i) "DJUBS ComTSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Total ReturnSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSTR" that displays prices effective on that Pricing Date.
- (ii) "DJUBS ComSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Excess ReturnSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBS" that displays prices effective on that Pricing Date.
- (iii) "DJUBSCI-F1TSM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Total Return one Month ForwardSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page "DJUBSF1T" that displays prices effective on that Pricing Date.
- (iv) "DJUBSCI-F1SM" means that the price for a Pricing Date will be that day's Specified Price for The Dow Jones-UBS Commodity Index Excess Return one

Month Forward<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF1” that displays prices effective on that Pricing Date.

- (v) “DJUBSCI-F2TSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Commodity Index Total Return two Month Forward<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF2T” that displays prices effective on that Pricing Date.
- (vi) “DJUBSCI-F2SM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Commodity Index Excess Return two Month Forward<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF2” that displays prices effective on that Pricing Date.
- (vii) “DJUBSCI-F3TSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Commodity Index Total Return three Month Forward<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF3T” that displays prices effective on that Pricing Date.
- (viii) “DJUBSCI-F3SM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Commodity Index Excess Return three Month Forward<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSF3” that displays prices effective on that Pricing Date.
- (ix) “DJUBS EneTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Energy Total Return Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSENTR” that displays prices effective on that Pricing Date.
- (x) “DJUBS EneSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Energy Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSEN” that displays prices effective on that Pricing Date.
- (xi) “DJUBS PetTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Petroleum Total Return Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or

its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPETR” that displays prices effective on that Pricing Date.

- (xii) “DJUBS PetSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Petroleum Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPE” that displays prices effective on that Pricing Date.
- (xiii) “DJUBS LvstckTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Livestock Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLITR” that displays prices effective on that Pricing Date.
- (xiv) “DJUBS LvstckSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Livestock Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLI” that displays prices effective on that Pricing Date.
- (xv) “DJUBS GrainsTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Grains Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSGRTR” that displays prices effective on that Pricing Date.
- (xvi) “DJUBS GrainsSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Grains Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSGR” that displays prices effective on that Pricing Date.
- (xvii) “DJUBS IndMtlTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Industrial Metals Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSINTR” that displays prices effective on that Pricing Date.
- (xviii) “DJUBS IndMtlSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Industrial Metals Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSIN” that displays prices effective on that Pricing Date.
- (xix) “DJUBS PrcMtlTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Precious Metals Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters

Screen page “DJUBSPRTR” that displays prices effective on that Pricing Date.

- (xx) “DJUBS PrcMtlSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Precious Metals Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPR” that displays prices effective on that Pricing Date.
- (xxi) “DJUBS SftsTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Softs Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSOTR” that displays prices effective on that Pricing Date.
- (xxii) “DJUBS SoftsTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Softs Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSO” that displays prices effective on that Pricing Date.
- (xxiii) “DJUBS ExEngy TRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS ExEnergy Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSXETR” that displays prices effective on that Pricing Date.
- (xxiv) “DJUBS ExEngySM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS ExEnergy Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSXE” that displays prices effective on that Pricing Date.
- (xxv) “DJUBS Agri TRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Agriculture Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSAGTR” that displays prices effective on that Pricing Date.
- (xxvi) “DJUBS AgriSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Agriculture Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSAG” that displays prices effective on that Pricing Date.
- (xxvii) “DJUBS50/50 EnAgTSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS 50/50 Energy & Agriculture Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed

on Reuters Screen page “DJUBSEATR” that displays prices effective on that Pricing Date.

- (xxviii) “DJUBS50/50 EnAgSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS 50/50 Energy & Agriculture Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSEA” that displays prices effective on that Pricing Date.
- (xxix) “DJUBS AluminTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Aluminum Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSALTR” that displays prices effective on that Pricing Date.
- (xxx) “DJUBS AluminumSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Aluminum Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSAL” that displays prices effective on that Pricing Date.
- (xxxii) “DJUBS SoybenOITRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Soybean Oil Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSBOTR” that displays prices effective on that Pricing Date.
- (xxxiii) “DJUBS SoybeanOilSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Soybean Oil Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSBO” that displays prices effective on that Pricing Date.
- (xxxiiii) “DJUBS CornTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Corn Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCNTR” that displays prices effective on that Pricing Date.
- (xxxv) “DJUBS CornSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Corn Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCN” that displays prices effective on that Pricing Date.
- (xxxvi) “DJUBS CoffeeTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Coffee Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or

its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSKCTR” that displays prices effective on that Pricing Date.

- (xxxvi) “DJUBS CoffeeSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Coffee Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSKC” that displays prices effective on that Pricing Date.
- (xxxvii) “DJUBS CrudeOilTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Crude Oil Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCLTR” that displays prices effective on that Pricing Date.
- (xxxviii) “DJUBS CrudeOilSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Crude Oil Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCL” that displays prices effective on that Pricing Date.
- (xxxix) “DJUBS CottonTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Cotton Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCTTR” that displays prices effective on that Pricing Date.
- (xl) “DJUBS CottonSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Cotton Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCT” that displays prices effective on that Pricing Date.
- (xli) “DJUBS GoldTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Gold Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSGCTR” that displays prices effective on that Pricing Date.
- (xlii) “DJUBS GoldSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Gold Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSGC” that displays prices effective on that Pricing Date.
- (xliii) “DJUBS CopperTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Copper Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or

its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSHGTR” that displays prices effective on that Pricing Date.

- (xlv) “DJUBS Copper<sup>SM</sup>” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Copper Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSHG” that displays prices effective on that Pricing Date.
- (xlv) “DJUBS HeatOilTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Heating Oil Total Return Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSHOTR” that displays prices effective on that Pricing Date.
- (xlvi) “DJUBS HeatOilSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Heating Oil Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSHO” that displays prices effective on that Pricing Date.
- (xlvii) “DJUBS UnledGasTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Unleaded Gas Total Return Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSRBTR” that displays prices effective on that Pricing Date.
- (xlviii) “DJUBS UnleadGasSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Unleaded Gas Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSRB” that displays prices effective on that Pricing Date.
- (xlix) “DJUBS LiveCattleTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Live Cattle Total Return Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLCTR” that displays prices effective on that Pricing Date.
- (l) “DJUBS LiveCattleSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Live Cattle Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLC” that displays prices effective on that Pricing Date.
- (li) “DJUBS LeanHogsTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Lean Hogs Total Return Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or

its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLHTR” that displays prices effective on that Pricing Date.

- (lii) “DJUBS LeanHogsSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Lean Hogs Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSLH” that displays prices effective on that Pricing Date.
- (liii) “DJUBS NatrlGasTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Natural Gas Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSNGTR” that displays prices effective on that Pricing Date.
- (liv) “DJUBS NaturalGasSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Natural Gas Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSNG” that displays prices effective on that Pricing Date.
- (lv) “DJUBS NickelTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Nickel Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSNITR” that displays prices effective on that Pricing Date.
- (lvi) “DJUBS NickelSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Nickel Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSNI” that displays prices effective on that Pricing Date.
- (lvii) “DJUBS SoybeansTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Soybean Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSYTR” that displays prices effective on that Pricing Date.
- (lviii) “DJUBS SoybeansSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Soybean Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSY” that displays prices effective on that Pricing Date.
- (lix) “DJUBS SugarTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Sugar Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or

its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSBTR” that displays prices effective on that Pricing Date.

- (lx) “DJUBS Sugar<sup>SM</sup>” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Sugar Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSB” that displays prices effective on that Pricing Date.
- (lxi) “DJUBS Silver<sup>TRSM</sup>” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Silver Total Return Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSITR” that displays prices effective on that Pricing Date.
- (lxii) “DJUBS Silver<sup>SM</sup>” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Silver Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSI” that displays prices effective on that Pricing Date.
- (lxiii) “DJUBS Wheat<sup>TRSM</sup>” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Wheat Total Return Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSWHTR” that displays prices effective on that Pricing Date.
- (lxiv) “DJUBS Wheat<sup>SM</sup>” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Wheat Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSWH” that displays prices effective on that Pricing Date.
- (lxv) “DJUBS Zinc<sup>TRSM</sup>” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Zinc Total Return Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSZSTR” that displays prices effective on that Pricing Date.
- (lxvi) “DJUBS Zinc<sup>SM</sup>” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Zinc Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSZS” that displays prices effective on that Pricing Date.
- (lxvii) “DJUBS Cocoa<sup>TRSM</sup>” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Cocoa Total Return Sub-Index<sup>SM</sup>, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or

its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCCTR” that displays prices effective on that Pricing Date.

(lxviii) “DJUBS CocoaSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Cocoa Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSCC” that displays prices effective on that Pricing Date.

(lix) “DJUBS PlatinumTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Platinum Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPLTR” that displays prices effective on that Pricing Date.

(lxx) “DJUBS PlatinumSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Platinum Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPL” that displays prices effective on that Pricing Date.

(lxxi) “DJUBS LeadTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Lead Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPBTR” that displays prices effective on that Pricing Date.

(lxxii) “DJUBS LeadSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Lead Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSPB” that displays prices effective on that Pricing Date.

(lxxiii) “DJUBS TinTRSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Tin Total Return Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSNTR” that displays prices effective on that Pricing Date.

(lxxiv) “DJUBS TinSM” means that the price for a Pricing Date will be that day’s Specified Price for The Dow Jones-UBS Tin Sub-IndexSM, stated in U.S. Dollars, published by Dow Jones & Company, Inc. or its successor, and UBS AG or its successor, and displayed on Reuters Screen page “DJUBSSN” that displays prices effective on that Pricing Date.

**(c) Rogers International Commodity Indices**

(i) “RICI®-Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® – Index Total Return, stated in U.S.

Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRTR” that displays prices effective on that Pricing Date.

- (ii) “RICI®-Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® – Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRER” that displays prices effective on that Pricing Date.
- (iii) “RICI®-Agriculture Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® – Agriculture Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRAGTR” that displays prices effective on that Pricing Date.
- (iv) “RICI®-Agriculture Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® – Agriculture Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRAGER” that displays prices effective on that Pricing Date.
- (v) “RICI®-Energy Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® – Energy Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRENTR” that displays prices effective on that Pricing Date.
- (vi) “RICI®-Energy Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® – Energy Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRENER” that displays prices effective on that Pricing Date.
- (vii) “RICI®-Metals Index Total Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® – Metals Index Total Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRIMTR” that displays prices effective on that Pricing Date.
- (viii) “RICI®-Metals Index Excess Return” means that the price for a Pricing Date will be that day’s Specified Price for the RICI® – Metals Index Excess Return, stated in U.S. Dollars, calculated by CQG, Inc. or its successor, and displayed on Reuters Screen page “.ROGRIMER” that displays prices effective on that Pricing Date.

### 3.1.5 Emissions

#### (a) ECX

- (i) “CER CFI-ICE FUTURES” means that the price for a Pricing date will be that day’s official settlement price per metric tonne of EU Credits on ICE Futures

of the ICE ECX CER Futures Contract for the Delivery Date, stated in Euros, as made public by ICE Futures on that Pricing Date.

- (ii) “EU ALLOWANCE-ECX CFI-ICE FUTURES” means that the price for a Pricing Date will be that day’s official settlement price per metric tonne of EU Allowances on ICE Futures of the ICE ECX EUA Futures Contract for the Delivery Date, stated in Euros, as made public by ICE Futures on that Pricing Date.
- (iii) “CER-ECX CFI-ICE DAILY FUTURES” means that the price for a Pricing Date will be that day’s official settlement price on ICE Futures of the ICE ECX CER Daily Futures Contract for spot delivery, stated in Euros per metric tonne of Certified Emission Reductions, as made public by ICE Futures on that Pricing Date.
- (iv) “EU ALLOWANCE-ECX CFI-ICE DAILY FUTURES” means that the price for a Pricing Date will be that day’s official settlement price on ICE Futures of the ICE ECX EUA Daily Futures Contract for spot delivery, stated in Euros per metric tonne of EU Allowances, as made public by ICE Futures on that Pricing Date.

**(b) BLUENEXT**

- (i) “BLUENEXT SPOT EUA” means that the price for a Pricing Date will be that day’s closing price on BlueNext of the BlueNext Spot EUA Contract 2008-2012, stated in Euros per metric tonne of EU Allowances, as made public by BLUENEXT on that Pricing Date.
- (ii) “BLUENEXT SPOT CER” means that the price for a Pricing Date will be that day’s closing price on BlueNext of the BlueNext Spot CER Contract 2008-2012, stated in Euros per metric tonne of EU Credits, as made public by BlueNext on that Pricing Date.

**3.2 Section 1: Definitions Relating To Commodity Reference Prices**

**(a) Price Sources**

“Argus/McCloskey’s” and “Argus/McCloskey’s Coal Price Index Report” each means the Argus/McCloskey’s Coal Price Index Report, or any successor publication, published by Argus Media Limited or its successor and The McCloskey Group Limited.

“Platts European” means Platts European Marketscan, or any successor publication, published by The McGraw-Hill Companies Inc. or its successor.

“Reuters” means Reuters or its successor.

“Reuters Screen” means, when used in connection with any designated page and Commodity Reference Price, the display page so designated on Reuters (or such other page as may replace that page on that service for the purpose of displaying rates or prices comparable to that Commodity Reference Price).

**(b) Exchanges and Principal Trading Markets**

“Bursa Malaysia” means the Bursa Malaysia Derivatives Bhd or its successor.

“CBOT” means the Chicago Board of Trade or its successor.

“CME” means the Chicago Mercantile Exchange or its successor.

“EEX” means the European Energy Exchange AG, or its successor, which reports market prices on its website at [www.eex.de](http://www.eex.de) or its successor.

“IPE” means The International Petroleum Exchange of London Ltd., a wholly-owned subsidiary of IntercontinentalExchange™, or its successor.

“KCBOT” means the Kansas City Board of Trade or its successor.

“LBMA” means The London Bullion Market Association or its successor.

“LME” means The London Metal Exchange Limited or its successor.

“London Gold Market” means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Gold.

“London Silver Market” means the market in London on which members of the LBMA, amongst other things, quote prices for the buying and selling of Silver.

“LPPM” means The London Platinum and Palladium Market in London on which members quote prices for the buying and selling of Platinum and Palladium.

“NYBOT” means the New York Board of Trade or its successor.

“NYMEX” means the NYMEX Division, or its successor, of the New York Mercantile Exchange, Inc. or its successor.

“SFE” means the Sydney Futures Exchange Limited (ACN 000 943 377) or its successor.

“TGE” means the Tokyo Grain Exchange or its Successor.

“TOCOM” means The Tokyo Commodity Exchange or its successor.

“WCE” means the Winnipeg Commodity Exchange Inc. or its successor.

**(c) General**

“MMBTU”, “MMBtu” and “mmbtu” each means one million British thermal units.

“MWH”, “MWh” and “mwh” each means megawatt hour.

## CREDIT LINKED ANNEX

### Table of Contents

#### **PART A – DESCRIPTION AND RISK FACTORS**

1. Brief Description of Credit Linked Securities
2. Risk Factors Relating to Credit Linked Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED SECURITIES**

1. Types of Credit Linked Securities
3. Redemption of Cash-Settled CLSs
4. Redemption of Physically Delivered Securities
5. Redemption Failure Event
6. Determination Agent
7. Notices
8. Additional Provisions in respect of a Succession Event
9. Additional Provisions relating to Deliverable Obligations
10. Additional Provisions for Index CLS
11. Additional Provisions for Reference CDS
12. Representations
13. Additional Disruption Events
14. Amendment to Condition 12 (*Taxation*)

#### **PART C – DEFINITIONS AND INTERPRETATIONS APPLICABLE TO CREDIT LINKED SECURITIES**

1. Certain general definitions relating to the Securities
2. Reference entities and obligations
3. Method for determining Obligations and Deliverable Obligations
4. Conditions to Settlement
5. Credit Events
6. General terms relating to Redemption and Settlement
7. Terms relating to Cash Settlement
8. Terms relating to Auction Settlement
9. Terms relating to Delivery
10. Terms relating to Currencies

11. Terms relating to Convertible, Exchangeable and Accreting Obligations

**PART A**  
**DESCRIPTION AND RISK FACTORS**

**1 Brief Description of Credit Linked Securities**

Credit Linked Securities are Securities in respect of which the payments of interest and/or repayment of principal and/or amount deliverable on redemption at maturity, or prior to maturity, will be calculated by reference to and/or contingent upon the occurrence of a Credit Event and satisfaction of the Conditions to Settlement with respect to one or more Reference Entities and/or certain obligations of one or more Reference Entities.

**2 Risk Factors Relating to Credit Linked Securities**

Credit Linked Securities have a different risk profile to ordinary unsecured debt securities. The return on a Credit Linked Security is linked to the credit risk of one or more Reference Entities and certain obligations of one or more Reference Entities underlying that Credit Linked Security. Investing in a Credit Linked Security is not equivalent to investing directly in shares of any Reference Entity or in any obligation of any Reference Entity, nor is it equivalent to investing or hedging using over-the-counter derivatives.

This section describes additional factors to which prospective investors should have regard when considering an investment in Credit Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

***Independent Review and Advice***

Each Securityholder is fully responsible for making its own investment decisions as to whether the Credit Linked Securities (i) are fully consistent with its (or, if it is acquiring the Credit Linked Securities in a fiduciary capacity, the beneficiary’s) financial needs, objectives and conditions, (ii) comply and are fully consistent with all investment policies, guidelines and restrictions applicable to it (or its beneficiary) and (iii) are a fit, proper and suitable investment for it (or its beneficiary).

Securityholders are deemed to have sufficient knowledge, experience and professional advice to make their own investment decisions, including, without limitation, their own legal, financial, tax, accounting, credit, regulatory and other business evaluation of the risks and merits of investment in the Credit Linked Securities. Securityholders should ensure that they fully understand the risks associated with investments of this nature, which are intended to be sold only to sophisticated investors.

Securityholders should be aware that neither the Issuer, the Guarantor nor any Manager has any duty to conduct or accepts any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of any Reference Entity and its Obligations, Underlying Obligations, Underlying Obligors, Reference Obligations and Deliverable Obligations. Securityholders are solely responsible for making their own independent appraisal of and investigation into such matters. Purchasers of the Credit Linked Securities may not rely on the views or advice of the Issuer or Guarantor for any information in relation to any person other than the Issuer or the Guarantor itself.

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

***Risks related to the structure of a particular issue of Credit Linked Securities***

A number of the Credit Linked Securities may have features which contain particular risks for prospective investors. Set out below is a description of the most common such features:

***Credit Linked Securities Subject to Optional Redemption by the Issuer After a Relevant Credit Event***

The Issuer may redeem Credit Linked Securities (or, if so specified in the applicable Final Terms, a portion thereof) earlier than the stated Redemption Date if a Credit Event occurs and the Conditions to Settlement specified in the applicable Final Terms are satisfied. The optional redemption feature of Credit Linked Securities is likely to limit their market value. During any period when the Issuer may elect to redeem Credit Linked Securities, the market value of those Credit Linked Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

At the time of such optional redemption, an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Credit Linked Securities being redeemed. Prospective Securityholders should consider such reinvestment risk in light of other investments available at the time.

***Risk of Loss of Interest***

Save as otherwise provided in the applicable Final Terms, no interest will accrue on the Credit Linked Securities (or, if so provided in the applicable Final Terms, the portion of the applicable Calculation Amount of each Security affected thereby) on or after the Interest Expiration Date.

***Risk of Loss of Principal***

Investors bear the risk of loss if any Relevant Credit Event occurs and the Conditions to Settlement, if any, are satisfied. The Credit Event Redemption Amount in respect of each Cash Settled CLS is likely to be less than the Calculation Amount as at the relevant Credit Event Redemption Date and may be zero. Similarly, the market value of the Deliverable Obligations Portfolio in respect of each Physically Delivered CLS is likely to be less than the Calculation Amount as at the Relevant Event Determination Date and may be zero.

The Credit Event Redemption Amount or amount of Deliverable Obligations delivered to a Securityholder will reflect the market value of the obligations of the Reference Entity in respect of which a Credit Event occurred less a deduction for Swap Costs. Swap Costs reflect the cost to the Issuer of terminating, liquidating, obtaining or re-establishing any hedges, trading positions, term deposits or funding arrangements entered into by it or on its behalf in respect of the Credit Linked Securities. Swap Costs will be determined by the Determination Agent in its sole and absolute discretion, taking into account, *inter alia*, the hedging strategy employed in respect of the Credit Linked Securities and prevailing funding rates, interest rates and credit spreads at the time of determination. Neither the Issuer nor the Guarantor is under any duty to hedge itself with respect to

any Credit Linked Securities, nor is either of them required to hedge itself in a manner that will result in the lowest unwind costs. Securityholders should be aware that if Swap Costs are greater than the product of the Calculation Amount as at the Relevant Event Determination Date and the Final Price or the market value of the Deliverable Obligations Portfolio, as the case may be, the Credit Event Redemption Amount will be zero.

See also “Risks relating to the CLS Settlement Method” below.

### ***Risks relating to the Credit Derivatives Definitions and the Credit Derivatives Determinations Committees***

#### ***Credit Derivatives Definitions***

The terms and conditions of the Credit Linked Securities do not incorporate by reference the definitions and provisions of the 2003 ISDA Credit Derivatives Definitions, as amended by the supplements thereto, including the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement (the “**July 2009 Supplement**”) published on 14 July 2009 (the “**Credit Derivatives Definitions**”), and there may be differences between the definitions used in the Conditions of the Securities and the Credit Derivatives Definitions. Consequently, investing in Credit Linked Securities is not exactly equivalent to investing in a credit default swap that incorporates the Credit Derivatives Definitions.

While ISDA has published and supplemented the Credit Derivatives Definitions in order to facilitate transactions and promote uniformity in the credit derivative market, the credit derivative market has evolved over time and is expected to continue to change. Consequently, the Credit Derivatives Definitions and the terms applied to credit derivatives, including Credit Linked Securities, are subject to interpretation and further evolution. Past events have shown that the views of market participants may differ as to how the Credit Derivatives Definitions operate or should operate. As a result of the continued evolution in the market, interpretation of the Credit Linked Securities may differ in the future because of future market standards. Such a result may have a negative impact on the Credit Linked Securities.

There can be no assurance that changes to the terms applicable to credit derivatives generally will be predictable or favourable to the Issuer or Securityholders. Future amendments or supplements to the terms applicable to credit derivatives generally will only apply to Credit Linked Securities that have already been issued if the Issuer and the Securityholders agree to amend the Credit Linked Securities to incorporate such amendments or supplements and other conditions to amending the Credit Linked Securities have been met.

#### ***Credit Derivatives Determinations Committees***

Credit Derivatives Determinations Committees were established pursuant to the March 2009 Supplement to the 2003 ISDA Credit Derivatives Definitions to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency. As at the date of this Base Prospectus, Barclays Bank PLC is a member of each of the Credit Derivatives Determinations Committees. In such capacity, it need not have regard to the interests of any Securityholders when taking any action or casting any vote. Further information about the Credit Derivatives Determinations Committee may be found at [www.isda.org/credit](http://www.isda.org/credit).

Whether or not a Credit Event or Succession Event has occurred, and certain decisions relating thereto, may be dependent on determinations made by the Credit Derivatives Determinations Committee. In certain circumstances, determinations made by the Determination Agent may be overridden by subsequent determinations made by the Credit Derivatives Determinations Committee. If the Issuer delivers a Credit Event Notice or a Succession Event Notice to a Securityholder, such Securityholder should be aware that such notice may be superseded by a determination of the Credit Derivatives Determinations Committee.

In making any determination in its capacity as Determination Agent or Issuer, the Issuer may have regard to (and, in certain circumstances, is bound by) decisions made by the ISDA Credit Derivatives Determinations Committee. Where the Issuer or the Guarantor is a member of such committee, it need not have regard to the interests of Securityholders when taking any action or casting any vote. Further information about the ISDA Credit Derivatives Determinations Committee may be found at [www.isda.org/credit](http://www.isda.org/credit).

Credit Linked Condition 12 sets out certain representations relating to the Credit Derivatives Determinations Committees which are deemed to be made by each Securityholder.

***Exposure to Reference Entities, Obligations, Underlying Obligations, Underlying Obligors, Reference Obligations and Deliverable Obligations***

Unless otherwise provided in the applicable Final Terms, purchasers of Credit Linked Securities are exposed to the credit risks and other risks associated with the Reference Entities and their Obligations, Underlying Obligations, Underlying Obligors, Reference Obligations, Deliverable Obligations and any relevant jurisdictional risks.

***Synthetic Exposure***

The Credit Linked Securities do not represent a claim against any Reference Entity and, in the event of any loss, purchasers of Credit Linked Securities will not have recourse under the Credit Linked Securities to any Reference Entity. Neither the Issuer nor the Guarantor is obliged to own or hold any Obligation or Reference Obligation, and no inference may be drawn from the Base Prospectus, this Credit Linked Annex or any applicable Final Terms that either the Issuer or the Guarantor holds any such Obligation or Reference Obligation or has any credit exposure to any Reference Entity. Unless otherwise provided in the applicable Final Terms, amounts payable under the Credit Linked Securities are not, in any direct or indirect way, limited by or associated with, or linked or calculated by reference to, any loss of bargain, cost of funding or any other actual loss or cost suffered by the Issuer or the Guarantor as a result of its holding or not holding any Obligation or Reference Obligation.

***Credit Events***

Potential purchasers should note that not all Credit Events have easily ascertainable triggers and disputes can and have arisen as to whether a specific event did or did not constitute a Credit Event. However, under these Credit Linked Conditions and subject to any subsequent determinations made by a Credit Derivatives Determinations Committee, the Issuer's determination of a Credit Event will, in the absence of manifest error, be conclusive and binding on all persons (including, without limitation, the Securityholders), notwithstanding the disagreement of such persons or other financial institutions, rating agencies or commentators.

### *Portfolio Replacements, Succession Events and Substitute Reference Obligations*

If specified in the applicable Final Terms, the Issuer, the Guarantor or a third party (the “**Replacement Selector**”) may be entitled to effect replacements of the entities, obligations and amounts comprising a reference portfolio for a Series of Credit Linked Securities. Unless otherwise specified in the applicable Final Terms or any other agreement, the Replacement Selector may effect such replacements pursuant to any guidelines specified in the applicable Final Terms without regard to their effect on the value, market price or liquidity of any Credit Linked Securities or of the interests of any person other than the Replacement Selector. If the applicable Final Terms entitles the Replacement Selector to effect such replacements, unless otherwise specified, the Replacement Selector shall have no obligation to effect a replacement of a Reference Obligation as a result of any change in the credit of such Reference Obligation or related Reference Entity and no such inference may be drawn from such applicable Final Terms.

Upon the occurrence of a Succession Event, one or more Successor Reference Entities will (unless otherwise specified in the applicable Final Terms) be deemed to be a Reference Entity in replacement of (or in addition to, as applicable) the Reference Entity originally specified in the applicable Final Terms. Furthermore, upon a Reference Obligation ceasing to exist in the manner specified in the definition thereof, a Substitute Reference Obligation may be selected.

As a result of the circumstances discussed in the preceding two paragraphs, a Series of Credit Linked Securities may be linked to the credit of certain Reference Entities and its Obligations and Reference Obligations, notwithstanding that such Reference Entities, Obligations and Reference Obligations were not specified in the applicable Final Terms upon issuance of such Series of Credit Linked Securities.

### *Redemption After Redemption Date*

Redemption may occur irrespective of whether the Relevant Credit Event is continuing on or after a Relevant Event Determination Date. The Credit Event Redemption Date, the Final Delivery Date or the Physical Settlement Date may be later than the Redemption Date. In certain circumstances, delivery of Deliverable Obligations contained in the Deliverable Obligations Portfolio may be delayed to a date beyond the Physical Settlement Date. If a Credit Event has occurred but a Credit Event Notice has not yet been served on or prior to the Redemption Date, the Issuer may elect to extend the maturity of the Credit Linked Securities by service of an Extension Notice. During the Extension Period, the Issuer may deliver a Credit Event Notice.

### *Issuer Discretion*

The decision as to when and whether to deliver a Credit Event Notice and, if applicable, a Notice of Publicly Available Information, is at the sole and absolute discretion of the Issuer. Such notices are effective when delivered to the Issue and Paying Agent. The delivery of or failure to deliver such notices to Securityholders will not affect the effectiveness of such notices.

### *Risks relating to the CLS Settlement Method*

The CLS Settlement Method specified in the Final Terms will affect how the Credit Linked Securities are redeemed. Prospective investors should assess whether the CLS Settlement Method is appropriate for them prior to investing in the Credit Linked Securities.

Where “Issuer CLS Settlement Option” is applicable, the Issuer may elect the CLS Settlement Method after the occurrence of a Credit Event. Prospective investors should be aware that this may result in a

different CLS Settlement Method than the method originally anticipated by the Credit Linked Securities.

### ***Physical Settlement***

#### *Redemption Failure/Alternative Settlement*

In relation to a Physically Delivered CLS, if a Redemption Failure Event occurs, the Security may be subject to alternative settlement and may, in certain circumstances, be redeemed without any payment or Delivery by the Issuer. If the minimum denomination of Deliverable Obligations is not a whole integral number of the amount of the Deliverable Obligations Portfolio, the Issuer may Deliver such whole integral amount of the Deliverable Obligations Portfolio and cash settle the fractional shortfall. If the Credit Event Redemption Amount in respect of such Security cannot be paid when due as a result of a Redemption Failure Event, the Securityholder, after providing a release and indemnity to the satisfaction of the Issuer, may request such payment to be made to an account or person not affected by such Redemption Failure Event, provided that, if such Redemption Failure Event is continuing for 180 calendar days after the Redemption Date, the Issuer's obligations in respect of such payment will be discharged.

#### *Securityholder Obligations*

If a Security is a Physically Delivered CLS, the Issuer's obligation to Deliver the Deliverable Obligations Portfolio is subject to various conditions, including, without limitation, the obligation of the Securityholder to deliver to the Issuer a Delivery Entitlement Instruction within the prescribed time frame. If a Securityholder fails to do so, the obligations of the Issuer to that Securityholder may be discharged without any payment or Delivery. In any event, no payment or Delivery will be made in respect of a Physically Delivered CLS unless the Issuer has received any required instructions, certifications and information and, where applicable, the relevant Security has been delivered and surrendered in accordance with the terms of the Master Agency Agreement (as amended from time to time), the Base Conditions and the terms of any relevant Global Security. In addition, the Issuer's obligation to Deliver any Deliverable Obligations in respect of a Physically Delivered CLS may be superseded by the Issuer's option to elect cash settlement instead of physical settlement in respect of a Security.

#### *Impossibility and Illegality*

In relation to a Physically Delivered CLS, if as a result of the application of the provisions of Credit Linked Condition 4.4 to 4.8 it is impossible, impracticable (including if unduly burdensome) or illegal for the Issuer to Deliver (by reason of an impossibility, impracticability or illegality, non-receipt of requisite consents of Consent Required Loans or Assignable Loans included in the Deliverable Obligations Portfolio, the inclusion in the Deliverable Obligations Portfolio of Participations not effected by the Latest Permissible Physical Settlement Date or for any other reason specified in such Credit Linked Conditions), then Credit Linked Condition 4.4 to 4.8 relating to partial cash settlement may apply in respect of any undeliverable portion of the Deliverable Obligations Portfolio. If such partial cash settlement does not apply, then in respect of the portion of the Deliverable Obligations Portfolio for which it is not possible or legal to take Delivery on the Physical Settlement Date, such Delivery will take place as soon as practicable thereafter in accordance with the provisions of the Credit Derivatives Definitions and in any event on or before the Latest Permissible Physical Settlement Date. The Issuer's obligations will be deemed to be fully discharged with respect to such Security as at

the date on which the Deliverable Obligations Portfolio (if any) has been fully Delivered or otherwise as at the date immediately following the Latest Permissible Physical Settlement Date.

### ***Auction Settlement***

If “Auction Settlement” is specified as applicable in respect of any Security, then the amounts payable by and/or rights and obligations of the parties under such Security in respect of the relevant Reference Entity or Reference Obligation will be determined in accordance with the Auction Final Price (as defined in these Credit Linked Conditions). This may result in a lower recovery value than a Reference Entity or Reference Obligation would have if such Auction Final Price had not been used.

In its capacity as a Global Dealer Voting Member of each Credit Derivatives Determinations Committee, Barclays Bank PLC will be involved in deciding the terms relating to each Auction and is also required (subject to limited exceptions) to act as a participating bidder in each Auction. In such capacity, the Issuer or Guarantor is under no obligation to consider the interests of Securityholders when making any decision relating to an Auction or when acting as a participating bidder.

If “Auction Settlement” is specified as applicable with respect to any Credit Linked Securities but the Credit Derivatives Determinations Committee does not decide to conduct an Auction with respect to obligations of the relevant Reference Entity satisfying the relevant characteristics as set out in the applicable Final Terms, then the Fallback CLS Settlement Method shall apply. In such circumstances, either the Final Price will be determined pursuant to the Valuation Method or the Issuer will Deliver to Securityholders the Deliverable Obligations Portfolio.

Investors should note that they will not be able to deliver a Customer Physical Settlement Request (as defined in the Credit Derivatives Auction Settlement Terms) to the Issuer in respect of their holding of Credit Linked Securities.

### ***Cash Settlement***

If “Cash Settlement” is specified as applicable with respect to any Credit Linked Securities, or deemed to apply pursuant to the Issuer CLS Settlement Method or the Fallback CLS Settlement Method, then the Determination Agent will value the Reference Obligation by asking for quotations from Dealers. The date, time and method of such auction, and the selection of the Reference Obligation, will impact the Final Price. The Dealers selected by the Determination Agent must be financial institutions, funds or other entities that purchase or deal in obligations similar to the Reference Obligation and may include the Issuer or Guarantor; however, the Dealers have no duty towards any Securityholder and may not be aware that the purpose of the auction is to determine a Final Price for purposes of the Credit Linked Securities or any other securities.

Investors should note that the Final Price determined pursuant to a dealer poll may be significantly different to the Auction Final Price.

### **Other risk factors**

#### ***Recent Market Developments***

#### ***Leverage***

Certain Credit Linked Securities may be highly leveraged investments, including, without limitation, Credit Linked Securities linked to a notional amount of Reference Entities or Reference Obligations

exceeding the Aggregate Nominal Amount of Notes or the aggregate Calculation Amount per Security relating to Certificates, as applicable, of the Credit Linked Securities or Credit Linked Securities linked to the first-to-default or similar arrangement of a reference portfolio. The use of leverage is a speculative investment technique to enhance returns. However, leverage will also magnify the adverse impact of Credit Events.

#### *Hedging*

In the ordinary course of their business, including, without limitation, in connection with their market-making activities, the Issuer, the Guarantor, the Manager and/or any Agent or any Affiliate of any of them (each such entity, a “**Programme Party**”) may effect transactions for their own account or for the accounts of their customers and hold long or short positions in any applicable Reference Obligation or related derivatives. In addition, in connection with the offering of the Credit Linked Securities, the Issuer and/or any other Programme Party may enter into one or more hedging transactions with respect to any applicable Reference Obligation or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any other Programme Party, the Issuer and/or any other Programme Party may enter into transactions with respect to any applicable Reference Obligation or related derivatives which may affect the market price, liquidity or value of the Credit Linked Securities and which could be deemed to be adverse to the interests of the relevant Securityholders. The Issuer and/or any other Programme Party may pursue such hedging or related derivatives actions and take such steps as they deem necessary or appropriate to protect their interests without regard to the consequences for any Securityholder.

#### *No Guarantee of Performance*

The Credit Linked Securities constitute direct, unsubordinated and unsecured obligations of the Issuer that are linked to the credit risk of the Reference Entities and/or Reference Obligations specified in the applicable Final Terms. No Programme Party guarantees the performance of or otherwise stands behind the performance of any Reference Entity or Reference Obligation or is under any obligation to make good losses suffered as a result of Credit Events.

#### *Provision of Information*

The Programme Parties, whether by virtue of the types of relationships described herein or otherwise, may possess information in relation to any Reference Entity, any Affiliate of a Reference Entity, any Reference Obligation or any guarantor that is or may be material in the context of the Credit Linked Securities and that may or may not be publicly available or known to the Securityholders or any other person. The Credit Linked Securities will not create any obligation on the part of any of the Programme Parties to disclose any such relationship or information (whether or not confidential).

#### *No Representations*

None of the Programme Parties makes any representation, express or implied, as to any Reference Entity or any Reference Obligation or the credit quality thereof, or any information contained in any documents provided by any Reference Entity or filed by a Reference Entity with any exchange or with any governmental authority.

### *Expenses and Taxation*

Securityholders must pay all Taxes and/or Settlement Expenses, arising from the ownership, transfer, sale, redemption, exercise, cancellation of Securities and/or receipt or transfer of any Settlement Amount. All payments in respect of the Securities will be made subject to deduction for or on account of Taxes and/or Settlement Expenses, and there will be no obligation on the Issuer or the Guarantor (if applicable) to gross-up or redeem the Securities early as a result of any such deduction.

The relevant Issuer is not liable for or otherwise obliged to pay any Taxes or Settlement Expenses and all payments made by the Issuer will be made subject to any such Taxes or Settlement Expenses which may be required to be made, paid withheld or deducted. The Issuer is not obliged to redeem the Securities early as a result of, or make any additional payments to Securityholders in respect of, any such Taxes or Settlement Expenses.

**PART B**  
**ADDITIONAL TERMS AND CONDITIONS FOR CREDIT LINKED SECURITIES**

*The terms and conditions applicable to Credit Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Credit Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Credit Linked Conditions set out below, the Credit Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Credit Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Credit Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities if specified to be Credit Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

## **1 Types of Credit Linked Securities**

Credit Linked Securities may be Single Name CLSs, Nth-to-Default CLSs, Portfolio CLSs or Index CLSs, or such other type of Security as described in the applicable Final Terms.

“**Single Name CLS**” means a Security, the payment of principal and/or interest on which is determined by reference to the occurrence of a Relevant Credit Event with respect to a single Reference Entity.

“**Nth-to-Default CLS**” means a Security, the payment of principal and/or interest on which is determined by reference to the occurrence of a Relevant Credit Event, in relation to the Nth Event Determination Date, with respect to the Reference Portfolio.

“**Portfolio CLS**” means a Security, the payment of principal and/or interest on which is determined by reference to the occurrence of a Credit Event with respect to more than one Reference Entities comprising the Reference Portfolio.

“**Index CLS**” means a Security, the payment of principal and/or interest on which is determined by reference to the level (or change in level, as applicable) of a benchmark index.

## **2 Credit Event Determinations and consequences**

### **2.1 Credit Event Determination**

The Issuer may, at any point during the Notice Delivery Period, deliver a Credit Event Notice (provided that an Event Determination Date may only occur following the Redemption Date where an Extension Notice has been delivered) in accordance with the provisions of these Credit Linked Conditions and the applicable Final Terms.

The Issuer’s determination of a Credit Event will, in the absence of manifest error and subject to the “Event Determination Date” definition, be conclusive and binding on all persons (including, without limitation, the Securityholders). Neither the Issuer nor the Issue and Paying Agent will have any liability whatsoever for the failure of the Issuer for any reason to determine that a Credit Event has occurred or with respect to the Issuer’s timing as to when to deliver a Credit Event Notice, Notice of Publicly Available Information or Notice of Physical Settlement, nor will

they have any duty or responsibility to investigate or check whether any Credit Event has, or may have, occurred or may be continuing.

## 2.2 Relevant Credit Events

If a Relevant Event Determination Date has occurred in respect of a Reference Entity during the Notice Delivery Period and on or prior to the Redemption Date, then, notwithstanding anything to the contrary in Conditions 4, 5, 7 or 8 of the Base Conditions, unless otherwise specified in the applicable Final Terms:

- (i) interest will cease to accrue as at the Interest Expiration Date; and
- (ii) the Issuer may redeem each Cash Settled CLS at the Credit Event Redemption Amount on the Credit Event Redemption Date and each Physically Delivered CLS by Delivery of the Deliverable Obligations Portfolio on or before the Final Delivery Date, subject to and in accordance with the provisions of these Credit Linked Conditions and the applicable Final Terms.

If the Issuer elects to redeem the Securities, the Issuer shall deliver, or may cause the Issue and Paying Agent at the expense of the Issuer to deliver, a notice (a “**Credit Event Redemption Notice**”) in accordance with Credit Linked Condition 7 to the Securityholders, with a copy to the Determination Agent and the Issue and Paying Agent. The Credit Event Redemption Notice will:

- (a) identify the Series of Securities to which the Credit Event Redemption Notice relates;
- (b) state the Issuer’s intention to redeem the Securities pursuant to Credit Linked Condition 3 or 4, as applicable; and
- (c) if “Issuer CLS Settlement Option” is specified as applicable in the applicable Final Terms, state the CLS Settlement Method that shall apply to the Securities.

If a Credit Event Notice, Notice of Publicly Available Information or, if applicable, Notice of Physical Settlement specifies the information required to be specified in a Credit Event Redemption Notice, such notice will be deemed to be a Credit Event Redemption Notice.

## 2.3 Credit Event Notice after Restructuring

Upon the occurrence of an Event Determination Date in respect of a Restructuring Credit Event:

- 2.3.1 the Issuer may deliver multiple Credit Event Notices with respect to such Restructuring Credit Event, each such Credit Event Notice setting forth the portion of the Aggregate Nominal Amount (in the case of Notes) or the portion of the Security (by reference to its applicable Calculation Amount per Security, determined on or about the date of the Credit Event Notice) (in the case of Certificates) with respect to each Security to which such Credit Event Notice applies (the aggregate of such amounts with respect to a Series being the “**Exercise Amount**”);
- 2.3.2 if the Issuer has delivered a Credit Event Notice that specifies an Exercise Amount that is less than the Aggregate Nominal Amount (in the case of Notes) or the whole Security (or Calculation Amount per Security thereof, determined on or about the date of the Credit Event Notice) (in the case of Certificates), as applicable, the rights and obligations of the Issuer and the Guarantor shall, with effect from the date such Credit Event Notice is

effective, be construed as if the Issuer had issued two Securities, one of which has an Aggregate Nominal Amount (in the case of Notes) or Calculation Amount per Security (in the case of Certificates) equal to the Exercise Amount and, upon satisfaction of the Conditions to Settlement, will be settled (and, if applicable, redeemed) in accordance with the applicable CLS Settlement Method, and the other of which will have an Aggregate Nominal Amount (in the case of Notes) or Calculation Amount per Security (in the case of Certificates) equal to the Aggregate Nominal Amount or Calculation Amount per Security, as applicable, immediately prior to such Credit Event Notice minus such Security's pro rata share of the Exercise Amount, and will continue in effect with such modifications required as determined by the Determination Agent to preserve the economic effects of the two Securities considered in the aggregate;

- 2.3.3 the Exercise Amount in connection with a Credit Event Notice describing a Restructuring must be an amount that is at least 1,000,000 units of the Settlement Currency (or, if Japanese Yen, 100,000,000 units) or an integral multiple thereof or the entire then outstanding Aggregate Nominal Amount, if the Securities are Notes, or the aggregate Calculation Amount per Security of the aggregate number of Certificates outstanding on or about the date of the relevant Credit Event Notice, as applicable. If no Exercise Amount is specified by the Issuer, the Exercise Amount shall be deemed to be the then outstanding Aggregate Nominal Amount or the aggregate Calculation Amount per Security of the aggregate number of Certificates outstanding on or about the date of the relevant Credit Event Notice, as applicable.

Upon redemption of part of each such Credit Linked Security, the relevant Credit Linked Security, or, if the Credit Linked Securities are represented by a Global Security, such Global Security, shall be endorsed to reflect such partial redemption.

#### **2.4 Deferred Redemption Date**

Notwithstanding anything to the contrary in Conditions 4 and 5.1(a) of the Base Conditions, in addition to amounts of interest (if any) accrued in accordance with the Credit Linked Conditions, in respect of the Extended Interest Period (if any), unless "Extension Interest" is specified as not applicable in the applicable Final Terms and no Relevant Event Determination Date occurs on or prior to the Securities Extension Date, interest ("Extension Interest") on each interest bearing Credit Linked Security will be payable in arrears on the Deferred Redemption Date in an amount determined by the Determination Agent equal to the sum for each day in the Extended Interest Period of the product of (i) the Calculation Amount per Security on such day, (ii) the Barclays Bank PLC overnight deposit rate for deposits in the Settlement Currency for such day and (iii) 1/360. If "Extension Interest" is specified as not applicable in the applicable Final Terms, no amount of Extension Interest or other interest shall accrue or be payable on each such Credit Linked Security in respect of any period on or following the Redemption Date, notwithstanding that the Deferred Redemption Date occurs following such date.

### **3 Redemption of Cash Settled CLSs**

Notwithstanding anything to the contrary in Condition 5 of the Base Conditions, following delivery of a Credit Event Redemption Notice in relation to a Cash Settled CLS, each Credit Linked Security will be redeemed at its Credit Event Redemption Amount on the Credit Event Redemption Date.

## 4 Redemption of Physically Delivered Securities

### 4.1 Redemption of Physically Delivered CLSs

Notwithstanding anything to the contrary in Condition 5 of the Base Conditions, following delivery of a Credit Event Redemption Notice in relation to a Physically Delivered CLS, each Credit Linked Security will be redeemed by Delivery of such Security's pro rata share (on a per Calculation Amount per Security basis, determined on or about the date of the Credit Event Redemption Notice) of the Deliverable Obligations Portfolio, subject to and in accordance with this Credit Linked Condition 4.

### 4.2 Delivery of Deliverable Obligations on shortfall

Subject to Credit Linked Condition 4.4, and unless otherwise elected by the Issuer in accordance with the Issuer CLS Settlement Option, if all or any part of the Deliverable Obligations Portfolio to be Delivered to a Securityholder is not a whole integral multiple of the smallest unit of transfer for any such Deliverable Obligation at the relevant time of Delivery, as determined by the Determination Agent, the Issuer will Deliver and such Securityholder will only be entitled to receive the portion of the Deliverable Obligations Portfolio specified by the Determination Agent which is closest to but less than the full Deliverable Obligations Portfolio, after consideration of such smallest unit or units of transfer (such portion of the Deliverable Obligations Portfolio that is not so Delivered being a "Delivery Shortfall"), and the Issuer will pay to such Securityholder in the Settlement Currency at the same time as such Delivery an amount in cash equal to the value of such Delivery Shortfall, as determined by the Determination Agent.

### 4.3 Delivery of Deliverable Obligations Portfolio

Delivery of the Deliverable Obligations Portfolio shall be made in accordance with Condition 7.2 of the Base Conditions as if references to "Entitlement" were to the relevant Securityholder's share of the Deliverable Obligations Portfolio and references to "Physical Delivery Date" were to the relevant Delivery Date, subject to adjustment as provided in this Credit Linked Condition 4.

Subject to the rest of this Credit Linked Condition 4, the Issuer may Deliver only the Deliverable Obligations specified in the Notice of Physical Settlement and only in the amounts specified therein. The Issuer may continue to attempt to Deliver the whole of the Deliverable Obligations specified in the Notice of Physical Settlement (i) in the case of Deliverable Obligations that are Bonds or Loans, after the Physical Settlement Date and (ii) in the case of Deliverable Obligations that are not Bonds or Loans, for an additional five Business Days after the Physical Settlement Date.

Until the date on which the Deliverable Obligations Portfolio has been fully Delivered (or, if applicable, the Latest Permissible Physical Settlement Date), the Issuer or any other person (whether or not on behalf of the Issuer) may continue to be the legal owner of the Deliverable Obligations comprising the Deliverable Obligations Portfolio which are not possible, practical or legal to deliver. None of the Issuer nor any such other person will (a) be under any obligation to deliver or procure delivery to the relevant Securityholder or any other person any letter, certificate, notice, circular or any other document or payment whatsoever received by the Issuer or that person, (b) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such Deliverable Obligations comprising the Deliverable

Obligations Portfolio until the date on which the Deliverable Obligations Portfolio has been fully Delivered (or, if applicable, the Latest Permissible Physical Settlement Date), (c) be under any liability to such Securityholder or any other person in respect of any loss or damage which such Securityholder or other person may sustain or suffer as a result, whether directly or indirectly, of the Issuer or any person (whether or not on behalf of the Issuer) being the legal owner of such Deliverable Obligations comprising the Deliverable Obligations Portfolio until the date on which the Deliverable Obligations Portfolio has been fully Delivered (or, if applicable, the Latest Permissible Physical Settlement Date) or (d) have any liability whatsoever to such Securityholder or any other person if, as a result of a Redemption Failure Event or for any other reason whatsoever (including, without limitation, Credit Linked Conditions 4.4 to 4.8) it is unable to effect Delivery of any Deliverable Obligations comprising the Deliverable Obligations Portfolio and its obligations hereunder are deemed to be fully discharged in accordance with the Credit Linked Conditions.

#### **4.4 Partial Cash Settlement due to Impossibility or Illegality**

Unless otherwise specified in the applicable Final Terms if, due to an event beyond the control of the Issuer, it is impossible, impracticable (including if unduly burdensome) or illegal for the Issuer to Deliver, or due to an event beyond the control of the Issuer it is impossible, impracticable (including if unduly burdensome) or illegal for any Securityholder (the “**Affected Securityholder**”, which term shall apply to the relevant Securityholder in this Credit Linked Condition 4) to accept Delivery of, any of the Deliverable Obligations specified in the Notice of Physical Settlement on the Physical Settlement Date (including, without limitation, failure of the relevant clearance system or due to any law, regulation or court order, but excluding market conditions or the failure to obtain any requisite consent with respect to the Delivery of Loans) (the “**Undeliverable Obligation**”), then on or before such date (i) the Issuer shall Deliver and the Affected Securityholder shall take Delivery of any of the Deliverable Obligations specified in the Notice of Physical Settlement for which it is possible and legal to take Delivery and (ii) the Issuer shall provide a description in reasonable detail of the facts giving rise to such impossibility, impracticability or illegality, and “Cash Settlement” pursuant to the Partial Cash Settlement Terms in Credit Linked Condition 4.9 shall apply to the Undeliverable Obligation.

#### **4.5 Partial Cash Settlement of Consent Required Loans**

Unless otherwise specified in the applicable Final Terms, if:

4.5.1 the Deliverable Obligations specified in the Notice of Physical Settlement include Consent Required Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Settlement Date, capable of being assigned or novated to the Affected Securityholder and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and

4.5.2 “Direct Loan Participation” is not specified as a Deliverable Obligation Characteristic in the applicable Final Terms or “Direct Loan Participation” is specified as a Deliverable Obligation Characteristic in the related Contractual Terms of Issue and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

Cash Settlement pursuant to the Partial Cash Settlement Terms in Credit Linked Condition 4.9 shall be deemed to apply to the Securities with respect to the Deliverable Obligations specified

in the Notice of Physical Settlement that consist of Consent Required Loans for which consents are not obtained or deemed given (the “**Undeliverable Loan Obligations**”).

#### **4.6 Partial Cash Settlement of Assignable Loans**

Unless otherwise specified in the applicable Final Terms, if:

4.6.1 the Deliverable Obligations specified in the Notice of Physical Settlement include Assignable Loans that, due to the non-receipt of any requisite consents, are not, on the Physical Settlement Date, capable of being assigned or novated to the Affected Securityholder and such consents are not obtained or deemed given by the Latest Permissible Physical Settlement Date; and

4.6.2 “Direct Loan Participation” is not specified as a Deliverable Obligation Characteristic in the applicable Final Terms or “Direct Loan Participation” is specified as a Deliverable Obligation Characteristic in the applicable Final Terms and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date,

Cash Settlement pursuant to the Partial Cash Settlement Terms in Credit Linked Condition 4.9 shall be deemed to apply to the Securities with respect to the Deliverable Obligations specified in the Notice of Physical Settlement that consist of Assignable Loans for which consents are not obtained or deemed given (the “**Unassignable Obligations**”).

#### **4.7 Partial Cash Settlement of Participations**

Unless otherwise specified in the applicable Final Terms, if the Deliverable Obligations include Direct Loan Participations and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date, cash settlement pursuant to the Partial Cash Settlement Terms shall be deemed to apply to the Credit Linked Securities with respect to the Deliverable Obligations specified in the Notice of Physical Settlement that consist of Direct Loan Participations in respect of which the relevant participation is not effected (the “**Undeliverable Participations**”).

#### **4.8 Alternative Procedures Relating to Loans not Delivered**

If the Issuer has not Delivered any Deliverable Obligations specified in the Notice of Physical Settlement that are Loans on or prior to the date that is five Business Days after the Physical Settlement Date (the “**Alternative Procedure Start Date**”), the following provisions shall apply unless (i) Reference Obligations Only has been specified as the Deliverable Obligation Category in the applicable Final Terms, (ii) in the case of a Consent Required Loan, “Partial Cash Settlement of Consent Required Loans Applicable” is specified in the applicable Final Terms (in which case Credit Linked Condition 4.5 shall apply), (iii) in the case of an Assignable Loan, “Partial Cash Settlement of Assignable Loans Applicable” is specified in the applicable Final Terms (in which case Credit Linked Condition 4.6 shall apply), (iv) in the case of a Direct Loan Participation, “Partial Cash Settlement of Participations Applicable” is specified in the applicable Final Terms (in which case Credit Linked Condition 4.7 shall apply) or (v) in any case, such failure to Deliver is due to an event described in Credit Linked Condition 4.4 (in which case Credit Linked Condition 4.4 shall apply).

In the event that the Issuer has failed to obtain the requisite consents to Deliver a Loan specified in the Notice of Physical Settlement and has provided a certificate signed by a Managing

Director (or other substantively equivalent title) of the Issuer, which shall certify that Issuer has used reasonable efforts to obtain such consents, at any time following the Alternative Procedure Start Date, the Issuer may Deliver, in lieu of all or part of such Loan, any Bond that is Transferable and Not Bearer or any Loan that is Assignable, in either case selected by the Issuer and having on both the Physical Settlement Date and the Delivery Date each of the Deliverable Obligation Characteristics (other than Consent Required Loan or Direct Loan Participation), if any, specified in the applicable Final Terms and otherwise satisfying the requirements to constitute a Deliverable Obligation (and such instrument shall be deemed specified in the Notice of Physical Settlement).

#### 4.9 Partial Cash Settlement Terms

Unless specified otherwise in the applicable Final Terms, the following terms are deemed to be defined as follows for the purposes of the Partial Cash Settlement Terms referred to in Credit Linked Conditions 4.4 to 4.8:

- 4.9.1 If “Cash Settlement” is deemed to apply pursuant to Credit Linked Conditions 4.4 to 4.8, the portion of the Deliverable Obligations Portfolio corresponding to the applicable Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation or Unassignable Obligation (each an “**Undeliverable Deliverable Obligation**”) shall not consist of such Undeliverable Deliverable Obligation, but shall consist of an amount equal to the outstanding principal balance (or the equivalent Currency Amount thereof) of such Undeliverable Deliverable Obligation multiplied by the Final Price with respect to such Undeliverable Deliverable Obligation. For the purposes of this Credit Linked Condition 4.9, “Final Price” shall mean the highest firm bid price (expressed as a percentage of par and excluding any accrued and unpaid interest) solicited by the Determination Agent from five or more Dealers at the CLS Valuation Time (as per Credit Linked Condition 4.9.5) on the CLS Valuation Date (as per Credit Linked Condition 4.9.3) for the purchase of the applicable Undeliverable Deliverable Obligation in a quantity equal to the applicable outstanding principal balance or Due and Payable Amount which was not, or could not be, Delivered, provided, if no such firm bids are provided in respect of any such Undeliverable Deliverable Obligation at such time on such date, the firm bid price will be zero. Any quotation provided by the Issuer or an Affiliate thereof shall be deemed to be a firm quotation;
- 4.9.2 “**Credit Event Redemption Date**” is deemed to be the date that is three Business Days after the calculation of the Final Price;
- 4.9.3 “**CLS Valuation Date**” is deemed to be the date that is two Business Days after the Latest Permissible Physical Settlement Date;
- 4.9.4 There shall be no “Minimum Quotation Amount”; and
- 4.9.5 “**CLS Valuation Time**” is the time specified as such in the applicable Final Terms or, if no time is so specified, the time specified by the Determination Agent, which shall be as close as reasonably practicable to 11:00 a.m. in the relevant Determination Agent City, unless the Determination Agent determines that the principal market for transactions in the Undeliverable Deliverable Obligation would be closed at such time or such transactions are not being conducted in sufficient volume (as determined by the

Determination Agent in its sole and absolute discretion) at such time, in which event the CLS Valuation Time shall be such other time as may be specified by the Determination Agent that such principal market is open.

## 5 Redemption Failure Event

“**Redemption Failure Event**” means, in each case as determined by the Determination Agent in its sole discretion, (i) that it is impossible or illegal for the Issuer to pay (due to an event beyond the control of the Issuer), or for a Securityholder to accept payment of (due to an event beyond the control of such Securityholder), any cash amount (including, without limitation, the Credit Event Redemption Amount in respect of each Credit Linked Security) required to be paid on the date scheduled for such payment, (ii) the failure of a Securityholder to surrender a Credit Linked Security for cancellation on or before the Redemption Date, first Delivery Date in respect of the applicable Physical Settlement Date or Credit Event Redemption Date, as the case may be, or (iii) the failure of any relevant person to duly execute, deliver and/or accept a transfer certificate or other transfer document on or before any Delivery Date and/or specify a date for transfer of the relevant Deliverable Obligation that is on or before any Delivery Date, in each case in accordance with the terms of the relevant Deliverable Obligation.

If a Redemption Failure Event has occurred and exists on the Redemption Date, the obligation of the Issuer to pay the Credit Event Redemption Amount or to Deliver the Deliverable Obligations Portfolio or part thereof, as the case may be, on such date will be postponed without further act or notice, and such payment or Delivery will be made on a Business Day selected by the Determination Agent on which such Redemption Failure Event no longer exists, provided that, if such Redemption Failure Event continues to exist on the tenth Business Day after the Redemption Date or other scheduled payment date or Delivery Date in respect of an amount required to be paid or Deliverable Obligations to be Delivered (as the case may be), the Securityholder may request the Issuer in writing to make payment of such amount to such account or to such other person as the Securityholder specifies, provided that the Issuer first receives an irrevocable and unconditional release and indemnity in respect of liabilities arising therefrom to its sole and absolute satisfaction.

Notwithstanding anything to the contrary in the Base Conditions, if the Determination Agent determines that such Redemption Failure Event continues to exist on the 180th calendar day after the Redemption Date or other scheduled payment date or Delivery Date in respect of an amount required to be paid or Deliverable Obligations to be Delivered (as the case may be), no such payment will be made by the Issuer and the Issuer’s obligations to the Securityholder hereunder will be deemed to be fully discharged as of that date.

Any postponement or deemed discharge of payment pursuant to this Credit Linked Condition 5 will not constitute a default hereunder (including for the purpose of Condition 10 of the Base Conditions) and will not entitle the relevant Securityholder to any additional interest or other payment as a result thereof. For the avoidance of doubt, the provisions of this Credit Linked Condition 5 are in addition to any provisions of Credit Linked Condition 4 regarding, *inter alia*, the failure to Deliver Deliverable Obligations.

## 6 Determination Agent

Except as otherwise set forth in the applicable Final Terms, any determination, discretion or calculation of the Issuer or the Determination Agent as may be specified in these Credit Linked Conditions will be made in the sole and absolute discretion of the Issuer or the Determination Agent, as applicable, and neither assume any obligation to, or relationship of agency or trust with, any Securityholders or any other person. Furthermore, each Securityholder agrees that none of the Issuer, the Guarantor or the Determination Agent is acting as fiduciary for or as an adviser to such Securityholder in respect of its duties as Issuer, Guarantor or Determination Agent. In making any such determination or calculation or exercising any such discretion, none of the Issuer, Guarantor or Determination Agent shall be required to take into account any person's interest other than its own.

The Determination Agent is responsible for, *inter alia*:

- (i) determining a Successor or Successors and making any other determinations required to be made under the Successor Provisions;
- (ii) determining whether (a) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments), (b) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of a Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of such Reference Entity enforceable in accordance with its terms or (c) for any reason other than as described in (a) or (b) above and other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of a Reference Entity;
- (iii) identifying and determining a Substitute Reference Obligation;
- (iv) in the event that multiple Credit Event Notices with respect to a Restructuring Credit Event are delivered pursuant to Credit Linked Condition 2.3, making any modifications required pursuant to that Credit Linked Condition;
- (v) obtaining Quotations (and, if necessary, determining whether such Quotations shall include or exclude accrued but unpaid interest) and determining the Final Price in accordance with the applicable Valuation Method;
- (vi) converting the Quotation Amount into the relevant Obligation Currency;
- (vii) determining the Dealers (where none have been specified in the applicable Final Terms) and substituting Dealers;
- (viii) determining the Currency Rate;
- (ix) determining the Representative Amount;
- (x) determining the number of Business Days in each Physical Settlement Period; and
- (xi) if "Include Accrued Interest" is specified in the applicable Final Terms with respect to Deliverable Obligations, determining accrued but unpaid interest and determining the Accreted Amount of any Accreting Obligation.

Except as otherwise expressly set forth herein or in the applicable Final Terms, whenever the Determination Agent is required to act or to exercise its judgement, it will do so in good faith and in a commercially reasonable manner. Each Securityholder in respect of the relevant Series of Credit Linked Securities acknowledges and agrees that the Determination Agent is not acting as a fiduciary for or an adviser to any person in respect of the Securities, and acts in all respects as an arm's length contractual counterparty.

If any of the matters set out in this Credit Linked Condition 6 are decided and/or determined by a Credit Derivatives Determinations Committee, the Determination Agent shall follow such decision or determination to the extent such decision and/or determination is applicable to any Series of Credit Linked Securities.

## 7 Notices

### 7.1 Notices required to be delivered

The Issuer shall give notice to Securityholders of the following, to the extent required to be delivered pursuant to a Series of Credit Linked Securities and unless otherwise specified in the applicable Final Terms:

- (i) Credit Event Notice;
- (ii) Notice of Publicly Available Information;
- (iii) Notice of Physical Settlement;
- (iv) the occurrence of any Succession Event, including, if applicable, details of any Successors and any amendments to the weighting of each Reference Entity within the Reference Portfolio (provided that (a) no Succession Event Notice shall be required following a determination by a Credit Derivatives Determinations Committee that a Succession Event has occurred and (b) the failure of the Issuer to deliver a notice to the Securityholders pursuant to this Credit Linked Condition 7 shall not affect the effectiveness of any determinations by the Determination Agent in respect of such Succession Event (such determinations to be in accordance with these Credit Linked Conditions));
- (v) the selection of any Replacement Reference Entity;
- (vi) if the terms of any Securities provide for the Reference Portfolio to be amended from time to time other than through a Succession Event, details of any amendments to the Reference Portfolio;
- (vii) the designation of any Substitute Reference Obligation (provided that (a) no such notice shall be required following a determination by a Credit Derivatives Determinations Committee that a Substitute Reference Obligation has occurred and (b) the failure of the Issuer to deliver a notice to the Securityholders pursuant to this Credit Linked Condition 7 shall not affect the effectiveness of any designation of such Substitute Reference Obligation by the Determination Agent (such designation to be in accordance with these Credit Linked Conditions));
- (viii) in respect of any Cash Settled CLS, following the selection by the Issuer of an obligation of the Reference Entity constituting a Reference Obligation for the purposes of "Terms

relating to Cash Settlement”, a notice specifying the identification details of such selected obligation, provided that the failure of the Issuer to deliver a notice to the Securityholders pursuant to this Credit Linked Condition 7 shall not affect the effectiveness of any designation of such Reference Obligation by the Determination Agent (such designation to be in accordance with these Credit Linked Conditions);

- (ix) following the determination of the CLS Cash Settlement Amount with respect to any Cash Settled CLS, a notice specifying, to the extent applicable:
  - (a) the Reference Obligation;
  - (b) the CLS Valuation Date;
  - (c) the Quotation Amount;
  - (d) the Quotations obtained;
  - (e) the Final Price or Auction Final Price, as applicable;
  - (f) the CLS Cash Settlement Amount;
  - (g) if applicable, any Settlement Expenses and/or Swap Costs; and
  - (h) if applicable, the Credit Event Redemption Amount; and
- (x) following delivery of a Notice of Physical Settlement (to the extent such information is not included in the Notice of Physical Settlement):
  - (a) the proposed Delivery Date;
  - (b) if applicable, the Settlement Expenses and/or Swap Costs; and
  - (c) the outstanding principal amount of Deliverable Obligations to be Delivered.

## **7.2 Effectiveness of Notices**

Any notice required to be delivered by the Issuer to the Issue and Paying Agent pursuant to these Credit Linked Conditions or the applicable Final Terms shall be effective when delivered. The Issue and Paying Agent will deliver a copy thereof to Securityholders if required in accordance with the provisions of Condition 16 of the Base Conditions, provided that the failure of the Issue and Paying Agent to deliver any such notice shall not affect the effectiveness of any notice delivered by the Issuer.

A notice delivered by the Issuer to the Issue and Paying Agent on or prior to 4:00 p.m. (Determination Agent City time) on a Determination Agent City Business Day will be effective on such Determination Agent City Business Day. A notice delivered after 4:00 p.m. (Determination Agent City time) on a Determination Agent City Business Day will be deemed effective on the next following Determination Agent City Business Day, regardless of the form in which it is delivered. For purposes of the two preceding sentences, a notice given by telephone will be deemed to have been delivered at the time the telephone conversation takes place. If the notice is delivered by telephone, a written confirmation will be executed and delivered confirming the substance of that notice within one Business Day of that notice. Failure to provide that written confirmation will not affect the effectiveness of that telephonic notice. If a notice is given by email, it will be deemed effective at the date and time it was delivered.

### 7.3 Confidentiality

Securityholders will treat as confidential any information about a Reference Entity which is designated by the Issuer as confidential information and conveyed to the Securityholders for the purposes of identifying the Credit Event or giving rise to the determination of a Credit Event.

## 8 Additional provisions in respect of a Succession Event

### 8.1 Provisions for determining a Successor

8.1.1 “Successor” means in relation to a Reference Entity that is not a Sovereign, the entity or entities, if any, determined as set forth below:

- (i) if one entity directly or indirectly succeeds to 75 per cent. or more of the Relevant Obligations of the Reference Entity by way of a Succession Event, that entity will be the sole Successor in respect of such Reference Entity;
- (ii) if only one entity directly or indirectly succeeds to more than 25 per cent. (but less than 75 per cent.) of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 in respect of such Reference Entity;
- (iii) if more than one entity each directly or indirectly succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 (subject to Credit Linked Condition 8.2.1);
- (iv) if one or more entities each directly or indirectly succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 (subject to Credit Linked Condition 8.2.1);
- (v) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than 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 and the Securities will not be changed in any way as a result of the Succession Event; and
- (vi) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, but no entity succeeds to more than 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 (or, if two or more entities succeed to an equal percentage of Relevant Obligations, the entity from among those entities

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

- 8.1.2 The Determination Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than 14 calendar days after the legally effective date of the Succession Event), and with effect from the legally effective date of the relevant Succession Event, whether the relevant thresholds set forth above have been met, or which entity qualifies under Credit Linked Condition 8.1.1(vi), as applicable; provided that the Determination Agent will not make such determination if, at such time, either (i) ISDA has publicly announced that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in Credit Linked Condition 8.1.1 are satisfied in accordance with the CDDC Rules (until such time, if any, as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine a Successor) or (ii) ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that no event that constitutes a Succession Event has occurred. In calculating the percentages used to determine whether the relevant thresholds set forth above have been met, or which entity qualifies under Credit Linked Condition 8.1.1(vi), as applicable, the Determination Agent shall use, with respect to each applicable Relevant Obligation included in such calculation, the amount of the liability with respect to such Relevant Obligation listed in the Best Available Information and shall notify the parties of such calculation.
- 8.1.3 **“Succession Event”** means (i) with respect to a Reference Entity that is not a Sovereign, an event such as a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event in which one entity succeeds to the obligations of another entity, whether by operation of law or pursuant to any agreement or (ii) with respect to a Reference Entity that is a Sovereign, an event such as an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other event that results in any direct or indirect successor(s) to such Reference Entity. Notwithstanding the foregoing, “Succession Event” shall not include an event (a) in which the holders of obligations of the Reference Entity exchange such obligations for the obligations of another entity, unless such exchange occurs in connection with a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event or (b) with respect to which the legally effective date (or, in the case of a Reference Entity that is a Sovereign, the date of occurrence) has occurred prior to the Succession Event Backstop Date.

For purposes of this Credit Linked Condition 8.1, **“succeed”** means, with respect to a Reference Entity and its Relevant Obligations (or, as applicable, obligations), that an entity other than such Reference Entity (I) assumes or becomes liable for such Relevant Obligations (or, as applicable, obligations), whether by operation of law or pursuant to any agreement, or (II) issues Bonds that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case such Reference Entity is no longer an obligor (primarily or secondarily) or guarantor with respect to such Relevant Obligations (or, as applicable, obligations). The determinations required pursuant to Credit Linked Condition

8.1.1 shall be made, in the case of an exchange offer, on the basis of the outstanding principal balance of Relevant Obligations tendered and accepted in the exchange and not on the basis of the outstanding principal balance of Bonds for which Relevant Obligations have been exchanged.

8.1.4 Where:

- (i) a Reference Obligation has been specified with respect to a Reference Entity;
- (ii) one or more Successors to the Reference Entity have been identified; and
- (iii) any one or more such Successors have not assumed the Reference Obligation,

a Substitute Reference Obligation will be determined in accordance with the provisions of Credit Linked Condition 8.3 with respect to a Reference Entity.

8.1.5 Where, pursuant to Credit Linked Condition 8.1.1(iii), 8.1.1(iv), 8.2.1(iii) or 8.2.1(iv), one or more Successors have been identified, the relevant Securities shall be divided into the same number of new Securities (the “**New Securities**”) as there are Successors, with the following terms:

- (i) each Successor shall be the Reference Entity for the purposes of one of the New Securities;
- (ii) in respect of each New Security, the Aggregate Nominal Amount or Calculation Amount per Security (determined on or about the date of the applicable Succession Event), as applicable, shall be the Aggregate Nominal Amount or Calculation Amount of the original Security (before the occurrence of the relevant Succession Event) divided by the number of Successors;
- (iii) all other terms and conditions of the original Securities shall be replicated in each of the New Securities, with such modifications as would be required, as determined by the Determination Agent, to preserve substantially the economic effect of the original Securities in the New Securities (considered in the aggregate);
- (iv) each of the New Securities shall be deemed to constitute a separate and distinct issuance which shall be treated as a separate Series of Securities by the Issuer, and the Register shall be endorsed by the Registrar to reflect such separate Series of the New Securities, and, at the request of a Securityholder, the Definitive Security representing the original Security (before the occurrence of the relevant Succession Event) will be replaced by Definitive Securities representing the New Securities in accordance with this Credit Linked Condition 8.1.5; and
- (v) the Determination Agent shall make such other conforming and consequential changes as it shall deem appropriate to give effect to this Credit Linked Condition 8, including, without limitation, the amendment of Credit Linked Conditions 2.1, 2.2 and 2.3 to allow, *inter alia*, for redemption of an Aggregate Nominal Amount of the Securities with the aggregate Calculation Amount per Security (determined on or about the date of the applicable Succession Event) equal to the nominal amount of one (or more) New Security(ies) in respect of which a Relevant Event Determination Date has occurred, with the remainder of such Aggregate Nominal

Amount of the Securities remaining outstanding and accruing interest on such reduced Aggregate Nominal Amount (until such time as a further Event Determination Date in respect of a different New Security may occur or a redemption of the remaining Aggregate Nominal Amount of the Securities may otherwise occur pursuant to the terms hereof).

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

8.1.7 **“Best Available Information”** means:

- (i) in the case of a Reference Entity which files information with its primary securities regulator or primary stock exchange that includes unconsolidated, pro forma financial information which assumes that the relevant Succession Event has occurred or which provides such information to its shareholders, creditors or other persons whose approval of the Succession Event is required, that unconsolidated, pro forma financial information and, if provided subsequently to the provision of unconsolidated, pro forma financial information but before the Determination Agent makes its determination for the purposes of this Credit Linked Condition 8.1 and Credit Linked Conditions 8.2 and 8.3, other relevant information that is contained in any written communication provided by the Reference Entity to its primary securities regulator, primary stock exchange, shareholders, creditors or other persons whose approval of the Succession Event is required; or
- (ii) in the case of a Reference Entity which does not file with its primary securities regulators or primary stock exchange, and which does not provide to shareholders, creditors or other persons whose approval of the Succession Event is required, the information contemplated in Credit Linked Condition 8.1.7(i), the best publicly available information at the disposal of the Determination Agent to allow it to make a determination for the purposes of this Credit Linked Condition 8.1 and Credit Linked Conditions 8.2 and 8.3.

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

With respect to a Sovereign Reference Entity, **“Successor”** means each entity which becomes a direct or indirect successor to such Reference Entity by way of Succession Event, irrespective of whether any such successor assumes any of the obligations of such Reference Entity.

8.1.9 “**Succession Event Backstop Date**” means (i) for purposes of any Succession Event, as determined by DC Resolution, the date that is 90 calendar days prior to the Succession Event Resolution Request Date or (ii) otherwise, the date that is 90 calendar days prior to the earlier of (a) the date on which the Succession Event Notice is effective and (b) in circumstances where (I) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in paragraph (i) of the definition of “Succession Event Resolution Request Date” are satisfied in accordance with the CDDC Rules, (II) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (III) the Succession Event Notice is delivered by the Determination Agent not more than 14 calendar days after the day on which ISDA publicly announces that that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Succession Event Resolution Request Date. The Succession Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms.

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

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

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

8.1.11 “**Succession Event Notice**” means an irrevocable notice from the Determination Agent that describes a Succession Event that occurred on or after the Succession Event Backstop Date and any consequential amendments to the Reference Portfolio and/or the Credit Linked Securities as a result thereof.

## 8.2 Successor provisions specific to Nth-to-Default CLS

In respect of Nth-to-Default CLS, this Credit Linked Condition 8.2 shall apply in addition to Credit Linked Condition 8.1. If there is any inconsistency between this Credit Linked Condition 8.2 and the rest of the Credit Linked Conditions (including Credit Linked Condition 8.1), then this Credit Linked Condition 8.2 shall prevail.

### 8.2.1 Treatment of certain Succession Events

- (i) In the event that, pursuant to the application of Credit Linked Condition 8.1.1, a Reference Entity that is not subject to the Succession Event (the “**Surviving Reference Entity**”) would be the only Successor to a Reference Entity that is subject to the Succession Event (the “**Legacy Reference Entity**”):

- (a) such Successor (that is a Surviving Reference Entity) shall not be a Successor to such Legacy Reference Entity; and
  - (b) the replacement Reference Entity (the “**Replacement Reference Entity**”) selected by the Issuer in accordance with Credit Linked Condition 8.2.2 shall be the sole Successor to such Legacy Reference Entity.
- (ii) In the event that, pursuant to the application of Credit Linked Condition 8.1.1, there is only one Successor to a Legacy Reference Entity and such Successor is not a Surviving Reference Entity, such Successor shall be the sole Successor to such Legacy Reference Entity.
  - (iii) In the event that, pursuant to the application of Credit Linked Condition 8.1.1(iii) or 8.1.1(iv), there are two or more Successors to a Legacy Reference Entity and none of such Successors is a Surviving Reference Entity:
    - (a) each of such Successors (that is not a Surviving Reference Entity) shall be a Reference Entity for the purposes of one of the New Securities determined in accordance with Credit Linked Condition 8.1.5; and
    - (b) each of the Surviving Reference Entity(ies) (that is not a Successor) shall continue to be a Reference Entity for each and every one of the New Securities determined in accordance with Condition 8.1.5.
  - (iv) In the event that, pursuant to the application of Credit Linked Condition 8.1.1(iii) or 8.1.1(iv), there are two or more Successors to a Legacy Reference Entity and at least one of such Successors is a Surviving Reference Entity:
    - (a) each of such Successor(s) (that is a Surviving Reference Entity) shall not be a Successor to such Legacy Reference Entity, and shall be replaced by a Replacement Reference Entity selected in accordance with Credit Linked Condition 8.2.2;
    - (b) each of such Replacement Reference Entity(ies) and any other Successor(s) not constituting a Surviving Reference Entity shall be a Reference Entity for the purposes of one of the New Securities determined in accordance with Credit Linked Condition 8.1.5; and
    - (c) each of the Surviving Reference Entity(ies) (that is not a Successor) shall continue to be a Reference Entity for each and every one of the New Securities determined in accordance with Credit Linked Condition 8.1.5.

#### 8.2.2 Selection of Replacement Reference Entity

Upon a determination by the Determination Agent of the occurrence of a Succession Event with respect to which a Surviving Reference Entity would be a Successor but for the operation of Credit Linked Condition 8.2.1(i), the Issuer shall select an Eligible Reference Entity as the Replacement Reference Entity and the Transaction Type applicable to such Eligible Reference Entity.

“**Eligible Reference Entity**” means an entity:

- (i) that is in the same Moody's or S&P industry group as the relevant Surviving Reference Entity;
- (ii) that has a bid-side credit spread (at the time the Issuer delivers to the Issue and Paying Agent the notice specifying the Eligible Reference Entity that it has selected to be the Replacement Reference Entity) no greater than 110 per cent. of the bid-side credit spread of the relevant Surviving Reference Entity at the same time (the "**Credit Spread Requirement**"), in each case based on a credit default swap:
  - (a) on market standard terms for the relevant entity as at the time of such determination;
  - (b) in respect of a notional amount equal to at least 50 per cent., but not more than 100 per cent., of the Aggregate Nominal Amount; and
  - (c) with a term equal to the period from and including the date of the determination to and including the Redemption Date (the "**Remaining Term**"), provided that if the Issuer, having used reasonable endeavours, cannot obtain Quotations from at least three Dealers in respect of the Remaining Term, the term for the purposes of this paragraph (c) shall be five years.

The bid-side credit spreads for the purpose of the Credit Spread Requirement shall be the unweighted arithmetic mean of the spread quotations obtained by the Issuer (on the basis of the terms set out above) from at least three Dealers, as determined by the Issuer in a commercially reasonable manner and notified by the Issuer to the Issue and Paying Agent:

- (I) that is principally traded in the credit derivatives market in respect of the same Geographical Region as the relevant Surviving Reference Entity, as determined in a commercially reasonable manner by the Issuer, where "**Geographical Region**" means North America, Latin America, Western Europe, Eastern Europe, Australia/New Zealand, Singapore, Asia (excluding Japan), Japan or such region determined in a commercially reasonable manner by the Issuer to give best effect to then current market practice in respect of the relevant Surviving Reference Entity; and
- (II) that is not an Affiliate of any Reference Entity or the Issuer both immediately prior to and following the relevant Succession Event.

### 8.2.3 Fallback Successor Process

If Credit Linked Condition 8.2.1(i) applies and the Issuer fails to specify a Replacement Reference Entity in accordance with Credit Linked Condition 8.2.2, then:

- (i) the Legacy Reference Entity shall cease to be a Reference Entity unless it is itself a Successor; and
- (ii) notwithstanding Credit Linked Condition 8.2.1(i), each Surviving Reference Entity shall continue to be a Successor, together with any other Successors, and all other terms of the Securities shall remain unaffected.

#### 8.2.4 Effective Date for Substitution of Reference Entity following a Succession Event

The substitution of a Reference Entity and the issuance of New Securities in accordance with the terms hereof shall be deemed to be effective on the legally effective date of the Succession Event.

“**Transaction Type**” means a type of credit derivative transaction that is identified as such in the 2005 Matrix Supplement.

### 8.3 Substitute Reference Obligation

“**Substitute Reference Obligation**” means one or more obligations of the Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of any Qualifying Guarantee) that will replace one or more Reference Obligations, identified by the Determination Agent in accordance with the following procedures:

- 8.3.1 In the event that (i) a Reference Obligation is redeemed in whole or (ii) in the opinion of the Determination Agent (a) the aggregate amounts due under any Reference Obligation have been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments), (b) any Reference Obligation is an Underlying Obligation with a Qualifying Guarantee of a Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of such Reference Entity enforceable in accordance with its terms, or (c) for any other reason, other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of a Reference Entity, the Determination Agent shall identify one or more Obligations to replace such Reference Obligation.
- 8.3.2 Any Substitute Reference Obligation or Substitute Reference Obligations shall be an Obligation that (i) ranks *pari passu* in priority of payment with the ranking in priority of payment of each of the Substitute Reference Obligation and such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as at the date as of which such Reference Obligation was issued or incurred and not reflecting any change to such ranking in priority of payment after such date), (ii) preserves the economic equivalent, as closely as practicable, as determined by the Determination Agent, of the delivery and payment obligations of the parties and (iii) is an obligation of the relevant Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of a Qualifying Guarantee). The Substitute Reference Obligation or Substitute Reference Obligations identified by the Determination Agent shall, without further action, replace such Reference Obligation or Reference Obligations.
- 8.3.3 If more than one specific Reference Obligation is identified as a Reference Obligation in relation to a Series, any of the events set forth under this Credit Linked Condition 8.3 has occurred with respect to one or more but not all of the Reference Obligations, and the Determination Agent determines that no Substitute Reference Obligation is available for one or more of such Reference Obligations, each Reference Obligation for which no Substitute Reference Obligation is available shall cease to be a Reference Obligation.

- 8.3.4 If more than one specific Reference Obligation is identified as a Reference Obligation in relation to a Series, any of the events set forth under this Credit Linked Condition 8.3 has occurred with respect to all of the Reference Obligations, and the Determination Agent determines that at least one Substitute Reference Obligation is available for any such Reference Obligation, then each such Reference Obligation shall be replaced by a Substitute Reference Obligation and each Reference Obligation for which no Substitute Reference Obligation is available will cease to be a Reference Obligation.
- 8.3.5 If (i) more than one specific Reference Obligation is identified as a Reference Obligation, any of the events set forth in this Credit Linked Condition 8.3 has occurred with respect to all of the Reference Obligations and the Determination Agent determines that no Substitute Reference Obligation is available for any of the Reference Obligations, or (ii) only one specific Reference Obligation is identified as a Reference Obligation, any of the events set forth in this Credit Linked Condition 8.3 has occurred with respect to such Reference Obligation and the Determination Agent determines that no Substitute Reference Obligation is available for that Reference Obligation, then the Determination Agent shall continue to attempt to identify a Substitute Reference Obligation until the Extension Date. If (a) an Event Determination Date occurs on or prior to the Extension Date, (b) no Substitute Reference Obligation is identified as at the Extension Date and (c) the Settlement Method provides for the valuation or delivery of a Deliverable Obligation, then the Securities will be redeemed on the Extension Date on the basis that an Event Determination Date did not occur.
- 8.3.6 For purposes of identification of a Reference Obligation, any change in the Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, convert such Reference Obligation into a different Obligation.

## 9 Additional Provisions relating to Deliverable Obligations

### 9.1 Restructuring Maturity Limitation

If "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" is specified in the applicable Final Terms and "Restructuring" is the only Credit Event specified in a Credit Event Notice delivered by the Issuer, then a Deliverable Obligation may be specified (or deemed specified pursuant to Credit Linked Condition 4.8) in the Notice of Physical Settlement or specified in any NOPS Amendment Notice, as applicable, only if it (i) is a Fully Transferable Obligation and (ii) has a final maturity date not later than the Restructuring Maturity Limitation Date.

"Fully Transferable Obligation" means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this Credit Linked Condition 9.1.

For purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of “Fully Transferable Obligation”, such determination shall be made as at the Delivery Date for the Deliverable Obligation, taking into account only the terms of the Deliverable Obligation and any related transfer or consent documents which have been obtained by the Issuer or the Guarantor.

“**Restructuring Maturity Limitation Date**” means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Redemption Date, provided that, in circumstances where the Redemption Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a “**Latest Maturity Restructured Bond or Loan**”) and the Redemption Date occurs prior to the final maturity date of such Latest Restructured Bond or Loan, then the Restructuring Maturity Limitation Date will be the final maturity date of such Latest Maturity Restructured Bond or Loan. In the event that the Redemption Date is later than (i)(a) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (b) the 2.5-year Limitation Date, and, in either case, no Enabling Obligation exists or (ii) the 20-year Limitation Date, the Restructuring Maturity Limitation Date will be the Redemption Date.

“**Eligible Transferee**” means:

- (i) any:
  - (a) bank or other financial institution;
  - (b) insurance or reinsurance company;
  - (c) mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in paragraph (iii)(a) of this definition); and
  - (d) registered or licensed broker or dealer (other than a natural person or proprietorship),provided, however, in each case that such entity has total assets of at least USD 500,000,000;
- (ii) an Affiliate of an entity specified in clause (i) of this definition;
- (iii) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
  - (a) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligation, commercial paper conduit or other special purpose vehicle) that (I) has total assets of at least USD 100,000,000 or (II) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least USD 100,000,000;
  - (b) that has total assets of at least USD 500,000,000; or
  - (c) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support or

other agreement by an entity described in clauses (i), (ii), (iii)(b) or (iv) of this definition; and

(iv) a Sovereign, Sovereign Agency or Supranational Organisation.

All references in this Credit Linked Condition 9.1 to “USD” include equivalent amounts in other currencies.

## 9.2 Modified Restructuring Maturity Limitation

If “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms and “Restructuring” is the only Credit Event specified in a Credit Event Notice delivered by the Issuer, then a Deliverable Obligation may be specified (or deemed specified pursuant to Credit Linked Condition 4.8) in the Notice of Physical Settlement or specified in any NOPs Amendment Notice, as applicable, only if it (i) is a Conditionally Transferable Obligation and (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date.

“**Conditionally Transferable Obligation**” means a Deliverable Obligation that is either Transferable, in the case of Bonds, or capable of being assigned or novated to all Modified Eligible Transferees without the consent of any person being required, in the case of any Deliverable Obligation other than Bonds, provided, however, that a Deliverable Obligation other than Bonds will be a Conditionally Transferable Obligation notwithstanding that consent of the Reference Entity or the guarantor, if any, of a Deliverable Obligation other than Bonds (or the consent of the relevant obligor of a Reference Entity is guaranteeing such Deliverable Obligation) or any agent is required for such novation, assignment or transfer to so long as the terms of such Deliverable Obligation provide that such consent may not be unreasonably withheld or delayed. Any requirement that notification of novation, assignment or transfer of a Deliverable Obligation be provided to a trustee, fiscal agent, administrative agent, clearing agent or paying agent for a Deliverable Obligation shall not be considered to be a requirement for consent for purposes of this Credit Linked Condition 9.2.

Where “Physical Settlement” is specified in the applicable Final Terms (or is applicable as the Fallback CLS Settlement Method), “Modified Restructuring Maturity Limitation” under this Credit Linked Condition 9.2 applies and a Deliverable Obligation is a Conditionally Transferable Obligation with respect to which consent is required to novate, assign or transfer, then if the requisite consent is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason), or is not received by the Physical Settlement Date (in which case it shall be deemed to have been refused), the Issuer shall promptly notify the Securityholders of such refusal (or deemed refusal) and if the Securityholder does not designate a third party or the Securityholder does not take Delivery on or prior to the Alternative Procedure Start Date, then Credit Linked Condition 4.8 shall apply.

For purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of “Conditionally Transferable Obligation”, such determination shall be made as at the Delivery Date for the Deliverable Obligation, taking into account only the terms of the Deliverable Obligation and any related transfer or consent documents which have been obtained by the Issuer.

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

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

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

For the purposes of Credit Linked Conditions 9.1 and 9.2:

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

**“Limitation Date”** means the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the **“2.5-year Limitation Date”**), five years (the **“5-year Limitation Date”**), 7.5 years, 10 years, 12.5 years, 15 years or 20 years (the **“20-year Limitation Date”**), as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms.

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

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

### **9.3 Deliverable Obligations where the Transaction Type is Emerging European Corporate LPN**

Where a Reference Entity is specified to have a Transaction Type of “Emerging European Corporate LPN” or where this Credit Linked Condition 9.3 is stated to be applicable in the applicable Final Terms, the following shall apply:

- 9.3.1 “Multiple Holder Obligation” will be “Not Applicable” with respect to any Reference Obligation (and any Underlying Loan).
- 9.3.2 Each Reference Obligation will be an Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, including, but not limited to, the definition thereof, and, in particular, notwithstanding that the obligation is not an obligation of the Reference Entity.
- 9.3.3 Each Reference Obligation will be a Deliverable Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, including, but not limited to, the definition thereof, and, in particular, notwithstanding that the obligation is not an obligation of the Reference Entity. For the avoidance of doubt, with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Finance Instrument, the outstanding principal balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation. The Not Subordinated Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity.
- 9.3.4 “**Reference Obligation**” means, as at the Trade Date, each of the obligations listed as a Reference Obligation of the Reference Entity in the applicable Final Terms or set forth on the relevant LPN Reference Obligations List (each a “**Markit Published LPN Reference Obligation**”), as published by Markit Group Limited, or any successor thereto, which list is currently available at [www.markit.com/marketing/services.php](http://www.markit.com/marketing/services.php), any Additional LPN, determined in accordance with Credit Linked Condition 9.3.5 below, and each Additional Obligation.
- 9.3.5 “**Additional LPN**” means any bond issued in the form of a loan participation note (an “**LPN**”) by an entity (the “**LPN Issuer**”) for the sole purpose of providing funds for the LPN Issuer to (a) finance a loan to the Reference Entity (the “**Underlying Loan**”); or (b) provide finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument (the “**Underlying Finance Instrument**”); provided that (I) either (A) in the event that there is an Underlying Loan with respect to such LPN, the Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity; or (B) in the event that there is an Underlying Finance Instrument with respect to such LPN, the Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics; (II) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currency-Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and (III) the LPN Issuer has, as at the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of the holders of the LPNs. “**First Ranking LPN Interest**” means a charge, or security interest (or other type of interest having similar effect) (an “**LPN Interest**”) which is expressed as being “first ranking”, “first priority” or similar (“**First Ranking LPN**”) in the document creating such LPN Interest (notwithstanding that such LPN Interest may not be First Ranking LPN under any insolvency laws of any relevant insolvency jurisdiction of the LPN Issuer).

- 9.3.6 **“LPN Reference Obligation”** means each Reference Obligation other than any Additional Obligation. For the avoidance of doubt, any change to the issuer of an LPN Reference Obligation in accordance with its terms shall not prevent such LPN Reference Obligation from constituting a Reference Obligation. Each LPN Reference Obligation is issued for the sole purpose of providing funds for the LPN Issuer to finance a loan to the Reference Entity. For the purposes of these Credit Linked Conditions, each such loan shall be an Underlying Loan.
- 9.3.7 **“Additional Obligation”** means each of the obligations listed as an Additional Obligation of the Reference Entity in the applicable Final Terms or set forth on the relevant LPN Reference Obligations List, as published by Markit Group Limited, or any successor thereto, as at the Trade Date, which list is currently available at [www.markit.com/marketing/services.php](http://www.markit.com/marketing/services.php).

#### **9.4 Deliverable Obligations where the Transaction Type is Sukuk Corporate or Sukuk Sovereign**

Where a Reference Entity is specified to have a Transaction Type of “Sukuk Corporate” or “Sukuk Sovereign” or where this Credit Linked Condition 9.4 is stated to be applicable in the applicable Final Terms, the following shall apply:

- (i) Multiple Holder Obligation will be Not Applicable with respect to any Reference Obligation that is a Sukuk Obligation.
- (ii) Each Qualifying Sukuk Obligation which satisfies the Not Subordinated, Not Domestic Currency, Not Domestic Law and Not Domestic Issuance Obligation Characteristics on the relevant date will be an Obligation notwithstanding anything to the contrary in these Credit Linked Conditions, including but not limited to the definition thereof, and in particular, notwithstanding that a Qualifying Sukuk Obligation may not be an obligation of the Reference Entity.
- (iii) Subject to the second paragraph of the definition of “Not Contingent” (for which purpose references to “Reference Obligation” shall be read as references to “Qualifying Sukuk Obligation”), each Qualifying Sukuk Obligation which:
  - (a) satisfies the Not Subordinated, Specified Currency: Standard Specified Currencies, Not Domestic Issuance, Not Domestic Law, Transferable and Not Bearer Deliverable Obligation Characteristics on the relevant date; and
  - (b) (i) without regard to the effect of any provisions of such Qualifying Sukuk Obligation that permit expected amounts payable to be reduced, extinguished, postponed or withheld or for recourse in respect of such Qualifying Sukuk Obligation to be limited (or any similar provisions, howsoever described), is payable in an amount equal to its outstanding principal balance or Due and Payable Amount, as applicable and (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in subparagraphs (a)-(d) of the definition of “Credit Event” or right of set off by or of a Sukuk Issuer,

will be a Deliverable Obligation notwithstanding anything to the contrary in the Credit Linked Conditions, including but not limited to the definition thereof, and in particular, notwithstanding that a Qualifying Sukuk Obligation may not be an obligation of the Reference Entity.

For the avoidance of doubt, any change as to the identity of the Sukuk Issuer shall not prevent a Sukuk Obligation from constituting a Qualifying Sukuk Obligation.

- (iv) **“Markit Published Sukuk Obligation”** means each obligation set forth, as of the Event Determination Date or if later, the date of the DC Credit Event Announcement, on the relevant sukuk obligations list in respect of the Reference Entity, as published by Markit Group Limited, or any successor thereto.
- (v) **“Reference Obligation”** means (a) (i) each obligation specified as such or of a type described in the applicable Final Terms (if any are so specified or described) or (ii) if an obligation or type of obligation is not specified in the applicable Final Terms, each Markit Published Sukuk Obligation and (b) any Substitute Reference Obligation.
- (vi) **“Qualifying Sukuk Obligation”** means any Sukuk Obligation in respect of which (a) if the related Recourse Obligation (if any) is not a Recourse Guarantee, the related Recourse Obligation is described by the Payment Obligation Category and satisfies the Not Subordinated and Not Contingent Obligation Characteristics on the relevant date or (b) if the related Recourse Obligation (if any) is a Recourse Guarantee, (i) the Underlying Recourse Obligation is described by the Payment Obligation Category and satisfies the Not Subordinated and Not Contingent Obligation Characteristics on the relevant date and (ii) the related Recourse Obligation satisfies the Not Subordinated Obligation Characteristic on the relevant date.
- (vii) **“Sukuk Obligation”** means any trust certificate or other instrument (a **“Sukuk Certificate”**) evidencing a beneficial or other ownership interest in assets, rights, benefits or entitlements and which may be issued by the Reference Entity or another entity (in either case, the **“Sukuk Issuer”**) where if the Reference Entity is not the Sukuk Issuer, the Sukuk Issuer (or any agent, delegate or trustee acting on its behalf) has recourse to the Reference Entity and/or to assets over which the Reference Entity has granted security in favour of the Sukuk Issuer (or any agent, delegate or trustee acting on its behalf) in order to fund payment obligations of the Sukuk Issuer under the Sukuk Certificates (whether such recourse is pursuant to (a) an obligation of the Reference Entity to purchase assets owned by the Sukuk Issuer or (b) any other obligation of the Reference Entity, including as provider of any Recourse Guarantee (each such obligation, a **“Recourse Obligation”**)).

For the purposes of the foregoing, **“Recourse Guarantee”** means an arrangement evidenced by a written instrument pursuant to which the Reference Entity irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an obligation (the **“Underlying Recourse Obligation”**) for which another party is the obligor (the **“Underlying Recourse Obligor”**). Recourse Guarantees shall exclude any arrangement (a) structured as a surety bond, financial guarantee insurance policy, letter of credit or equivalent legal arrangement or (b) pursuant to the terms of which the payment obligations of the Reference Entity can be discharged, reduced or otherwise

altered or assigned (other than by operation of law) as a result of the occurrence or nonoccurrence of an event or circumstance (other than payment).

- (viii) **“Potential Failure to Pay”** means (a) in relation to any Obligations other than Sukuk Obligations, the failure by a Reference Entity to make, when and where due, any payments under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure and/or (b) in relation to any Obligations that are Sukuk Obligations, the failure by the Reference Entity or the Sukuk Issuer to make, when and where due any payments or Expected Payments under one or more Sukuk Obligations or any payments under one or more related Recourse Obligations, as applicable, in accordance with the terms of such Sukuk Obligations or Recourse Obligations, as applicable, at the time of such failure, where the aggregate amount of such failures under sub-clause (a) and sub-clause (b) (aggregated for the Reference Entity and all related Sukuk Issuers but without double counting amounts in respect of the same Sukuk Obligation (whether such amounts are in respect of such Sukuk Obligation or related Recourse Obligation)) is not less than the Payment Requirement, in each case without regard to any grace period or conditions precedent to the commencement of any grace period applicable to such Obligations.
- (ix) **“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) (a) in relation to any Obligations other than Sukuk Obligations, the failure by a Reference Entity to make, when and where due, any payments under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure and/or (b) in relation to any Obligations that are Sukuk Obligations, the failure by the Reference Entity or the Sukuk Issuer to make, when and where due, any payments or Expected Payments under one or more Sukuk Obligations or any payments under one or more related Recourse Obligations, as applicable, in accordance with the terms of such Sukuk Obligations or Recourse Obligations, as applicable, at the time of such failure, where the aggregate amount of such failures under sub-clause (a) and sub-clause (b) (aggregated for the Reference Entity and all related Sukuk Issuers but without double counting amounts in respect of the same Sukuk Obligation (whether such amounts are in respect of such Sukuk Obligation or related Recourse Obligation)) is not less than the Payment Requirement.
- (x) **“Expected Payments”** means, in relation to any Sukuk Obligations and with respect to any day, the amount of any payment or distribution expected to be made on such day in accordance with the initial schedule of payments as specified in the terms of such Sukuk Obligation or the offering circular relating to such Sukuk Obligation, determined without regard to the effect of any provisions of such Sukuk Obligation that permit the expected payments or distributions to be reduced, extinguished, postponed or withheld or for recourse in respect of such Sukuk Obligation to be limited (or any similar provisions, howsoever described).
- (xi) **“Due and Payable Amount”** means (a) in relation to any Deliverable Obligations other than Sukuk Obligations, the amount that is due and payable under (and in accordance with the terms of) a Deliverable Obligation on the Delivery Date, whether by reason of

acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts) and (b) in relation to any Deliverable Obligations that are Sukuk Obligations, the amount that is due and payable or expected to be due and payable, determined without regard to the effect of any provisions of such Deliverable Obligation that permit expected amounts payable to be reduced, extinguished, postponed or withheld or for recourse in respect of such Deliverable Obligation to be limited (or any similar provisions, howsoever described), under (and in accordance with the terms of) a Deliverable Obligation on the Delivery Date, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts).

- (xii) References to “Reference Entity” in the definitions of “Credit Event Resolution Request Date”, “DC Credit Event Announcement”, “DC No Credit Event Announcement”, “Subordination”, “Publicly Available Information”, “Public Source”, “Credit Event”, “Bankruptcy”, “Obligation Acceleration”, “Obligation Default”, “Repudiation/Moratorium”, “Restructuring”, “Default Requirement”, “Governmental Authority”, “Obligation Currency”, “Payment Requirement”, “Deliver”, and Credit Linked Condition 7.3 shall be deemed to include a Sukuk Issuer.
- (xiii) In respect of Transactions for which “Sukuk Sovereign” or “Standard Sukuk Sovereign” is the Transaction Type and in relation to which the Sukuk Issuer is not the Reference Entity, notwithstanding anything to the contrary in the Credit Linked Conditions or the Final Terms, “Bankruptcy” shall be deemed to have been specified as a Credit Event in the applicable Final Terms and any references to “Reference Entity” in the definition of “Bankruptcy” shall be deleted and replaced with “Sukuk Issuer”.
- (xiv) References to “Obligation” in the definitions of “Grace Period”, “Grace Period Business Day”, “Credit Event Resolution Request Date”, “DC Credit Event Announcement”, “DC No Credit Event Announcement”, “Publicly Available Information”, “Credit Event”, “Obligation Acceleration”, “Obligation Default”, “Repudiation/Moratorium”, “Restructuring”, “Default Requirement”, “Governmental Authority”, “Obligation Currency”, “Payment Requirement” and Credit Linked Condition 7.3 shall be deemed to include a Recourse Obligation that relates to any Obligation that is a Sukuk Obligation (if any).
- (xv) References to “interest” in the Credit Linked Conditions (insofar as they relate to interest on Obligations or Deliverable Obligations) shall be deemed to include distributions, profit or other similar amounts of an income nature or expected distributions, profit or other similar amounts of an income nature.
- (xvi) References to “Bond” in the definition of “succeed” at Credit Linked Condition 8.1.3 and the second paragraph of the “Interpretation of provisions” section of Part C(3) of the Credit Linked Conditions, and the definitions of “Repudiation/Moratorium”, “Repudiation/Moratorium Evaluation Date”, “Potential Repudiation/Moratorium”, “Repudiation/Moratorium Extension Condition”, “Repudiation/Moratorium Extension Notice” shall be deemed to include a Sukuk Obligation.

- (xvii) If the Reference Obligation is a Sukuk Obligation, the reference to “the Reference Obligation” in Credit Linked Condition 8.1.4(iii) of the Credit Linked Conditions shall be deemed to be a reference to the related Recourse Obligation.
- (xviii) The definition of “succeed” at Credit Linked Condition 8.1.3 shall be amended such that the words “or (iii) enters into Replacement Recourse Obligations in relation to Replacement Sukuk Obligations that are exchanged for Sukuk Obligations” shall be added after the words “(or, as applicable, obligations)” at the end of the first sentence. For the purposes of the foregoing:
- (a) “**Replacement Sukuk Obligation**” means, in relation to an entity, any trust certificate or other instrument (a “**Replacement Sukuk Certificate**”) evidencing a beneficial or other ownership interest in assets, rights, benefits or entitlements and which may be issued by such entity or another entity (in either case, the “**Replacement Sukuk Issuer**”) where if such entity is not the Replacement Sukuk Issuer, the Replacement Sukuk Issuer (or any agent, delegate or trustee acting on its behalf) has recourse to such entity and/or to assets over which such entity has granted security in favour of the Replacement Sukuk Issuer (or any agent, delegate or trustee acting on its behalf) in order to fund payment obligations of the Replacement Sukuk Issuer under the Replacement Sukuk Certificates (whether such recourse is pursuant to (i) an obligation of such entity to purchase assets owned by the Replacement Sukuk Issuer or (ii) any other obligation of such entity, including as provider of any Replacement Recourse Guarantee (each such obligation, a “**Replacement Recourse Obligation**”)); and
- (b) “**Replacement Recourse Guarantee**” means an arrangement evidenced by a written instrument pursuant to which an entity irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an obligation for which another party is the obligor. Replacement Recourse Guarantees shall exclude any arrangement (a) structured as a surety bond, financial guarantee insurance policy, letter of credit or equivalent legal arrangement or (b) pursuant to the terms of which the payment obligations of the relevant entity can be discharged, reduced or otherwise altered or assigned (other than by operation of law) as a result of the occurrence or non-occurrence of an event or circumstance (other than payment).
- (xix) The definition of “Relevant Obligations” shall be amended such that the words “or Recourse Obligations” shall be added immediately after the words “of the Reference Entity” in the first sentence of such definition.
- (xx) The definition of “Deliverable Obligation” shall be amended such that (a) the words “or in respect of an Obligation that is a Sukuk Obligation where the Reference Entity is a Sovereign Reference Entity and is not the Sukuk Issuer” shall be added immediately after the words “to a Sovereign Reference Entity” in sub-paragraph (iii) of such definition and (b) the words “Sukuk Issuer” shall be added immediately after the words “of a Reference Entity” in sub-paragraph (iii) of such definition.

(xxi) The definition of “Sovereign Restructured Deliverable Obligation” shall be amended such that the words “or if the Reference Entity is a Sovereign Reference Entity and is not the Sukuk Issuer, an Obligation that is a Sukuk Obligation” shall be added immediately after the words “of a Sovereign Reference Entity” in such definition.

(xxii) The definition of “Not Subordinated” shall be deleted in its entirety and replaced with the following:

“**Not Subordinated**” means an obligation that is not Subordinated to (I) the most senior Reference Obligation in priority of payment that is an obligation of the Reference Entity or (II) if no Reference Obligation is an obligation of the Reference Entity but one or more Reference Obligations are Sukuk Obligations, (1) where such obligation is a Sukuk Obligation, the most senior Reference Obligation in priority of payment that is an obligation of the Sukuk Issuer and (2) where such obligation is a Recourse Obligation, the most senior Recourse Obligation in priority of payment relating to a Reference Obligation or (III) if no Reference Obligation is specified in the applicable Final Terms, any unsubordinated Borrowed Money obligation of the Reference Entity or, if there are no such obligations, (1) where such obligation is a Sukuk Obligation any unsubordinated Borrowed Money obligation of the Sukuk Issuer and (2) where such obligation is a Recourse Obligation, any unsubordinated Recourse Obligation of the Reference Entity; provided that, if any of the events set forth under Credit Linked Condition 8.3 has occurred with respect to all of the Reference Obligations or if Credit Linked Condition 8.1.4 is applicable with respect to the Reference Obligation (each, in each case, a “**Prior Reference Obligation**”) and no Substitute Reference Obligation has been identified for any of the Prior Reference Obligations at the time of the determination of whether an obligation satisfies the “Not Subordinated” Obligation Characteristic or Deliverable Obligation Characteristic, as applicable, “Not Subordinated” shall mean an obligation that would not have been Subordinated to the most senior such Prior Reference Obligation in priority of payment unless otherwise specified in the Final Terms or if such Prior Reference Obligation is a Sukuk Obligation, (1) where such obligation is a Sukuk Obligation, the most senior such Prior Reference Obligation in priority of payment and (2) where such obligation is a Recourse Obligation, the most senior Recourse Obligation in priority of payment relating to a Reference Obligation. For purposes of determining whether an obligation satisfies the “Not Subordinated” Obligation Characteristic or Deliverable Obligation Characteristic, the ranking in priority of payment of each Reference Obligation, each Prior Reference Obligation or each Recourse Obligation, as applicable, shall be determined as of the date as of which the relevant Reference Obligation, Prior Reference Obligation or Recourse Obligation, as applicable, was issued, incurred or entered into, and shall not reflect any change to such ranking in priority of payment after such date.”

(xxiii) The definition of “Substitute Reference Obligation” shall be amended such that (a) the words “or a Sukuk Obligation” shall be added immediately after the words “any Qualifying Guarantee)” in first paragraph of such definition, (b) the words “or, where the Sukuk Issuer is not the Reference Entity, a Sukuk Obligation in respect of which the Sukuk Issuer no longer has recourse to the Reference Entity” shall be added immediately

after the words “of a Reference Entity” in sub-paragraph (i) of such definition and (c) sub-paragraph (ii) of such definition shall be deleted in its entirety and replaced with the following:

“(ii) Any Substitute Reference Obligation or Substitute Reference Obligations shall be an Obligation that (i) ranks *pari passu* in priority of payment with the ranking in priority of payment of each of the Substitute Reference Obligation and such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as of the date on which such Reference Obligation was issued or incurred and not reflecting any change to such ranking in priority of payment after such date) or where such Substitute Reference Obligation is a Sukuk Obligation in respect of which the Sukuk Issuer is not the Reference Entity the related Recourse Obligation shall rank *pari passu* in priority of payment with the ranking in priority of payment of the Recourse Obligation relating to each of the Substitute Reference Obligation and the Reference Obligation (with the ranking in priority of payment of such Recourse Obligation being determined as of the date on which such Recourse Obligation was issued, incurred or entered into and not reflecting any change to such ranking in priority of payment after such date), (ii) preserves the economic equivalent, as closely as practicable as determined by the Determination Agent, of the delivery and payment obligations of the parties and (iii) is an obligation of the relevant Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in the applicable Final Terms, as provider of a Qualifying Guarantee) or an obligation of an entity that provides for recourse by such entity to the relevant Reference Entity. The Substitute Reference Obligation or Substitute Reference Obligations identified by the Determination Agent shall, without further action, replace such Reference Obligation or Reference Obligations.”

- (xxiv) References to “trustee” in the definition of “Publicly Available Information” shall be deemed to include delegate.
- (xxv) The definition of “Obligation Acceleration” shall be amended such that the words “(aggregated for the Reference Entity and all related Sukuk Issuers but without double counting amounts in respect of the same Sukuk Obligation (whether such amounts are in respect of such Sukuk Obligation or related Recourse Obligation))” shall be added immediately after the words “aggregate amount” in such definition.
- (xxvi) The definition of “Obligation Default” shall be amended such that the words “(aggregated for the Reference Entity and all related Sukuk Issuers but without double counting amounts in respect of the same Sukuk Obligation (whether such amounts are in respect of such Sukuk Obligation or related Recourse Obligation))” shall be added immediately after the words “aggregate amount” in such definition.
- (xxvii) The definition of “Repudiation/Moratorium” shall be amended such that the words “(aggregated for the Reference Entity and all related Sukuk Issuers but without double counting amounts in respect of the same Sukuk Obligation (whether such amounts are in respect of such Sukuk Obligation or related Recourse Obligation))” shall be added immediately after the words “aggregate amount” wherever such words appear in such definition.

- (xxviii) The definition of “Repudiation/Moratorium Extension Condition” shall be amended such that the words “of the relevant Reference Entity” shall be deleted wherever such words appear after the word “Obligation” in such definition.
- (xxix) The definition of “Restructuring” shall be amended such that the words “(aggregated for the Reference Entity and all related Sukuk Issuers but without double counting amounts in respect of the same Sukuk Obligation (whether such amounts are in respect of such Sukuk Obligation or related Recourse Obligation))” shall be added immediately after the words “aggregate amount” in such definition.
- (xxx) The definition of “Restructuring” shall be amended such that the words “(which expression, in the case of a Recourse Obligation, means all holders of the Sukuk Certificates to which such Recourse Obligation is referable)” shall be added after the words “holders of such Obligation” and “holders of the Obligation” wherever such words appear in such definition.
- (xxxi) References to “principal” in sub-paragraphs (b) and (c) of the definition of “Restructuring” shall be deemed to include distributions or expected distributions of any type (other than distributions or profit of an income nature).
- (xxxii) References to “maturity” and “scheduled redemption dates” in sub-paragraph (b) of the definition of “Restructuring” shall be deemed to include any date for the payment of such distributions or on any date of dissolution.

#### **9.5 Russian Federation as Reference Entity**

Where the Reference Entity is the Russian Federation, any obligation that is an IAN, MinFin or PRIN, as determined by the Determination Agent, shall be an Obligation or a Deliverable Obligation.

“IAN” means floating rate interest notes due 2002 and 2015 issued by Vnesheconombank of the USSR pursuant to the Restructuring Agreement and an Exchange Agreement dated 6 October 1997 among Vnesheconombank of the USSR, the Closing Agent and Participating Creditors named therein.

“MinFin” (also known as “OVVZs” or “Taiga” bonds) means Internal Government Hard Currency Bonds issued by the Ministry of Finance of the Russian Federation representing (i) restructured debt of the former USSR (Series II, III, IV, V and VIII) or (ii) debt of the Russian Federation issued in 1996 (Series VI and VII).

“PRIN” means Vnesheconombank’s loans arising under a Restructuring Agreement and an Exchange Agreement dated 6 October 1997 among Vnesheconombank of the USSR, the Closing Agent and Participating Creditors named therein.

#### **9.6 Monoline Insurer as Reference Entity**

Where “Monoline Provisions” is specified to be applicable with respect to any Reference Entity, the following amendments shall be made to the Credit Linked Conditions.

### 9.6.1 Additional Definitions

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

“**Instrument Payments**” means (i) in the case of any Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest, (a) the specified periodic distributions in respect of interest or other return on the Certificate Balance on or prior to the ultimate distribution of the Certificate Balance and (b) the ultimate distribution of the Certificate Balance on or prior to a specified date and (ii) in the case of any other Insured Instrument, the scheduled payments of principal and interest, in the case of both (i) and (ii), (I) determined without regard to limited recourse or reduction provisions of the type described in Credit Linked Condition 9.6.3(ii) below and (II) excluding sums in respect of default interest, indemnities, tax gross-ups, make-whole amounts, early redemption premiums and other similar amounts (whether or not guaranteed or insured by the Qualifying Policy).

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

- 9.6.2 The definitions of “Obligation” and “Deliverable Obligation” are amended by adding “or Qualifying Policy” after “or as provider of a Qualifying Affiliate Guarantee”.
- 9.6.3 In the event that an Obligation or a Deliverable Obligation is a Qualifying Policy, the terms of the definition thereof will apply, with references to the “Qualifying Guarantee”, the “Underlying Obligation” and the “Underlying Obligor” deemed to include the Qualifying Policy, the Insured Instrument and the Insured Obligor, respectively, except that:
- (i) the Obligation Category Borrowed Money and the Obligation Category and Deliverable Obligation Category Bond shall be deemed to include distributions payable under an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the Deliverable Obligation Category Bond shall be deemed to include such an Insured Instrument, and the terms “obligation” and “obligor” as used in these Credit Linked Conditions in respect of such an Insured Instrument shall be construed accordingly;
  - (ii) references in the definitions of “Assignable Loan” and “Consent Required Loan” to the “guarantor” and “guaranteeing” shall be deemed to include the insurer and insuring, respectively;

- (iii) neither the Qualifying Policy nor the Insured Instrument must satisfy on the relevant date the Deliverable Obligation Characteristic of Accelerated or Matured, whether or not that characteristic is otherwise specified as applicable in the applicable Final Terms;
- (iv) if the “Assignable Loan”, “Consent Required Loan”, “Direct Loan Participation” or “Transferable” Deliverable Obligation Characteristics are specified in the applicable Final Terms and if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument;
- (v) with respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term “outstanding principal balance” shall mean the outstanding Certificate Balance and “maturity”, as such term is used in the Maximum Maturity Deliverable Obligation Characteristic, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur; and
- (vi) for purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Qualifying Guarantee must satisfy on the relevant date the Obligation Characteristic or the Deliverable Obligation Characteristic of “Not Subordinated”.

9.6.4 **Not Contingent.** An Insured Instrument will not be regarded as failing to satisfy the Not Contingent Deliverable Obligation Characteristic solely because such Insured Instrument is subject to provisions limiting recourse in respect of such Insured Instrument to the proceeds of specified assets (including proceeds subject to a priority of payments) or reducing the amount of any Instrument Payments owing under such Insured Instrument, provided that such provisions are not applicable to the Qualifying Policy by the terms thereof and the Qualifying Policy continues to guarantee or insure, as applicable, the Instrument Payments that would have been required to be made absent any such limitation or reduction.

9.6.5 **“Deliver”**, with respect to an obligation that is a Qualifying Policy, means to Deliver both the Insured Instrument and the benefit of the Qualifying Policy (or a custodial receipt issued by an internationally recognised custodian representing an interest in such an Insured Instrument and the related Qualifying Policy), and “Delivery” and “Delivered” will be construed accordingly.

9.6.6 **Provisions for Determining a Successor.** Credit Linked Condition 8.1.3(II) is hereby amended by adding “or insurer” after “or guarantor”.

9.6.7 **Substitute Reference Obligation.** Credit Linked Condition 8.3 is hereby amended by adding “or Qualifying Policy” after “or as provider of a Qualifying Affiliate Guarantee” in the definition of “Substitute Reference Obligation” and paragraph (ii) thereof. For purposes of Credit Linked Condition 8.3.1(ii)(b) and Part C(3) of this Credit Linked Annex, references to the “Qualifying Guarantee” and the “Underlying Obligation” shall be deemed to include the Qualifying Policy and the Insured Instrument, respectively.

### 9.6.8 Restructuring

With respect to an Insured Instrument that is in the form of a pass-through certificate or similar funded beneficial interest or a Qualifying Policy with respect thereto, paragraphs (i) to (v) of the definition of “Restructuring” is hereby amended to read as follows:

- (i) a reduction in the rate or amount of the Instrument Payments described in paragraph (i)(a) of the definition thereof that are guaranteed or insured by the Qualifying Policy;
- (ii) a reduction in the amount of the Instrument Payments described in paragraph (i)(b) of the definition thereof that are guaranteed or insured by the Qualifying Policy;
- (iii) a postponement or other deferral of a date or dates for either (1) the payment or accrual of the Instrument Payments described in paragraph (i)(a) of the definition thereof or (2) the payment of the Instrument Payments described in paragraph (i)(b) of the definition thereof, in each case that are guaranteed or insured by the Qualifying Policy;
- (iv) a change in the ranking in priority of payment of (1) any Obligation under a Qualifying Policy in respect of Instrument Payments, causing the Subordination of such Obligation to any other Obligation or (2) any Instrument Payments, causing the Subordination of such Insured Instrument to any other instrument in the form of a pass-through certificate or similar funded beneficial interest issued by the Insured Obligor, it being understood that, for this purpose, “Subordination” will be deemed to include any such change that results in a lower ranking under a priority of payments provision applicable to the relevant Instrument Payments; or
- (v) any change in the currency or composition of any payment of Instrument Payments that are guaranteed or insured by the Qualifying Policy to any currency which is not a Permitted Currency.

9.6.9 Paragraph (d) of the definition of “Restructuring” shall be amended by adding “or, in the case of Qualifying Policy and an Insured Instrument, where (A) the Qualifying Policy continues to guarantee or insure, as applicable, that the same Instrument Payments will be made on the same dates on which the Qualifying Policy guaranteed or insured that such Instrument Payments would be made prior to such event and (B) such event is not a change in the ranking in the priority of payment of the Qualifying Policy” after “Reference Entity”.

9.6.10 For purposes of the definition of “Restructuring”, the term “Obligation” shall be deemed to include Insured Instruments for which the Reference Entity is acting as provider of a Qualifying Policy. In the case of a Qualifying Policy and an Insured Instrument, references to the “Reference Entity” in the first paragraph of the definition shall be deemed to refer to the Insured Obligor and the reference to the “Reference Entity” in the second paragraph thereof shall continue to refer to the Reference Entity.

9.6.11 In the event that a Fully Transferable Obligation or Conditionally Transferable Obligation is a Qualifying Policy, the Insured Instrument must meet the requirements of the relevant

definition and, if the benefit of the Qualifying Policy is not transferred as part of any transfer of the Insured Instrument, the Qualifying Policy must be transferable at least to the same extent as the Insured Instrument. References in the definition of “Conditionally Transferable Obligation” to the “guarantor” and “guaranteeing” shall be deemed to include the insurer and insuring, respectively. With respect to an Insured Instrument in the form of a pass-through certificate or similar funded beneficial interest, the term “final maturity date”, as such term is used in Credit Linked Conditions 9.1 and 9.2 and the definition of “Restructuring Maturity Limitation Date”, shall mean the specified date by which the Qualifying Policy guarantees or insures, as applicable, that the ultimate distribution of the Certificate Balance will occur.

9.6.12 For purposes of paragraph (a)(ii) of the definition of “Deliverable Obligation”, and Part C(4) and Part C(7) of this Credit Linked Annex, references to the “Underlying Obligation” and the “Underlying Obligor” shall be deemed to include Insured Instruments and the Insured Obligor, respectively. Any transfer or similar fee reasonably incurred by the Issuer in connection with the Delivery of a Qualifying Policy and payable to the Reference Entity shall be part of the Settlement Expenses.

## 10 Additional Provisions for Index CLS

“**Index CLS**” means a Credit Linked Security where the timing and/or amount of payments of interest and/or principal is determined in accordance with the formula or formulae set out in the applicable Final Terms with reference to the performance of a benchmark index (the “**Index**”).

The applicable Final Terms may contain provisions for adjusting the applicable formulae in circumstances where, owing to market disruption events or otherwise, the level of the Index is not able to be measured by the Determination Agent.

## 11 Additional Provisions for Reference CDS

Where any payments under the Securities are determined by reference to a Reference CDS, the Issuer will notify the Issue and Paying Agent of any determinations made by the Determination Agent under the Reference CDS promptly after the occurrence thereof.

For the purposes of the Securities, notwithstanding anything to the contrary contained within the Reference CDS, calculations or determinations required to be made by the Determination Agent in respect of the Reference CDS shall be calculated or determined by the Determination Agent in its sole and absolute discretion, effective as of such determination, and shall be conclusive absent manifest error.

## 12 Representations

By its holding of a Credit Linked Security, each Securityholder is deemed to acknowledge and agree that:

- (i) none of the Issuer, the Guarantor, the Manager or any of their Affiliates has made any representation whatsoever with respect to any Reference Entity, any Reference Obligation, any

Obligation, any Deliverable Obligation, any Underlying Obligor or any Underlying Obligation on which it is relying or is entitled to rely;

- (ii) the Issuer will be entitled to perform its obligations under the Credit Linked Securities in accordance with the relevant CLS Settlement Method applicable to such Credit Linked Securities, irrespective of the existence or amount of the Issuer's credit exposure to a Reference Entity, and the Issuer need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event;
- (iii) the Credit Linked Securities do not create any rights or impose any obligations in respect of any entity that is not the Issuer (or, if applicable, the Guarantor);
- (iv) the Issuer, the Guarantor, the Determination Agent and each of their Affiliates may deal in each Reference Obligation, Obligation, Deliverable Obligation or Underlying Obligation and may, where permitted, accept deposits from or make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with, a Reference Entity, any Affiliate of a Reference Entity, any Underlying Obligor or any other person or entity having obligations relating to a Reference Entity or any Underlying Obligor, and may act with respect to such business in the same manner as each of them would if the Credit Linked Securities did not exist, regardless of whether any such action might have an adverse effect on a Reference Entity, any Underlying Obligor or the position of the Securityholders or otherwise (including, without limitation, any action which might constitute or give rise to a Credit Event); and
- (v) the Issuer, the Guarantor, the Determination Agent and each of their Affiliates may, whether by virtue of the types of relationship described herein or otherwise, on the Trade Date or at any time thereafter, be in possession of information in relation to a Reference Entity or any Underlying Obligor that is or may be material in the context of such Credit Linked Securities and that may or may not be publicly available or known to the Securityholders, and the Credit Linked Securities do not create any obligation on the part of such entity to disclose to the Securityholders any such relationship or information (whether or not confidential).

With respect to the Credit Derivatives Determinations Committees, each Securityholder is deemed to agree:

- (a) that no DC Party and no legal counsel or other third-party professional hired by a DC Party in connection with such DC Party's performance of its respective duties under the CDDC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, shall be liable, whether for negligence or otherwise, to the Issuer, Guarantor or any Securityholder for any form of damages, whether direct, indirect, special, consequential or otherwise, that might arise in connection with such DC Party's performance of its duties, or any advice given by legal counsel or any other third-party professional hired by such DC Party in connection with such DC Party's performance of its respective duties, under the CDDC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, except in the case of fraud or wilful misconduct on the part of such DC Party, legal counsel or other third-party professional, as applicable; provided that, notwithstanding the foregoing, legal counsel or any other third-party professional hired by a DC Party in connection with such DC Party's performance of its duties under the CDDC Rules

and/or any Credit Derivatives Auction Settlement Terms, as applicable, may be still be liable to such DC Party;

- (b) to waive any claim, whether for negligence or otherwise, that may arise against a DC Party and any legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the CDDC Rules, except in the case of fraud or wilful misconduct on the part of such DC Party, legal counsel or other third-party professional, as applicable; provided that, notwithstanding the foregoing, legal counsel or any other third-party professional hired by a DC Party in connection with such DC Party's performance of its duties under the CDDC Rules and/or any Credit Derivatives Auction Settlement Terms, as applicable, may be still be liable to such DC Party;
- (c) unless otherwise specified in the applicable Final Terms, any DC Resolution of the relevant Credit Derivatives Determinations Committee that is applicable to the Credit Linked Securities as determined by the Determination Agent shall be binding on it:
  - (I) until such time as ISDA publicly announces that such DC Resolution has been reversed by a subsequent DC Resolution of the relevant Credit Derivatives Determinations Committee, if any, (subject to Credit Linked Condition 12(c)(II) below); and/or
  - (II) unless the effect of such DC Resolution would reverse a prior DC Resolution of the relevant Credit Derivatives Determinations Committee, any prior determination by the Determination Agent or any determination that an Event Determination Date has occurred, as applicable:
    - (A) that has resulted in the identification of one or more Successors;
    - (B) that has resulted in the identification of one or more Substitute Reference Obligations; or
    - (C) that has resulted in the occurrence of an Auction Final Price Determination Date or Physical Settlement Date, as applicable, or to the extent that a Valuation Date or Delivery Date, as applicable, has occurred, in each case, on or prior to the date that ISDA publicly announces such DC Resolution of the relevant Credit Derivatives Determinations Committee);
  - (III) notwithstanding the fact that:
    - (A) these Credit Linked Conditions may require such determination to be made by the Determination Agent; or
    - (B) in order to reach such DC Resolution, the relevant Credit Derivatives Determinations Committee may be required to Resolve one or more factual matters before being able to reach such DC Resolution; and
    - (C) notwithstanding any actual or perceived conflict of interest on the part of a DC Party, legal counsel or other third-party professional hired by such DC Party in connection with such DC Party's performance of its duties under the CDDC Rules;
    - (D) that no DC Party is (A) under any obligation to research, investigate, supplement, or verify the veracity of any information on which the relevant Credit Derivatives

Determinations Committee bases its decision and (B) acting as a fiduciary for, or as an adviser to, any Securityholder in connection with the relevant Securities; and

- (E) that, in reaching any DC Resolution that is applicable to such Credit Derivative Transaction, the relevant Credit Derivatives Determinations Committee shall be under no requirement to consult with, or individually notify, any Securityholder, notwithstanding any provision of these Credit Linked Conditions to the contrary.

Each Securityholder shall be deemed to acknowledge the disclaimers set out in Section 5.1(B) of the CDDC Rules on the Trade Date. A copy of the CDDC Rules is available at [www.isda.org/credit](http://www.isda.org/credit).

### **13 Additional Disruption Events**

The “Change in Law” Additional Disruption Event shall be amended by the insertion, immediately before the words “the Issuer determines in its sole and absolute discretion” the following words: “or (c) due to the request of any regulator or supervisory authority, or the issuance of any order, rule, regulation or guidance by any regulator or supervisory authority,”. For the avoidance of doubt, if an Additional Disruption Event occurs at any time prior to the redemption of the Securities (including after the occurrence of an Event Determination Date), the Securities may be redeemed at the Early Cash Settlement Amount pursuant to Condition 5.4 (*Early Redemption or Adjustment following the occurrence of an Additional Disruption Event*) instead of at the Credit Event Redemption Amount pursuant to Credit Linked Condition 3 (*Redemption of Cash Settled CLSs*).

### **14 Amendment to Condition (*Taxation*)**

Notwithstanding anything to the contrary in the Base Conditions (including, without limitation, Condition 12 thereof) or this Credit Linked Annex, except as otherwise specified in the applicable Final Terms, the Issuer will not be liable for or otherwise obliged to pay any Taxes which may arise as a result of the ownership, transfer, presentation and surrender for payment or enforcement of any Securities and all payments in respect of the Securities shall be made subject to any withholding or deduction for, any present or future Taxes of whatever nature which may be required to be made, paid, withheld or deducted. The Issuer is not obliged to redeem the Securities early as a result of, or make any additional payments to Securityholders in respect of, any amount so withheld or deducted.

**PART C**  
**DEFINITIONS AND INTERPRETATIONS APPLICABLE TO CREDIT LINKED SECURITIES**

**1 Certain general definitions relating to Credit Linked Securities**

“**2005 Matrix Supplement**” means the supplement to the 2003 ISDA Credit Derivatives Definitions published on 7 March 2005 and available at [www.isda.org](http://www.isda.org).

“**Additional Business Centre**” means New York and any other city specified in the applicable Final Terms.

“**Cash Settled CLSs**” means either:

- (a) Securities in respect of which the CLS Settlement Method is specified as “Cash Settlement” or “Auction Settlement” in the applicable Final Terms; or
- (b) Securities in respect of which the Issuer CLS Settlement Option has been designated as applicable and in respect of which the CLS Settlement Method has been selected by the Issuer upon the occurrence of an Event Determination Date to be “Cash Settlement”.

“**Credit Derivatives Determinations Committees**” means the committees established by ISDA for purposes of reaching certain DC Resolutions in connection with credit derivative transactions, as more fully described in the Credit Derivatives Determinations Committees Rules, as amended from time to time in accordance with the terms thereof (the “**CDDC Rules**”). A copy of the Rules is available at [www.isda.org/credit](http://www.isda.org/credit).

“**Credit Event Redemption Amount**” means, unless otherwise specified in the applicable Final Terms, in respect of each Security, an amount equal to the CLS Cash Settlement Amount minus such Security’s pro rata share of the Settlement Expenses and Swap Costs.

“**DC Party**” has the meaning given to that term in the CDDC Rules.

“**DC Resolution**” has the meaning given to that term in the CDDC Rules.

“**Determination Agent City**” means the city specified as such in the applicable Final Terms or, if a city is not so specified:

- (a) in respect of a Reference Entity the Transaction Type of which is North American Corporate, Standard North American Corporate, Latin America Corporate B, Latin America Corporate BL, Latin America Sovereign or North American Sovereign, New York;
- (b) in respect of a Reference Entity the Transaction Type of which is Australia Corporate, New Zealand Corporate, Singapore Corporate, Asia Corporate, Asia Sovereign, Australia Sovereign, New Zealand Sovereign, Singapore Sovereign, Singapore in respect of a Single Name CLS and Hong Kong in all other cases;
- (c) in respect of a Reference Entity the Transaction type of which is Japan Corporate or Japan Sovereign, Tokyo in respect of a Single Name CLS and Hong Kong in all other cases; and
- (d) in respect of any other Reference Entity, London.

**“Determination Agent City Business Day”** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the Determination Agent City.

**“Interest Expiration Date”** means the earlier to occur of the day prior to (a) the Redemption Date and (b) if “Credit Event Accrued Interest” is specified as not applicable in the applicable Final Terms, the Interest Payment Date (or Issue Date where no Interest Payment Date has occurred) occurring on or immediately preceding the Relevant Event Determination Date or (c) otherwise, the Relevant Event Determination Date.

**“Physically Delivered CLSs”** means either:

- (a) Securities in respect of which the CLS Settlement Method is specified as “Physical Settlement” and in respect of which settlement occurs by way of Delivery of the Deliverable Obligations Portfolio; or
- (b) Securities in respect of which the Issuer CLS Settlement Option has been designated as applicable and in respect of which the CLS Settlement Method has been selected by the Issuer upon the occurrence of an Event Determination Date to be “Physical Settlement”.

**“Reference CDS”** means a notional credit default swap deemed to be entered into in the form set out in the Final Terms between the Issuer and a notional financial institution entered into pursuant to a 1992 ISDA Master Agreement (Multicurrency-Cross Border) between the Issuer and the notional counterparty governed by English law and in respect of which such Reference CDS is the sole transaction under such ISDA Master Agreement.

**“Resolve”** has the meaning given to that term in the CDDC Rules, and “Resolved” and “Resolves” shall be interpreted accordingly.

**“Swap Costs”** means an amount determined by the Determination Agent in its sole and absolute discretion equal to any loss or costs incurred (or expected to be incurred) by or on behalf of the Issuer as a result of its terminating, liquidating, obtaining or re-establishing any hedge, term deposits, related trading position or funding arrangements entered into by it (including with its internal treasury function) in connection with the Securities.

**“Term”** means the period commencing on and including the Trade Date of the Securities and ending on and including the Redemption Date (or, if applicable, Deferred Redemption Date) of the Securities.

**“Transaction Type”** means the transaction type specified in the applicable Final Terms.

## **Timing**

### *Time Zones*

Any reference in these Credit Linked Conditions to an event occurring on or prior to a date shall be determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time).

### *Settlement Suspension*

If, following the determination of an Event Determination Date in accordance with the definition thereof but prior to the Physical Settlement Date or, to the extent applicable, a CLS Valuation

Date, ISDA publicly announces that the conditions to convening a Credit Derivatives Determinations Committee in respect of the relevant Reference Entity are satisfied in accordance with the CDDC Rules, all timing requirements in these Credit Linked Conditions that pertain to settlement shall toll and remain suspended until such time as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved (a) whether or not a Credit Event has occurred or (b) not to determine such matters. During such suspension period, the Issuer is not obliged to take any action in connection with the settlement of such Credit Event or the redemption, if any, of the Credit Linked Securities. Once ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved (i) such matters or (ii) not to determine such matters, the relevant timing requirements that pertain to settlement that have previously tolled or been suspended shall resume on the Business Day following such public announcement by ISDA, with the Issuer having the benefit of the full day, notwithstanding when the tolling or suspension began.

## 2 Reference entities and obligations

“**Deliverable Obligation**” means, subject to Credit Linked Condition 9:

- (a) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of any Qualifying Guarantee) determined pursuant to the method described in these Credit Linked Conditions (but excluding any Excluded Deliverable Obligation) that (i) is payable in an amount equal to its outstanding principal balance or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in Section 5 below) or right of set-off by or of a Reference Entity or any applicable Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Delivery Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement;
- (b) subject to the second paragraph of Section 3 below, each Specified Reference Obligation described in the applicable Final Terms, unless specified in the applicable Final Terms as an Excluded Deliverable Obligation;
- (c) solely in relation to a Restructuring Credit Event applicable to a Sovereign Reference Entity, any Sovereign Restructured Deliverable Obligation (but excluding any Excluded Deliverable Obligation) that (i) is payable in an amount equal to its outstanding principal balance or Due and Payable Amount, as applicable, (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in Section 5 below or right of set-off by or of a Reference Entity or, as applicable, an Underlying Obligor and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Delivery Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or similar

procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement; and

(d) any other obligation of a Reference Entity specified as such in the applicable Final Terms.

**“Excluded Deliverable Obligation”** means any obligation of a Reference Entity specified as such or of a type described in the applicable Final Terms.

**“Excluded Obligation”** means any obligation of a Reference Entity specified as such or of a type described in the applicable Final Terms.

**“Obligation”** means (a) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of any Qualifying Guarantee) determined pursuant to the method described in “Method for determining Obligations” under Section 3 below (but excluding any Excluded Obligation), (b) each Reference Obligation, unless specified in the applicable Final Terms as an Excluded Obligation, and (c) any other obligation of a Reference Entity specified as such in the applicable Final Terms.

**“Reference Entity”** means the entity or entities specified as such in the applicable Final Terms. Any Successor to a Reference Entity either (a) identified by the Determination Agent pursuant to Credit Linked Condition 8.1 or 8.2 on or following the Trade Date or (b) in respect of which ISDA publicly announces on or following the Trade Date that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a Succession Event Resolution Request Date, a Successor in accordance with the CDDC Rules shall, in each case, be the Reference Entity.

**“Reference Entity Notional Amount”** means, in respect of each Reference Entity in a Portfolio CLS, the amount specified in the applicable Final Terms. If no such amount is specified in the applicable Final Terms, the Reference Entity Notional Amount for each Reference Entity on any day shall be the Aggregate Nominal Amount of the Notes Outstanding or the aggregate Calculation Amount per Security of the Certificates outstanding, as applicable, on such day divided by the number of Reference Entities in the Reference Portfolio on such day.

**“Reference Obligation”** means, in respect of a Reference Entity and subject to the applicable Final Terms:

- (a) for the purposes of “Terms relating to Cash Settlement”, an obligation of the Reference Entity satisfying the definition of Deliverable Obligation in accordance with these Credit Linked Conditions as selected by the Issuer in its sole discretion; and
- (b) for all other purposes (including the determination of Subordination), the Specified Reference Obligation described in the applicable Final Terms (if any are so specified or described) and any Substitute Reference Obligation identified in accordance with Credit Linked Condition 8.3.

**“Reference Portfolio”** means the Reference Entity and Reference Obligation or the portfolio of Reference Entities and Reference Obligations, as the case may be, specified in the applicable Final Terms, as the same may be amended from time to time in accordance with the provisions of the Credit Linked Conditions and the applicable Final Terms.

**“Sovereign Restructured Deliverable Obligation”** means an Obligation of a Sovereign Reference Entity (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred and (b) described by the Deliverable Obligation Category specified in the applicable Final Terms and, subject to Section 3 below, having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms, in each case immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring, without regard to whether the Obligation would satisfy such Deliverable Obligation Category or Deliverable Obligation Characteristics after such Restructuring.

### 3 Method for determining Obligations and Deliverable Obligations

#### *Method for determining Obligations*

For purposes of this Section 3, the term **“Obligation”** means each obligation of each Reference Entity described by the Obligation Category specified in the applicable Final Terms and having each of the Obligation Characteristics, if any, specified in the applicable Final Terms, in each case as at the date of the event which constitutes the Credit Event which is the subject of either the Credit Event Notice or as at the Credit Event Resolution Request Date, as applicable. The following terms shall have the following meanings:

**“Obligation Category”** means Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the applicable Final Terms.

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

**“Borrowed Money”** means any obligation (excluding an obligation under a revolving credit arrangement for which there are no outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

**“Reference Obligations Only”** means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligations Only.

**“Bond”** means any obligation of a type included in the “Borrowed Money” Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money.

**“Loan”** means any obligation of a type included in the “Borrowed Money” Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

**“Bond or Loan”** means any obligation that is either a Bond or a Loan.

**“Obligation Characteristics”** means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed and Not Domestic Issuance.

**“Not Subordinated”** means an obligation that is not Subordinated to (a) the most senior Reference Obligation in priority of payment or (b) if no Specified Reference Obligation is specified in the

applicable Final Terms, any unsubordinated Borrowed Money obligation of the Reference Entity; provided that, if any of the events set forth under Credit Linked Condition 8.3 has occurred with respect to all of the Reference Obligations or if Credit Linked Condition 8.1.4) is applicable with respect to the Reference Obligation (each, in each case, a **“Prior Reference Obligation”**) and no Substitute Reference Obligation has been identified for any of the Prior Reference Obligations at the time of the determination of whether an obligation satisfies the **“Not Subordinated”** Obligation Characteristic or **“Deliverable”** Obligation Characteristic, as applicable, **“Not Subordinated”** shall mean an obligation that would not have been Subordinated to the most senior such Prior Reference Obligation in priority of payment unless otherwise specified in the applicable Final Terms. For purposes of determining whether an obligation satisfies the **“Not Subordinated”** Obligation Characteristic or **“Deliverable”** Obligation Characteristic, the ranking in priority of payment of each Reference Obligation or each Prior Reference Obligation, as applicable, shall be determined as at the date as at which the relevant Reference Obligation or Prior Reference Obligation, as applicable, was issued or incurred, and shall not reflect any change to such ranking in priority of payment after such date.

**“Subordination”** means, with respect to an obligation (the **“Subordinated Obligation”**) and another obligation of the Reference Entity to which such obligation is being compared (the **“Senior Obligation”**), a contractual, trust or similar arrangement providing that (a) upon the liquidation, dissolution, reorganisation or winding-up of the Reference Entity, claims of the holders of the Senior Obligation will be satisfied prior to the claims of the holders of the Subordinated Obligation or (b) the holders of the Subordinated Obligation will not be entitled to receive or retain payments in respect of their claims against the Reference Entity at any time that the Reference Entity is in payment arrears or is otherwise in default under the Senior Obligation. **“Subordinated”** will be construed accordingly. For purposes of determining whether Subordination exists or whether an obligation is Subordinated with respect to another obligation to which it is being compared, the existence of preferred creditors arising by operation of law or of collateral, credit support or other credit enhancement arrangements shall not be taken into account, except that, notwithstanding the foregoing, priorities arising by operation of law shall be taken into account where the Reference Entity is a Sovereign.

**“Specified Currency”** means an obligation that is payable in the currency or currencies specified as such in the applicable Final Terms (or, if **“Specified Currency”** is specified in the applicable Final Terms and no currency is so specified, any of the lawful currencies of Canada, Japan, Switzerland, the United Kingdom and the United States of America and the euro and any successor currency to any of the aforementioned currencies, which currencies shall be referred to collectively in the applicable Final Terms as the **“Standard Specified Currencies”**).

**“Not Sovereign Lender”** means any obligation that is not primarily owed to a Sovereign or Supranational Organisation, including, without limitation, obligations generally referred to as **“Paris Club debt”**.

**“Not Domestic Currency”** means any obligation that is payable in any currency other than the Domestic Currency.

**“Not Domestic Law”** means any obligation that is not governed by the laws of (a) the relevant Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction of organisation of the relevant Reference Entity, if such Reference Entity is not a Sovereign.

**“Listed”** means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange.

**“Not Domestic Issuance”** means any obligation other than an obligation that was, at the time the relevant obligation was issued (or reissued, as the case may be) or incurred, intended to be offered for sale primarily in the domestic market of the relevant Reference Entity. Any obligation that is registered or qualified for sale outside the domestic market of the relevant Reference Entity (regardless of whether such obligation is also registered or qualified for sale within the domestic market of the relevant Reference Entity) shall be deemed not to be intended for sale primarily in the domestic market of the Reference Entity.

***Method for determining Deliverable Obligations***

**“Deliverable Obligation”** may be defined as each obligation of each Reference Entity described by the Deliverable Obligation Category specified in the applicable Final Terms and, subject to “Method for determining Obligations” above, having each of the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms, in each case as at the Delivery Date. The following terms shall have the following meanings:

**“Deliverable Obligation Category”** means one of Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, and Bond or Loan, except that no Deliverable Obligation Characteristics shall be applicable where “Reference Obligations Only” applies.

**“Deliverable Obligation Characteristics”** means any one or more of Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency, Not Domestic Law, Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.

If an obligation would have been capable of being specified as a “Deliverable Obligation” immediately prior to a Credit Event in respect of a Reference Entity, such obligation (as in effect after such Credit Event) shall continue to be able to constitute a Deliverable Obligation after the occurrence of such Credit Event. If it is not possible or reasonably practicable to specify any Obligation as a Deliverable Obligation of the Reference Entity because there is or will be no Deliverable Obligation in existence at any time, the Issuer may, if applicable, designate by notice (which may be by telephone) to the Issue and Paying Agent one or more bonds, loans, instruments, certificates or other obligations (an **“Exchanged Obligation”**) which have been or will be issued in exchange, whether pursuant to a mandatory or voluntary exchange (an **“Obligation Exchange”**), for one or more bonds, loans, instruments, certificates or obligations of the Reference Entity that would have been capable of being specified as a Deliverable Obligation immediately prior to the occurrence of the Relevant Credit Event of the Reference Entity, provided that failure to deliver such notice shall not affect the effectiveness of such designation.

**“Not Contingent”** means any obligation having as at the Delivery Date and all times thereafter an outstanding principal balance or, in the case of obligations that are not Borrowed Money, a Due and Payable Amount that pursuant to the terms of such obligation may not be reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). A Convertible Obligation, an Exchangeable Obligation and an Accreting Obligation shall satisfy the Not Contingent Deliverable Obligation Characteristic if such Convertible Obligation, Exchangeable Obligation or Accreting Obligation otherwise meets the requirements of the preceding sentence so long as, in the case of a Convertible Obligation or an Exchangeable Obligation, the right (a) to convert or exchange such obligation or (b) to require the issuer to purchase or redeem such obligation (if the issuer has

exercised or may exercise the right to pay the purchase or redemption price, in whole or in part, in Equity Securities) has not been exercised (or such exercise has been effectively rescinded) on or before the Delivery Date.

If a Reference Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Reference Obligation may be included as a Deliverable Obligation only if the rights referred to in clauses (a) and (b) above have not been exercised (or such exercise has been effectively rescinded) on or before the Delivery Date.

**“Assignable Loan”** means a Loan that is capable of being assigned or novated to, at a minimum, commercial banks or financial institutions (irrespective of their jurisdiction of organisation) that are not then a lender or a member of the relevant lending syndicate, without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if a Reference Entity is guaranteeing such Loan) or any agent.

**“Consent Required Loan”** means a Loan that is capable of being assigned or novated with the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the relevant borrower if a Reference Entity is guaranteeing such Loan) or any agent.

**“Direct Loan Participation”** means a Loan in respect of which, pursuant to a participation agreement, the Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Securityholder that provides each Securityholder with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each Securityholder and either (a) the Issuer or Guarantor (to the extent the Issuer or Guarantor is then a lender or a member of the relevant lending syndicate), or (b) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate).

**“Transferable”** means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:

- (a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the US Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation); or
- (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds.

**“Maximum Maturity”** means an obligation that has a remaining maturity from the Physical Settlement Date of not greater than the period specified in the applicable Final Terms (or, if no such period is specified, 30 years).

**“Accelerated or Matured”** means an obligation under which the total amount owed, whether at maturity, by reason of acceleration, upon termination or otherwise (other than amounts in respect of default interest, indemnities, tax gross-ups and other similar amounts), is, or on or prior to the Delivery Date will be, due and payable in full in accordance with the terms of such obligation, or would have been but for, and without regard to, any limitation imposed under any applicable insolvency laws.

“Not Bearer” means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear system, Clearstream International or any other internationally recognised clearing system.

### ***Interpretation of provisions***

If the Obligation Characteristic “Listed” is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though “Listed” had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category;

If (a) either of the Deliverable Obligation Characteristics “Listed” or “Not Bearer” is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Deliverable Obligation Category; (b) the Deliverable Obligation Characteristic “Transferable” is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Deliverable Obligations that are not Loans (and shall only be relevant to the extent that obligations other than Loans are covered by the selected Deliverable Obligation Category); or (c) any of the Deliverable Obligation Characteristics “Assignable Loan”, “Consent Required Loan” or “Direct Loan Participation” is specified in the applicable Final Terms, the applicable Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the selected Deliverable Obligation Category; and

If any of “Payment”, “Borrowed Money”, “Loan” or “Bond or Loan” is specified as the Deliverable Obligation Category and more than one of “Assignable Loan”, “Consent Required Loan” and “Direct Loan Participation” are specified as Deliverable Obligation Characteristics, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.

### ***Provisions relating to Qualifying Guarantees***

In the event that an Obligation or a Deliverable Obligation is a Qualifying Guarantee, the following will apply:

For purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Qualifying Guarantee shall be deemed to satisfy the same category or categories as those that describe the Underlying Obligation.

For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the Qualifying Guarantee and the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: Not Subordinated, Specified Currency, Not Sovereign Lender, Not Domestic Currency and Not Domestic Law. For these purposes, unless otherwise specified in the applicable Final Terms, (a) the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro shall not

be a Domestic Currency and (b) the laws of England and the laws of the State of New York shall not be a Domestic Law.

For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, only the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: Listed, Not Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable, Maximum Maturity, Accelerated or Matured and Not Bearer.

For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics to an Underlying Obligation, references to the “Reference Entity” shall be deemed to refer to the Underlying Obligor.

The terms “outstanding principal balance” and “Due and Payable Amount” (as they are used in these Credit Linked Conditions), when used in connection with Qualifying Guarantees, are to be interpreted to be the then “outstanding principal balance” or “Due and Payable Amount”, as applicable, of the Underlying Obligation which is supported by a Qualifying Guarantee.

“**Qualifying Participation Seller**” means any participation seller that meets the requirements specified in the applicable Final Terms. If no such requirements are specified, there shall be no Qualifying Participation Seller.

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

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

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

“**Voting Shares**” shall mean those shares or other interests that have the power to elect the board of directors or similar governing body of an entity.

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

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

**“Supranational Organisation”** means any entity or organisation established by treaty or other arrangement between two or more Sovereigns or the Sovereign Agencies of two or more Sovereigns and includes, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development.

**“Domestic Currency”** means the currency specified as such in the applicable Final Terms and any successor currency. If no currency is so specified, the Domestic Currency shall be the lawful currency and any successor currency of (a) the relevant Reference Entity, if the Reference Entity is a Sovereign, or (b) the jurisdiction in which the relevant Reference Entity is organised, if the Reference Entity is not a Sovereign. In no event shall Domestic Currency include any successor currency if such successor currency is the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro (or any successor currency to any such currency).

#### 4 Conditions to Settlement

**“Conditions to Settlement”** means the conditions set out in the applicable Final Terms; provided, however, that all of the Conditions to Settlement shall be deemed to be satisfied by the occurrence of an Event Determination Date to the extent that such Event Determination Date is not subsequently reversed prior to the Auction Final Price Determination Date, a CLS Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date) or the Redemption Date, as applicable, unless **“Physical Settlement”** is specified as the CLS Settlement Method in the applicable Final Terms (or is applicable pursuant to the Issuer CLS Settlement Option), in which case all of the Conditions to Settlement shall be deemed to be satisfied by the satisfaction of the Notice of Physical Settlement Condition to Settlement on or following the occurrence of an Event Determination Date.

The **“Notice of Publicly Available Information Condition to Settlement”** is satisfied by the delivery of a Notice of Publicly Available Information by the Issuer to the Issue and Paying Agent that is effective during one of the periods set out in paragraph (a) of the definition of **“Event Determination Date”**, provided that the Notice of Publicly Available Information Condition to Settlement shall be deemed to be satisfied in circumstances where ISDA publicly announces on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date) that the relevant Credit Derivatives Determination Committee has Resolved that an event that constitutes a Credit Event has occurred with respect to the relevant Reference Entity or Obligation thereof.

The **“Notice of Physical Settlement Condition to Settlement”** is satisfied by the delivery by the Issuer of a Notice of Physical Settlement to the Issue and Paying Agent.

**“Credit Event Backstop Date”** means (a) for purposes of any event that constitutes a Credit Event (or with respect to Repudiation/Moratorium, the event described in paragraph (a) of the definition thereof for purposes of the relevant Reference Entity, as determined by DC Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date or (b) otherwise, the date that is 60 calendar days prior to the earlier of (i) the first date on which both the Credit Event Notice and, if **“Notice of Publicly Available Information”** is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by the Issuer to the Issue and Paying Agent and are effective during the Notice Delivery Period and (ii) in circumstances where (A) the conditions to convening a Credit Derivatives Determinations Committee to Resolve such matters are satisfied in

accordance with the CDDC Rules, (B) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (C) the Credit Event Notice and, if “Notice of Publicly Available Information” is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by the Issuer to the Issue and Paying Agent and are effective no more than 14 calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Credit Event Resolution Request Date. The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention.

“**Credit Event Notice**” means an irrevocable notice from the Issuer (which may be in writing (including by facsimile and/or email) and/or by telephone) to the Issue and Paying Agent that describes a Credit Event that occurred on or after the Credit Event Backstop Date and on or prior to the Extension Date.

A Credit Event Notice must contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. The Credit Event that is the subject of the Credit Event Notice need not be continuing on the date the Credit Event Notice is effective.

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

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

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

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

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

**“Event Determination Date”** means the first date on which both the Credit Event Notice and, if “Notice of Publicly Available Information” is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by the Issuer and are effective during either:

- (i) the Notice Delivery Period; or
- (ii) the period from, and including, (A) the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in paragraphs (a) and (b) of the definition of “Credit Event Resolution Request Date” to, and including, (B) the date that is 14 calendar days thereafter, provided that a Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date),

provided, however, that:

- (I) the Issuer shall not deliver a Credit Event Notice if, prior to the date of delivery, a DC No Credit Event Announcement has occurred; and
- (II) if a DC Credit Event Announcement occurs, the Issuer may elect (by notice included in the Credit Event Notice) that the Event Determination Date be the Credit Event Resolution Request Date.

No Event Determination Date will occur, and any Event Determination Date previously determined with respect to an event shall be deemed not to have occurred, if, or to the extent that, prior to the Auction Final Price Determination Date, a CLS Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date) or the Redemption Date or Deferred Redemption Date, as applicable, a DC No Credit Event Announcement Date occurs with respect to the relevant Reference Entity or Obligation thereof.

If, in accordance with the provisions above, (i) following the determination of an Event Determination Date, such Event Determination Date is deemed (A) to have occurred on a date that is different from the date that was originally determined to be the Event Determination Date or (B) not to have occurred or (ii) an Event Determination Date is deemed to have occurred prior to a preceding Interest Payment Date, the Determination Agent will determine (I) the adjustment payment, if any, that is payable to reflect any change that may be necessary to the amounts previously calculated and/or paid in respect of the Credit Linked Securities and (II) the date on which such adjustment payment is payable, if any. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

**“Extension Date”** means the latest of (a) the Redemption Date, (b) the Grace Period Extension Date if (i) “Grace Period Extension” is specified as applicable in the applicable Final Terms, (ii) the Credit Event that is the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable, is a Failure to Pay that occurs after the Redemption Date and (iii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the Redemption Date and (c) the Repudiation/Moratorium Evaluation Date if (i) the Credit Event that is the subject of the Credit Event Notice or Credit Event Resolution Request Date, as applicable, is a Repudiation/Moratorium for which the event described in Credit Linked Condition 4.6.2 occurs after the Redemption Date, (ii) the Potential Repudiation/Moratorium with respect to

such Repudiation/Moratorium occurs on or prior to the Redemption Date and (iii) the Repudiation/Moratorium Extension Condition is satisfied.

**“Grace Period”** means:

- (a) subject to paragraphs (ii) and (iii) below, the applicable grace period with respect to payments under the relevant Obligation under the terms of such Obligation in effect as at the date as at which such Obligation is issued or incurred;
- (b) if “Grace Period Extension” is specified as applicable in the applicable Final Terms, a Potential Failure to Pay has occurred on or prior to the Redemption Date and the applicable grace period cannot, by its terms, expire on or prior to the Redemption Date, the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the applicable Final Terms or, if no period is specified, 30 calendar days; and
- (c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless “Grace Period Extension” is specified as applicable in the applicable Final Terms, such deemed Grace Period shall expire no later than the Redemption Date.

**“Grace Period Business Day”** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in the relevant Obligation and, if a place or places are not so specified, in the jurisdiction of the Obligation Currency.

**“Grace Period Extension Date”** means, if (a) “Grace Period Extension” is specified as applicable in the applicable Final Terms and (b) a Potential Failure to Pay occurs on or prior to the Redemption Date, the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay. If Grace Period Extension is not specified as applicable in the applicable Final Terms, Grace Period Extension shall not apply. If (i) “Grace Period Extension” is specified as applicable in the applicable Final Terms, (ii) a Potential Failure to Pay occurs on or prior to the Redemption Date and (iii) an Event Determination Date in respect of that Failure to Pay does not occur on or prior to the last day of the Notice Delivery Period (including prior to the Trade Date), the Credit Linked Securities will be redeemed on the Deferred Redemption Date.

**“Notice Delivery Period”** means the period from and including the Trade Date to and including a day that is three Business Days following the date that is 14 calendar days after the Extension Date.

**“Notice of Physical Settlement”** means a notice from the Issuer to the Issue and Paying Agent that (a) irrevocably confirms that the Issuer will redeem the Securities (unless the applicable Final Terms provide for multiple Deliveries) and require performance in accordance with Physical Settlement as the CLS Settlement Method and (b) contains a detailed description of each Deliverable Obligation that the Issuer will, subject to Credit Linked Condition 4, Deliver to Securityholders, including the outstanding principal balance or Due and Payable Amount, as applicable, (in each case, the **“Outstanding Amount”**) of each such Deliverable Obligation and, if available, the CUSIP or ISIN number (or, if such identifying number is not available, the rate and tenor) of each such Deliverable Obligation. Where (i) the Relevant Credit Event is a Restructuring, (ii) either “Restructuring Maturity Limitation and Fully

Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms and (iii) the Redemption Date is later than (A) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (B) the 2.5-year Limitation Date, contains a detailed description of at least one Enabling Obligation, which description will include the CUSIP or ISIN number, if available and applicable (or, if such identifying number is not available, the rate and tenor), of such Enabling Obligation and any other information necessary to establish that such obligation is an Enabling Obligation. The Issuer may, from time to time, give notice in the manner specified above (each such notification a “**NOPS Amendment Notice**”) that the Issuer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, (to the extent the relevant Deliverable Obligation has not been Delivered as at the date such NOPS Amendment Notice is effective) or the detailed description(s) thereof. A NOPS Amendment Notice shall contain a revised detailed description of each replacement Deliverable Obligation that the Issuer will, subject to Credit Linked Condition 4, Deliver to Securityholders (each a “**Replacement Deliverable Obligation**”) and shall also specify the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced (with respect to each such Deliverable Obligation, the “**Replaced Deliverable Obligation Outstanding Amount**”). The Outstanding Amount of each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Physical Settlement Date (determined without reference to any change resulting from such NOPS Amendment Notice). Notwithstanding the foregoing, the Issuer may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice prior to the relevant Delivery Date, it being understood that such notice of correction shall not constitute a NOPS Amendment Notice.

“**Notice of Publicly Available Information**” means an irrevocable notice from the Issuer delivering the relevant Credit Event Notice or Repudiation/Moratorium Extension Notice that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension Notice. In relation to a Repudiation/Moratorium Credit Event, the Notice of Publicly Available Information must cite Publicly Available Information confirming the occurrence of both of clauses (a) and (b) of the definition of Repudiation/Moratorium. The notice given must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If “Notice of Publicly Available Information” is applicable to a Series and a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information.

“**Publicly Available Information**” means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice or Repudiation/Moratorium Extension Notice has occurred and which (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; provided that if either of the parties or any of their respective Affiliates is cited as the sole source of

such information, then such information shall not be deemed to be Publicly Available Information unless such party or its Affiliate is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation, (b) is information received from or published by (i) a Reference Entity that is not the Issuer or Guarantor (or a Sovereign Agency in respect of a Reference Entity which is a Sovereign) or (ii) a trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation, (c) is information contained in any petition or filing instituting a proceeding described in paragraph (d) of the definition of “Bankruptcy” against or by a Reference Entity or (d) is information contained in any order, decree, notice or filing, howsoever described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body.

With respect to a Credit Event for which Issuer is (a) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for the Obligation with respect to which a Credit Event has occurred and (b) a holder of such Obligation, the Issuer shall be required to deliver to the Issue and Paying Agent a certificate signed by a Managing Director (or other substantively equivalent title) of the Issuer which shall certify the occurrence of a Credit Event with respect to such Obligation.

Publicly Available Information need not state (a) in relation to the definition of “Downstream Affiliate”, the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity and (b) that such occurrence (i) has met the Payment Requirement or Default Requirement, (ii) is the result of exceeding any applicable Grace Period or (iii) has met the subjective criteria specified in certain Credit Events.

“**Public Source**” means each source of Publicly Available Information specified as such in the applicable Final Terms (or, if a source is not so specified, each of *Bloomberg Service*, *Dow Jones Telerate Service*, *Reuter Monitor Money Rates Services*, *Dow Jones News Wire*, *Wall Street Journal*, *New York Times*, *Nihon Keizai Shinbun*, *Asahi Shinbun*, *Yomiuri Shinbun*, *Financial Times*, *La Tribune*, *Les Echos* and *The Australian Financial Review* (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources) and such other published or electronically displayed news or other information sources referenced in any Notice of Publicly Available Information.

“**Relevant Credit Event**” means:

- (a) in the case of a Single Name CLS, the Credit Event in relation to the first Event Determination Date to occur with respect to the Reference Entity;
- (b) in the case of an Nth-to-Default CLS, the Credit Event in relation to the Nth Event Determination Date to occur with respect to the Reference Portfolio; and
- (c) in the case of any other Securities, as specified in the applicable Final Terms.

“**Relevant Event Determination Date**” means the Event Determination Date occurring with respect to a Relevant Credit Event.

“**Specified Number**” means, unless otherwise specified in the applicable Final Terms, two.

## 5 Credit Events

“**Credit Event**” means the occurrence of one or more of the Credit Events specified in the applicable Final Terms, which may include Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium or Restructuring, or any additional Credit Event specified in the applicable Final Terms. If an occurrence would otherwise constitute a Credit Event, such occurrence will constitute a Credit Event whether or not such occurrence arises directly or indirectly from, or is subject to a defence based upon:

- (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into any Obligation or, as applicable, an Underlying Obligor to enter into any Underlying Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to any Obligation or, as applicable, any Underlying Obligation, howsoever described;
- (c) any applicable law, order, regulation, decree or notice, howsoever 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, howsoever 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, howsoever described.

“**Bankruptcy**” means that a Reference Entity (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due; (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (d) institutes or has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or has a petition 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 judgement 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; (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days thereof; or (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (a) to (g) (inclusive).

“**Default Requirement**” means the amount specified as such in the applicable Final Terms or its equivalent in the relevant Obligation Currency or, if “Default Requirement” is not so specified, USD 10,000,000 or its equivalent in the relevant Obligation Currency, in either case as at the occurrence of the Relevant Credit Event.

“**Failure to Pay**” means, after the expiration of any applicable Grace Period (after the satisfaction of any conditions precedent to the commencement of such Grace Period), the failure by a Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under one or more Obligations, in accordance with the terms of such Obligations at the time of such failure.

“**Governmental Authority**” means any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of a Reference Entity or of the jurisdiction of organisation of a Reference Entity.

“**Obligation Acceleration**” means that 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 (howsoever described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations.

“**Obligation Currency**” means the currency or currencies in which an Obligation is denominated.

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

“**Payment Requirement**” means the amount specified as such in the applicable Final Terms or its equivalent in the relevant Obligation Currency or, if Payment Requirement is not so specified, USD 1,000,000 or its equivalent in the relevant Obligation Currency, in either case as at the occurrence of the Relevant Credit Event.

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

“**Repudiation/Moratorium**” means the occurrence of both of the following events: (a) an authorized officer of a Reference Entity or a Governmental Authority (i) disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, one or more Obligations in an aggregate amount of not less than the Default Requirement or (ii) declares or imposes a moratorium, standstill, roll-over or deferral, whether *de facto* or *de jure*, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement and (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date. For the purposes of this definition:

- (i) “**Repudiation/Moratorium Evaluation Date**” means, if a Potential Repudiation/Moratorium occurs on or prior to the Redemption Date, (a) if the Obligations to which such Potential Repudiation/Moratorium relates include Bonds, the date that is the later of (I) the date that is

60 days after the date of such Potential Repudiation/Moratorium and (II) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, the expiration date of any applicable Grace Period in respect of such payment date) and (b) if the Obligations to which such Potential Repudiation/Moratorium relates do not include Bonds, the date that is 60 days after the date of such Potential Repudiation/Moratorium; provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Redemption Date unless the Repudiation/Moratorium Extension Condition is satisfied. If (I) the Repudiation/Moratorium Extension Condition is satisfied and (II) an Event Determination Date in respect of that Repudiation/Moratorium does not occur on or prior to the final day of the Notice Delivery Period, the later of the Redemption Date and the Repudiation/Moratorium Evaluation Date will be the Deferred Redemption Date.

- (ii) **“Potential Repudiation/Moratorium”** means the occurrence of an event described in clause (i) of the definition of Repudiation/Moratorium.
- (iii) The **“Repudiation/Moratorium Extension Condition”** is satisfied (a) if ISDA publicly announces, pursuant to a valid request that was delivered in accordance with the CDDC Rules and effectively received on or prior to the date that is 14 calendar days after the Redemption Date, that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the relevant Reference Entity and that such event occurred on or prior to the Redemption Date or (b) otherwise, by the delivery by the Issuer of a Repudiation/Moratorium Extension Notice and, if “Notice of Publicly Available Information” is specified as a Condition to Settlement, a Notice of Publicly Available Information that are each effective on or prior to the date that is 14 calendar days after the Redemption Date. In all cases, the Repudiation/Moratorium Extension Condition will be deemed not to have been satisfied, or capable of being satisfied, if, or to the extent that, ISDA publicly announces, pursuant to a valid request that was delivered in accordance with the CDDC Rules and effectively received on or prior to the date that is 14 calendar days after the Redemption Date, that the relevant Credit Derivatives Determinations Committee has Resolved that either (I) an event does not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the relevant Reference Entity or (II) an event that constitutes a Potential Repudiation/Moratorium for purposes of the relevant Securities has occurred with respect to an Obligation of the relevant Reference Entity but that such event occurred after the Redemption Date.
- (iv) **“Repudiation/Moratorium Extension Notice”** means an irrevocable notice (which may be in writing (including by facsimile and/or email) and/or by telephone) from the Issuer that describes a Potential Repudiation/Moratorium that occurred on or prior to the Redemption Date. A Repudiation/Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is effective.

**“Restructuring”** means that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a

Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of the Obligation or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as at the later of (a) the Credit Event Backstop Date applicable to the relevant Securities and (b) the date as at which such Obligation is issued or incurred:

- (i) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;
- (ii) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
- (iii) a postponement or other deferral of a date or dates for either (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 or composition of any payment of interest or principal to any currency which is not a Permitted Currency. “**Permitted Currency**” means (a) the legal tender of any Group of 7 country (or any country that becomes a member of the Group of 7 if such Group of 7 expands its membership) or (b) the legal tender of any country which, as at the date of such change, is a member of the Organisation for Economic Co-operation and Development and has a local currency long-term debt rating of either AAA or higher assigned to it by Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. (“**S&P**”) or any successor to the rating business thereof, Aaa or higher assigned to it by Moody’s Investors Service Ltd. (“**Moody’s**”) or any successor to the rating business thereof or AAA or higher assigned to it by Fitch Ratings Limited or any successor to the rating business thereof.

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

- (A) the payment in euros of interest or principal in relation to an Obligation denominated in a currency of a Member State of the European Union that adopts or has adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union;
- (B) the occurrence of, agreement to or announcement of any of the events described in paragraphs (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; or
- (C) the occurrence of, agreement to or announcement of any of the events described in paragraphs (i) to (v) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity.

For purposes of this definition and the definition of “Multiple Holder Obligation”, the term “Obligation” shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of any Qualifying Guarantee. In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in this definition shall be deemed to refer to

the Underlying Obligor and the reference to the Reference Entity in this definition shall continue to refer to the Reference Entity.

Unless “Multiple Holder Obligation” is expressed to be not applicable in the applicable Final Terms, then none of the events described above shall constitute a Restructuring unless the Obligation is a Multiple Holder Obligation, where “**Multiple Holder Obligation**” means an Obligation that (a) at the time of the event which constitutes a Restructuring Credit Event, is held by more than three holders that are not Affiliates of each other and (b) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to 66-and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event (provided that part (b) shall be deemed to be satisfied where the Obligation is a Bond).

## 6 General terms relating to Redemption and Settlement

“**CLS Settlement Method**” means:

- (a) the terms relating to the settlement of Cash Settled CLSs, as provided in the Base Conditions, these Credit Linked Conditions in respect of such Securities and the applicable Final Terms; and
- (b) the terms relating to the settlement of Physically Delivered CLSs, as provided in the Credit Linked Conditions in respect of such Securities and the applicable Final Terms.

“**Deferred Redemption Date**” means, if an Extension Notice is effective and no Event Determination Date occurs on or prior to the Securities Extension Date, the date falling five Business Days after the Securities Extension Date or, if an Extension Notice is effective and an Event Determination Date occurs on or prior to the Securities Extension Date, in respect of Cash Settled CLSs, the Credit Event Redemption Date, or, in respect of Physically Delivered CLSs, the Final Delivery Date.

“**Extended Interest Period**” means the period, if any, from and including the Redemption Date to but excluding the Deferred Redemption Date.

“**Extension Notice**” means an irrevocable notice (which may be by telephone) from the Issuer to the Issue and Paying Agent which is effective on or prior to the Redemption Date that specifies one or more Reference Entities which the Issuer determines, in its sole and absolute discretion, is or may be subject to a Credit Event, a Potential Failure to Pay or a Potential Repudiation/Moratorium.

“**Fallback CLS Settlement Method**” means, with respect to a Series of Credit Linked Securities for which “Auction Settlement” is specified as the CLS Settlement Method in the applicable Final Terms, if “Physical Settlement” is specified as the Fallback CLS Settlement Method in the applicable Final Terms, Physical Settlement; otherwise, Cash Settlement.

“**Issuer CLS Settlement Option**” means, if specified in the applicable Final Terms, the option, exercisable by the Issuer in its sole discretion, for the Issuer to redeem the Securities by way of Cash Settlement, Auction Settlement or Physical Settlement upon the occurrence of a Relevant Event Determination Date.

“**Securities Extension Date**” means the later to occur of (a) the last applicable day specified in the definition of “Notice Delivery Period” in respect of each Reference Entity specified in an Extension Notice and (b) 14 calendar days after the day on which ISDA publicly announces that either (i) the relevant Credit Derivatives Determinations Committee has Resolved the matters described in

paragraphs (a) and (b) of the definition of “Credit Event Resolution Request Date” or (ii) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, in either case relating to a Credit Event Resolution Request Date that occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date).

## 7 Terms relating to Cash Settlement

“**CLS Cash Settlement Amount**” means, with respect to any Security, the product of (a) the portion of the Aggregate Nominal Amount (in the case of the Notes) or Calculation Amount (in respect of Certificates) of such Security determined as at the relevant Event Determination Date and (b) the Final Price (if Cash Settlement applies) or Auction Final Price (if Auction Settlement applies).

“**Credit Event Redemption Date**” means (a) if the Credit Event Redemption Amount is not specified in the applicable Final Terms, the date that is the number of Business Days specified in the applicable Final Terms (or, if a number of Business Days is not so specified, five Business Days) following the calculation of the Final Price and (b) if the Credit Event Redemption Amount is specified in the related applicable Final Terms, the date that is the number of Business Days specified in the related applicable Final Terms (or, if a number of Business Days is not so specified, five Business Days) following the satisfaction of all Conditions to Settlement (or, if “Cash Settlement” is applicable as a fallback to Auction Settlement, any Auction Cancellation Date or any No Auction Announcement Date, if later); provided, however, that if Auction Settlement is applicable, then the Credit Event Redemption Date shall be the cash settlement date determined pursuant to the Credit Derivatives Auction Settlement Terms for such Auction.

“**CLS Valuation Date**” means:

- (a) if “Single CLS Valuation Date” is specified in the applicable Final Terms, a date selected by the Issuer not less than five Business Days after satisfaction of all Conditions to Settlement (or, if “Cash Settlement” is applicable pursuant to the fallback provisions in Auction Settlement, any Auction Cancellation Date or any No Auction Announcement Date, if later);
- (b) if “Multiple CLS Valuation Dates” is specified in the applicable Final Terms, the dates specified in the applicable Final Terms; and
- (c) if neither “Single CLS Valuation Date” nor “Multiple CLS Valuation Dates” is specified in the applicable Final Terms, Single CLS Valuation Date shall apply.

“**CLS Valuation Time**” means the time specified as such in the applicable Final Terms or, if no time is so specified, the time specified by the Determination Agent, which shall be as close as reasonably practicable to 11:00 a.m. in the relevant Determination Agent City, unless the Determination Agent determines that the principal market for transactions in the Reference Obligation would be closed at such time or such transactions are not being conducted in sufficient volume (as determined by the Determination Agent in its sole and absolute discretion) at such time, in which event the CLS Valuation Time shall be such other time as may be specified by the Determination Agent that such principal market is open.

“**Dealer**” means, as selected by the Determination Agent, at least five financial institutions, funds or other entities that purchase or deal in obligations of the type of the relevant Reference Obligation,

Obligation or Undeliverable Obligation, one of which institutions, funds or other entities may be the Issuer or the Guarantor or an Affiliate thereof.

**“Final Price”** means the price of the Reference Obligation, expressed as a percentage, determined in accordance with the specified Valuation Method. Unless “Auction Settlement” applies, the Determination Agent shall, as soon as reasonably practicable after obtaining all Quotations for a CLS Valuation Date, notify the Issue and Paying Agent in writing of each such Quotation (together with a written computation showing such calculation) that it receives in connection with the calculation of the Final Price. The Issue and Paying Agent shall deliver such notice through the relevant settlement system to holders of Securities, provided that the failure of the Issue and Paying Agent to deliver any such notice shall not affect the effectiveness of any notice delivered by the Determination Agent. If “Auction Settlement” is specified to be applicable or is elected to be applicable pursuant to the Issuer CLS Settlement Option, then, notwithstanding the Valuation Method, Final Price means the Auction Final Price. If Cash Settlement is applicable as the Fallback CLS Settlement Method and the Issuer has not delivered a notice specifying the Reference Obligation on or prior to:

- (A) if “60 Business Day Cap on Settlement” is specified as “Not Applicable” in the Final Terms, the later of the Redemption Date and 60 Business Days following a No Auction Announcement Date or an Auction Cancellation Date or any equivalent cancellation date under a Relevant Settlement Mechanic, as applicable; or
- (B) if “60 Business Day Cap on Settlement” is not specified as “Not Applicable” in the Final Terms, the date that is 60 Business Days following a No Auction Announcement Date or an Auction Cancellation Date or any equivalent cancellation date under a Relevant Settlement Mechanic, as applicable,

then the Final Price shall be deemed to be 100 per cent.

**“Full Quotation”** means, in accordance with the Quotation Method, each firm quotation obtained from a Dealer at the CLS Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation with an outstanding principal balance equal to the Quotation Amount.

**“Market Value”** means, with respect to a Reference Obligation on a CLS Valuation Date, (a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (b) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations; (d) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation; (e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained, subject to paragraph (b) of the definition of “Quotation”, an amount as determined by the Determination Agent on the next Business Day on which two or more Full Quotations or a Weighted Average Quotation is obtained; and (f) if two or more Full Quotations or a Weighted Average Quotation are not obtained within the additional five Business Day period set forth in paragraph (b) of the definition of “Quotation” the Market Value shall be determined as provided in such definition.

**“Minimum Quotation Amount”** means the amount specified as such in the applicable Final Terms (or its equivalent in the relevant Obligation Currency) or, if no amount is so specified, the lower of (a) USD 1,000,000 (or its equivalent in the relevant Obligation Currency) and (b) the Quotation Amount.

**“Quotation”** means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage with respect to a CLS Valuation Date in the manner that follows:

- (a) The Determination Agent shall attempt to obtain Full Quotations with respect to the CLS Valuation Date from five or more Dealers. If the Determination Agent is able to obtain two or more such Full Quotations from Dealers other than the Issuer or Guarantor in respect of such CLS Valuation Date, then the Determination Agent shall use such Full Quotations to determine the Final Price in accordance with the specified Valuation Method. If the Determination Agent is unable to obtain two or more such Full Quotations in respect of such CLS Valuation Date but is able to obtain a Weighted Average Quotation in respect of such CLS Valuation Date, then the Determination Agent shall use such Weighted Average Quotation to determine the Final Price in accordance with the specified Valuation Method.
- (b) If the Determination Agent is unable to obtain two or more such Full Quotations or such a Weighted Average Quotation in respect of such CLS Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until and including the fifth Business Day) the Determination Agent shall attempt to obtain two or more such Full Quotations from Dealers other than the Issuer or Guarantor and, if two or more such Full Quotations are not available from Dealers other than the Issuer or Guarantor on such Business Day, a Weighted Average Quotation on such Business Day. If the Determination Agent is able to obtain two or more such Full Quotations in respect of any such Business Day from Dealers other than the Issuer or Guarantor, then the Determination Agent shall use such Full Quotations to determine the Final Price in accordance with the specified Valuation Method. If the Determination Agent is unable to obtain two or more such Full Quotations in respect of any such Business Day but is able to obtain a Weighted Average Quotation in respect of any such Business Day, then the Determination Agent shall use such Weighted Average Quotation to determine the Final Price in accordance with the specified Valuation Method.
- (c) If the Determination Agent is unable to obtain two or more such Full Quotations or such a Weighted Average Quotation from Dealers other than the Issuer or Guarantor on or prior to the fifth Business Day following the relevant CLS Valuation Date, then the Determination Agent shall use the Full Quotation, if any, obtained from the Issuer or Guarantor on such fifth Business Day to determine the Final Price in accordance with the specified Valuation Method.
- (d) If the Determination Agent is unable to obtain a Full Quotation from the Issuer or Guarantor on such fifth Business Day following the relevant CLS Valuation Date, then the Quotation shall be deemed to be zero.
- (e) Any quotation provided by the Issuer, the Guarantor or an Affiliate thereof shall be deemed to be a firm quotation.
- (f) The Determination Agent shall determine, based on then current market practice in respect of the Reference Obligation, whether such Quotations shall include or exclude accrued but unpaid interest. All Quotations shall be obtained in accordance with this specification or determination.

- (g) If any Quotation obtained with respect to an Accreting Obligation is expressed as a percentage of the amount payable in respect of such obligation at maturity, such Quotation will instead be expressed as a percentage of the outstanding principal balance for purposes of determining the Final Price.

“**Quotation Amount**” means the amount specified as such in the applicable Final Terms or, if no amount is so specified, an amount specified by the Determination Agent not in excess of the Aggregate Nominal Amount of the Securities outstanding in the case of the Notes or the aggregate Calculation Amount of the Certificates outstanding, as applicable, in respect of the Credit Linked Securities (or, in either case, its equivalent in the relevant Obligation Currency, converted by the Determination Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained).

“**Quotation Method**” means the applicable Quotation Method specified in the applicable Final Terms by reference to one of the following terms (or, if no Quotation Method is specified, Bid shall apply):

- (a) “**Bid**” means that only bid quotations shall be requested from Dealers;
- (b) “**Offer**” means that only offer quotations shall be requested from Dealers; or
- (c) “**Mid-market**” means that bid and offer quotations shall be requested from Dealers and shall be averaged for purposes of determining a relevant Dealer’s quotation.

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

“**Weighted Average Quotation**” means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Dealers at the CLS Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation with an outstanding principal balance of as large a size as available but less than the Quotation Amount (but of a size equal to the Minimum Quotation Amount or, if quotations of a size equal to the Minimum Quotation Amount are not available, as near in size as practicable to the Minimum Quotation Amount) that in the aggregate are approximately equal to the Quotation Amount.

“**Valuation Method**”:

- (a) The following Valuation Methods may be specified in the applicable Final Terms for a Series with only one Reference Obligation and only one CLS Valuation Date:
- (i) “**Market**” means the Market Value determined by the Determination Agent with respect to the CLS Valuation Date; or
- (ii) “**Highest**” means the highest Quotation obtained by the Determination Agent (or in accordance with the definition of “Quotation”) with respect to the CLS Valuation Date; or
- (iii) “**Lowest**” means the lowest Quotation obtained by the Determination Agent (or in accordance with the definition of “Quotation”) with respect to the CLS Valuation Date.

If no such Valuation Method is specified in the applicable Final Terms, the Valuation Method shall be Highest.

- (b) The following Valuation Methods may be specified in the applicable Final Terms for a Series with only one Reference Obligation and more than one CLS Valuation Date:
- (i) **“Average Market”** means the unweighted arithmetic mean of the Market Values determined by the Determination Agent with respect to each CLS Valuation Date; or
  - (ii) **“Highest”** means the highest Quotation obtained by the Determination Agent (or in accordance with the definition of “Quotation”) with respect to any CLS Valuation Date; or
  - (iii) **“Average Highest”** means the unweighted arithmetic mean of the highest Quotations obtained by the Determination Agent (or in accordance with the definition of “Quotation”) with respect to each CLS Valuation Date.

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

- (c) The following Valuation Methods may be specified for a Series with more than one Reference Obligation and only one CLS Valuation Date:
- (i) **“Blended Market”** means the unweighted arithmetic mean of the Market Values for each Reference Obligation determined by the Determination Agent with respect to the CLS Valuation Date; or
  - (ii) **“Blended Highest”** means the unweighted arithmetic mean of the highest Quotations obtained by the Determination Agent (or in accordance with the definition of “Quotation”) for each Reference Obligation with respect to the CLS Valuation Date.

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

- (d) The following Valuation Methods may be specified for a Series with more than one Reference Obligation and more than one CLS Valuation Date:
- (i) **“Average Blended Market”** means, using values with respect to each CLS Valuation Date determined by the Determination Agent in accordance with the Blended Market Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each CLS Valuation Date; or
  - (ii) **“Average Blended Highest”** means, using values with respect to each CLS Valuation Date determined by the Determination Agent in accordance with the Blended Highest Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each CLS Valuation Date.

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

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

## 8 Terms relating to Auction Settlement

If “**Auction Settlement**” is specified with respect to a Series in the applicable Final Terms or elected pursuant to the Issuer CLS Settlement Option and a Relevant Event Determination Date occurs on or prior to the Auction Final Price Determination Date, the Auction Final Price shall be the Final Price with respect to the related Credit Event. Without prejudice to the foregoing, but without duplication of settlement, if (a) an Auction Cancellation Date occurs, (b) a No Auction Announcement Date occurs, (c) ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, not to determine whether or not an event constitutes a Credit Event for purposes of the relevant Credit Derivative Transaction or (d) an Event Determination Date was determined pursuant to paragraph (i) of the definition of “Event Determination Date” and no Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Event Determination Date, “Auction Settlement” shall not apply and the Fallback CLS Settlement Method shall apply. In the event that no Auction occurs, Auction Settlement shall encompass any settlement protocol or process (howsoever described) relating to the settlement of credit derivatives transactions linked to the Reference Entity (i) published by the International Swaps and Derivatives Association (or any successor thereto); (ii) resolved by the Credit Derivatives Determinations Committee or (iii) adopted by a significant portion of the relevant credit derivatives market, as determined by the Determination Agent (each of (i), (ii) and (iii), a “**Relevant Settlement Mechanic**”), provided that the Determination Agent shall be entitled to adjust the conditions applicable to the Securities such that the Relevant Settlement Mechanic would produce a reasonable result thereunder.

“**Auction**” has the meaning set forth in the Transaction Auction Settlement Terms.

“**Auction Cancellation Date**” has the meaning set forth in the Transaction Auction Settlement Terms.

“**Auction Final Price**” has the meaning set forth in the Transaction Auction Settlement Terms in respect of the relevant Reference Entity, provided that: (a) where both a Senior Auction and a Subordinate Auction are held in connection with an Auction in respect of such Reference Entity, the Issuer may in its sole and absolute discretion elect to apply the price determined pursuant to the Senior Auction where the Reference Obligation in respect of such Reference Entity is specified as a “Sub” or “Subordinated” Reference Obligation; and (b) if the Credit Event is a Restructuring, the Determination Agent shall select which of the Transaction Auction Settlement Terms shall apply in a commercially reasonable manner in accordance with then current market practice by reference to the Redemption Date of the relevant Securities.

“**Auction Final Price Determination Date**” has the meaning set forth in the Transaction Auction Settlement Terms.

“**Credit Derivatives Auction Settlement Terms**” means any Credit Derivatives Auction Settlement Terms published by ISDA, in accordance with the CDDC Rules, a copy of which will be published by ISDA on its website from time to time and which may be amended from time to time in accordance with the CDDC Rules. A form of the Credit Derivatives Auction Settlement Terms is available at [www.isda.org/credit](http://www.isda.org/credit).

“**No Auction Announcement Date**” means, with respect to a Credit Event, the date on which ISDA first publicly announces that (a) no Transaction Auction Settlement Terms will be published with

respect to such Reference Entity and Credit Event following a prior public announcement by ISDA to the contrary, (b) following the occurrence of a Restructuring only, no Credit Derivatives Auction Settlement Terms will be published with respect to such Reference Entity and Restructuring or (c) the relevant Credit Derivatives Determinations Committee has Resolved that an Auction will be held but in respect of a different Credit Event, Reference Entity or Deliverable Obligation, as are applicable to the relevant Series.

**“Senior Auction”** means an Auction in respect of one or more Obligations of the relevant Reference Entity specified as “Senior” pursuant to such Auction.

**“Subordinated Auction”** means an Auction in respect of one or more Obligations of the relevant Reference Entity specified as “Subordinated” or “Sub” pursuant to such Auction.

**“Transaction Auction Settlement Terms”** means the Credit Derivatives Auction Settlement Terms applicable to the relevant Reference Entity and Reference Obligation.

## 9 Terms relating to Delivery

**“Deliver”** means to deliver, novate, transfer (including, in the case of a Qualifying Guarantee, transfer of the benefit of the Qualifying Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to Securityholders free and clear of any and all liens, charges, claims or encumbrances (including, without limitation, any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in paragraphs (a) to (d) of the definition of “Credit Event”) or right of set-off by or of the Reference Entity or, as applicable, an Underlying Obligor); provided that to the extent that the Deliverable Obligations consist of Direct Loan Participations, **“Deliver”** means to create (or procure the creation of) a participation in favour of each Securityholder and to the extent that the Deliverable Obligations consist of Qualifying Guarantees, **“Deliver”** means to Deliver both the Qualifying Guarantee and the Underlying Obligation. **“Delivery”** and **“Delivered”** will be construed accordingly. In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time. Notwithstanding the previous sentence, in the case of a Loan, each of the Issuer and each Securityholder agrees to comply, for purposes of the settlement of the relevant Credit Derivative Transaction, with the provisions of any documentation (which term shall be deemed to include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves is appropriate, which is consistent with the delivery and payment obligations of the parties hereunder. Each of the Issuer and each Securityholder further agrees that compliance by it with the provisions of any such documentation shall be required for, and, without further action, constitute, Delivery for purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and neither the Issuer nor any Securityholder shall be permitted to request that the other take, nor shall it be required to take, any action under Credit Linked Condition 4.3 unless otherwise contemplated by such documentation.

**“Deliverable Obligations Portfolio”** means, in respect of each Physically Delivered CLS, subject to Credit Linked Condition 8.1 and unless otherwise elected by the Issuer in accordance with the Issuer CLS Settlement Option as set out in these Credit Linked Conditions, such Deliverable Obligations as may be selected by the Issuer with: (a) an outstanding principal balance, in respect of Deliverable Obligations that are Borrowed Money obligations or (b) a Due and Payable Amount, in respect of Deliverable Obligations that are not Borrowed Money obligations (or, in either case, the equivalent Currency Amount thereof), in an aggregate amount (excluding any accrued and unpaid interest) equal to (i) the Aggregate Nominal Amount of the Notes outstanding or the aggregate Calculation Amount of the Certificates outstanding, in respect of the Credit Linked Securities, as applicable, as at the relevant Event Determination Date less (ii) (if, at the option of the Issuer, Settlement Expenses and Swap Costs are to be deducted rather than separately paid by each such Securityholder) an outstanding principal balance or Due and Payable Amount, as the case may be, of such Deliverable Obligations with a market value as determined by the Determination Agent equal to the Settlement Expenses and Swap Costs. If the amount of the Deliverable Obligations Portfolio is less than zero, no Deliverable Obligations will be required to be Delivered and the amount of the Deliverable Obligations Portfolio will be deemed to be zero. If an obligation by its terms represents or contemplates an obligation to pay an amount greater than the outstanding principal balance of such obligation as at the Delivery Date as a result of the occurrence or non-occurrence of an event or circumstance, the outstanding principal balance of such obligation shall not include any additional amount that would be payable upon the occurrence or non-occurrence of such event or circumstance.

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

**“Delivery Method”** has the meaning specified in the applicable Final Terms, or, if no such meaning is specified, shall mean, unless otherwise agreed between a Securityholder and the Issuer, that delivery to such Securityholder shall be to a securities account designated by such Securityholder.

**“Due and Payable Amount”** means the amount that is due and payable under (and in accordance with the terms of) a Deliverable Obligation on the Delivery Date, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts).

**“Final Delivery Date”** means, in respect of a Physical Settlement Date, the final Delivery Date to occur with respect to Deliverable Obligations comprised in the Deliverable Obligations Portfolio pertaining to such Physical Settlement Date.

**“Latest Permissible Physical Settlement Date”** means, in respect of Credit Linked Condition 4.3, the date that is 30 calendar days after the Physical Settlement Date and, in respect of Credit Linked Condition 4.5, 4.6 and 4.7, the date that is 15 Business Days after the Physical Settlement Date (or, where “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation” applies, the Modified Restructuring Maturity Limitation Date).

**“Physical Settlement Date”** means the last day of the longest Physical Settlement Period following the satisfaction of all applicable Conditions to Settlement.

**“Physical Settlement Period”** means the number of Business Days specified as such in the applicable Final Terms or, if a number of Business Days is not so specified, with respect to a Deliverable

Obligation specified in the Notice of Physical Settlement, the longest number of Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the Determination Agent

## 10 Terms relating to Currencies

“**Currency Amount**” means, with respect to (a) a Deliverable Obligation specified in a Notice of Physical Settlement that is denominated in a currency other than the Settlement Currency, an amount converted into the Settlement Currency using a conversion rate determined by reference to the Currency Rate and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, an amount converted into the Settlement Currency (or, if applicable, back into the Settlement Currency) using a conversion rate determined by reference to the Currency Rate, if any, and each Revised Currency Rate used to convert each Replaced Deliverable Obligation Outstanding Amount specified in each NOPS Amendment Notice with respect to the relevant portion of the applicable Calculation Amount into the currency of denomination of the relevant Replacement Deliverable Obligation.

“**Currency Rate**” means, with respect to (a) a Deliverable Obligation specified in the Notice of Physical Settlement, the rate of conversion between the Settlement Currency and the currency in which the Outstanding Amount of such Deliverable Obligation is denominated that is either (i) determined by reference to the Currency Rate Source as at the Next Currency Fixing Time or (ii) if such rate is not available at such time, determined by the Determination Agent and (b) a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the Revised Currency Rate.

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

“**Next Currency Fixing Time**” means 4:00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant NOPS Amendment Notice, as applicable, is effective.

“**Revised Currency Rate**” means, with respect to a Replacement Deliverable Obligation specified in a NOPS Amendment Notice, the rate of conversion between the currency in which the Replaced Deliverable Obligation Outstanding Amount is denominated and the currency in which the Outstanding Amount of such Replacement Deliverable Obligation is denominated that is determined either (a) by reference to the Currency Rate Source as at the Next Currency Fixing Time or (b) if such rate is not available at such time, by the Determination Agent in a commercially reasonable manner.

## 11 Terms relating to Convertible, Exchangeable and Accreting Obligations

With respect to any Accreting Obligation, “**outstanding principal balance**” means the Accreted Amount thereof.

With respect to any Exchangeable Obligation that is not an Accreting Obligation, “**outstanding principal balance**” shall exclude any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities for which such obligation is exchangeable.

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

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

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

**“Equity Securities”** means:

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

**“Exchangeable Obligation”** means any obligation that is exchangeable, in whole or in part, for Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the

benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation).

## EQUITY LINKED ANNEX

### Table of Contents

#### **PART A – DESCRIPTION AND RISK FACTORS**

1. Brief Description of Equity Linked Securities
2. Risk Factors Relating to Equity Linked Securities
  - 2.1 Certain Considerations Associated with Equity Linked Securities
  - 2.2 Certain Considerations Associated with Securities relating to a Share or shares issued or created by a Share Company and listed on a recognised exchange that is a fund, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement (“ETF”)
  - 2.3 Certain Considerations Associated with Securities relating to American Depositary Receipts (“ADRs”) and Global Depositary Receipts (“GDRs”) (or Basket of ADRs and/or GDRs)

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED SECURITIES**

1. Index Modification, Cancellation, Disruption or Adjustment Event
2. Share Adjustments or Disruptions
3. Consequences of Disrupted Days following a Market Disruption Event
4. Adjustments
5. FX Disruption Event
6. Dividends and Rights Issue Provisions for Market Access Products
7. Notice of Adjustments
8. Additional Disruption Events

#### **PART C – DEFINITIONS APPLICABLE TO EQUITY LINKED SECURITIES**

1. Definitions relating to Equity Linked Securities

**PART A**  
**DESCRIPTION AND RISK FACTORS**

**1 Brief Description of Equity Linked Securities**

Equity Linked Securities are Securities where (i) in relation to Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option or (ii) in relation to Exercisable Certificates and Warrants, the exercise of the Securities or the amount payable or deliverable on exercise or (iii) any additional amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of a share, fund, unit, depositary, receipt, interest, equity interest or other equity unit, an equity index or a basket of shares, equity interests, equity units or equity indices over a period of time or on certain dates.

**2 Risk Factors Relating to Equity Linked Securities**

Equity Linked Securities have a different risk profile to ordinary unsecured debt securities. The return on an Equity Linked Security is linked to the performance of a Share or an Index or a Basket of Shares or a Basket of Indices underlying that Equity Linked Security. Investing in an Equity Linked Security is not equivalent to investing directly in any underlying Share or the components of any underlying Index.

This section describes additional factors to which prospective investors should have regard when considering an investment in Equity Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

**2.1 Certain Considerations Associated with Equity Linked Securities**

In the case of Share Linked Securities, no issuer of, or other legal arrangement giving rise to, such Shares will have participated in the preparation of the applicable Final Terms or in establishing the terms of the relevant Securities and none of BCCL, the Bank or any Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such issuer of, or such other legal arrangement giving rise to, Shares contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in any applicable Final Terms) that would affect the trading price of the relevant Share(s) will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an issuer of, or of other legal arrangement giving rise to, Shares could affect the trading price of the Share and therefore the trading price of the Equity Linked Securities.

Due to the character of the particular markets on which most equity securities or debt instruments are traded, the absence of last sale information and the limited availability of quotations for such equity securities or debt instruments may make it difficult for many

investors to obtain timely, accurate data for the price or yield of such equity securities or debt instrument.

Except as otherwise provided in the Conditions relating to Physically Delivered Securities that are Equity Linked Securities, Securityholders will not have any voting rights or rights to receive dividends or distributions or any other rights with respect to the relevant Shares to which such Securities relate.

In the case of Index Linked Securities, fluctuations in the value of the relevant Index or basket of underlying Indices (including the prices of any Component included in such Index or Basket of Indices) will affect the value of the related Equity Linked Securities.

Where the Equity Linked Securities are Physically Delivered Securities, the Determination Agent may determine that a Settlement Disruption Event is subsisting and may exercise its right to pay the relevant Settlement Amount in lieu of delivering the relevant Reference Assets. Such a determination may have an adverse effect on the value of the relevant Equity Linked Securities.

## **2.2 Certain Considerations Associated with Securities relating to a Share or Shares issued or created by a Share Company and listed on a recognised exchange that is a fund, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement (“ETF”)**

Where the Securities are linked to an ETF or a basket of ETFs and the investment objective of such ETF(s) is to track the performance of a share or an index, the investors of such Securities are exposed to the performance of such ETF(s) rather than the underlying share or index such ETF(s) tracks. The investors will bear the risk that such ETFs may not reflect the actual return such investors would obtain if they actually owned the share or the index underlying such ETFs. Accordingly, investors who purchase Equity Linked Securities that are linked to ETF(s) may receive a lower payment upon redemption or exercise or cancellation of such Securities than such investors would have received if they had invested in the share or the index underlying such ETF(s) directly.

No assurance can be given that such managers will succeed in meeting the investment objectives of the ETF(s), that any analytical model used thereby will prove to be correct or that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which such ETF(s) has or may invest will prove accurate.

## **2.3 Certain Considerations Associated with Securities relating to American Depositary Receipts (“ADRs”) and Global Depositary Receipts (“GDRs”) (or Basket of ADRs and/or GDRs)**

Investors who purchase Equity Linked Securities that are linked to ADRs or GDRs may receive a Settlement Amount that does not reflect the actual return such investors would obtain if they actually owned the shares underlying such ADRs or GDRs. Accordingly, investors who purchase Securities that are linked to ADRs or GDRs may receive a lower payment upon redemption, exercise or cancellation of such Securities than such investors would have received if they had invested in the shares underlying such ADRs or GDRs directly.

The issuer of the shares underlying the ADRs or GDRs may make distributions in respect of their shares that are not passed on to the owners of ADRs or GDRs, which can affect the value of the Equity Linked Securities linked to such ADRs and GDRs.

In respect of Physically Delivered Securities that are linked to ADRs or GDRs, in the event that investors receive ADRs or GDRs as a result of physical settlement, depending on the jurisdiction under which such ADRs or GDRs have been issued and the jurisdiction to which the agreement relating to such ADRs or GDRs is subject, it cannot be ruled out that the corresponding jurisdiction does not recognise the investor holding such ADRs or GDRs as the actual beneficial owners of the underlying shares.

## 2.4 Index construction

Equity indices can be formed of three major types:

- (i) “Price Return”, where the index tracks movements in price of the constituents of the index. When exposed to a Price Return index, Securityholders lose the benefit of any dividends paid by the constituents of the index and hence would underperform a position where they invested directly in the constituents of the index and received the dividends or where they invested in a Total Return version of the index.
- (ii) “Total Return”, where the index tracks movements in price of the constituents of the indices and reinvests any dividends that would be earned by investing directly in the constituents of the index.
- (iii) “Excess Return”, where the index tracks the Total Return less a cash return. Each day, the Total Return index is reduced by a cash rate determined based on the currency of the index and an applicable rate for the cost to borrow cash in the currency of the index. In the event of high interest rates, these types of indices may substantially underperform both Total Return and Price Return versions of the same index.

In general, there are a number of differently constructed indices:

- (i) Long only, where the index tracks the relevant return on a basket of shares.
- (ii) Long-short, where the index tracks the long return of a portfolio less the short return of another portfolio. This would naturally give an Excess Return, so a cash return would be added in order to make the index Total Return.
- (iii) Rolling futures indices, where the investment is one or a collection of futures with a rolling mechanism. This would naturally give an Excess Return, so a cash return would be added in order to make the index Total Return.

Furthermore, a volatility control mechanism may be added as an additional feature whereby the exposure to the index may be substantially decreased in the event of volatile index performance and increased in the event of less volatile index performance (“**Volatility Control**”). A version of an index with a Volatility Control may substantially underperform the non-Volatility Control version particularly in the case of volatile and rising markets where the lower exposure of the Volatility Control version of the index may lead to less participation in any upside.

Some indices may be calculated net of applicable costs and fees. Please contact the relevant Issuer for further details.

**PART B**  
**ADDITIONAL TERMS AND CONDITIONS FOR EQUITY LINKED SECURITIES**

*The terms and conditions applicable to Equity Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Equity Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Equity Linked Conditions set out below, the Equity Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Equity Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Equity Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Equity Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

**1 Index Modification, Cancellation, Disruption or Adjustment Event**

The following provisions will apply to all Index Linked Securities.

**1.1 Index Adjustment Events**

If:

- 1.1.1 on or prior to any date on which the level of an Index is to be calculated, including, without limitation, any Averaging Date or Valuation Date (a “**Determination Date**”), in respect of Index Linked Securities, the relevant Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an “**Index Modification**”) or permanently cancels the Index and no successor Index exists (an “**Index Cancellation**”); or
- 1.1.2 on any Determination Date in respect of Index Linked Securities the Index Sponsor fails to calculate and announce a relevant Index (an “**Index Disruption**” and, together with an Index Modification and an Index Cancellation, an “**Index Adjustment Event**”),

then the Determination Agent shall on each relevant Determination Date determine if such Index Adjustment Event has a material effect on the relevant Securities and, if so, shall calculate the level of that Index by using, in lieu of a published level for the relevant Index, the level for that Index as at that Determination Date as determined by the Determination Agent in accordance with the formula for and method of calculating that Index last in effect prior to that Index Adjustment Event, but using only those securities that constituted the relevant Index immediately prior to that Index Adjustment Event (other than those securities that have since ceased to be listed on any relevant Exchange).

In the event that the Determination Agent determines that it can no longer continue to calculate such Index, the Determination Agent may, in its sole discretion, deem such Index Adjustment Event to constitute an Additional Disruption Event for the purposes of these

provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions, as the case may be, in respect of the Securities.

### **1.2 Successor Index Sponsor or Substitution of Index with substantially similar calculation**

If an Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the “**Successor Index Sponsor**”) acceptable to the Determination Agent or (ii) replaced by a successor index (the “**Successor Index**”) using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then (1) the index as calculated and announced by the Successor Index Sponsor or (2) the Successor Index will be deemed to be the Index.

### **1.3 Correction of an Index**

If the level of an Index published on any Determination Date and used or to be used by the Determination Agent to determine the relevant Index value is subsequently corrected and the correction is published by the Index Sponsor or a Successor Index Sponsor prior to the second Exchange Business Day preceding the Redemption Date, any Optional Cash Redemption Date, any Optional Physical Redemption Date, any Early Cash Redemption Date, any Early Cancellation Date, any Early Physical Cancellation Date, any Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, any Specified Early Physical Redemption Date, the Specified Early Physical Cancellation Date, any Exercise Date, the Expiration Date, any Exercise Cash Settlement Date or any Physical Delivery Date, the Determination Agent shall recalculate the relevant Settlement Amount, Entitlement or other relevant amount, as the case may be, using such corrected level of the relevant Index. The Determination Agent shall notify the Issuer and the Issue and Paying Agent shall notify the Securityholders of (i) that correction and (ii) the amount, if any, that is payable or deliverable as a result of that correction.

### **1.4 Error in Index Calculation**

Notwithstanding anything to the contrary in these Equity Linked Conditions, if, on any Determination Date there is, in the reasonable opinion of the Determination Agent, a manifest error in the calculation of an Index by the Index Sponsor (as manifested in the level of the Index published by the Index Sponsor), the Determination Agent may calculate the level of such Index in lieu of using the level published on such date by the Index Sponsor. Such calculation will be determined in accordance with the methodology and formula for calculating the Index used by the Index Sponsor.

Where the Determination Agent calculates the level of the Index in accordance with the preceding paragraph, it shall give notice in writing to the Securityholder in accordance with the Base Conditions of the Index level so calculated no later than 10 Business Days after the relevant Determination Date.

If the Index Sponsor continues to calculate the Index with manifest error for more than three Scheduled Trading Days, then the Determination Agent may make such adjustments to the terms of the Security as it may in its sole discretion determine, including, without limitation, selecting an alternative index to replace the Index and/or replicating the constituents of the relevant Index and/or calculating the relevant Index in accordance with the formula for and

method of calculating that Index last in effect prior to the relevant event and/or adjusting the constituents and weightings of the Index.

For the avoidance of doubt, where a correction to the level of the Index is published by the Index Sponsor as described in Equity Linked Condition 1.3 after the Determination Agent has calculated the level of the Index pursuant to this Equity Linked Condition 1.4, the Determination Agent may, notwithstanding any such calculation, recalculate the relevant Settlement Amount, Entitlement or other relevant amount, as the case may be, using such corrected level of the relevant Index. The Determination Agent shall give notice in writing to the Securityholder in accordance with Condition 16 of the Base Conditions of such recalculation no later than 10 Business Days after the correction to the level of the Index is published by the Index Sponsor.

Where such correction is published after the Determination Agent has adjusted the terms of the Security pursuant to this Equity Linked Condition 1.4, Equity Linked Condition 1.3 shall not apply and the terms of the adjustment in accordance with this Equity Linked Condition 1.4 shall prevail.

## 1.5 Futures Price Valuation

If “Futures Price Valuation” is specified as applicable in respect of an Index in the relevant Final Terms, then, notwithstanding any other provisions of these Equity Linked Conditions, the following provisions will apply to the valuation of that Index on the Valuation Date:

1.5.1 For the purposes of determining the level of the Index, on the Valuation Date:

- (i) in respect of a Security linked to an Index, the level of the Index will be the Official Settlement Price on the Valuation Date; and
- (ii) in respect of a Security linked to a basket of Indices, the level in respect of each Index for which Futures Price Valuation is stated to be applicable will be the Official Settlement Price (weighted or adjusted to that Index as provided for in the Final Terms) on the Valuation Date.

Where:

“**Official Settlement Price**” means the official settlement price (howsoever described under the rules of the relevant exchange or its clearing house) of any of the relevant Exchange-traded Contracts published by the exchange or its clearing house.

“**Exchange-traded Contract**” means, in relation to an Index, a contract specified as such for that Index in the related Final Terms. For this purpose, the parties shall specify the futures or options contract by reference to (1) the Index to which it relates, (2) the delivery month of such contract and (3) the exchange on which it is traded.

“**Valuation Date**” means, for the purposes of this Equity Linked Condition 1.5 only, a day on which the Official Settlement Price is published and, in all cases, except for Equity Linked Condition 1.5.3, irrespective of whether such day is a Disrupted Day.

### 1.5.2 Adjustments of the Exchange-traded Contract

In the event that the terms of the Exchange-traded Contract are changed or modified by the relevant exchange or clearing house, the Determination Agent shall, if necessary,

adjust the Settlement Amount or the Entitlement or any other term of the Security as the Determination Agent deems fit to preserve the economic equivalent of any payment or payments (assuming satisfaction of each applicable condition precedent) in respect of the Security that would have been required after the date of such change.

### 1.5.3 Non-Commencement or Discontinuance of the Exchange-traded Contract

If there is no Official Settlement Price as a result of the fact that trading in the Exchange-traded Contract never commences or is permanently discontinued at any time on or prior to a Valuation Date, the Official Settlement Price for that Valuation Date shall be deemed to be the level of the relevant Index at the close of the regular trading session on the relevant Exchange on the Valuation Date. If this Equity Linked Condition 1.5.3 applies, then the relevant Valuation Date shall mean the date that, but for the non-commencement or discontinuance of the Exchange-traded Contract, would have been the date of publishing the Official Settlement Price unless such day is a Disrupted Day, in which case the provisions of Equity Linked Condition 3 shall apply.

### 1.5.4 Corrections of the Official Settlement Price

If the Official Settlement Price for any Valuation Date is corrected and the correction is published by the relevant exchange or clearing house within one settlement cycle for the related Exchange-traded Contract after the original publication, either party may notify the other party of that correction and the Determination Agent will determine the amount that is payable as a result of that correction and, to the extent necessary, will adjust the terms of the Index Linked Security to account for such correction.

## 2 Share Adjustments or Disruptions

The following conditions will apply to all Share Linked Securities.

### 2.1 Potential Adjustment Events

The Issuer may at any time determine that a Potential Adjustment Event has occurred. Following such determination by the Issuer of any Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will (i) make the corresponding adjustment(s), relevant to the exercise, settlement, payment or other terms of the Securities as the Determination Agent determines appropriate to account for the diluting or concentrative effect of such Potential Adjustment Event (the “**Adjustment(s)**”) and (ii) determine the effective date(s) of the Adjustment(s). The Determination Agent may (but need not) determine the appropriate Adjustment(s) by reference to the Adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Shares traded on that options exchange.

Any adjustment to the terms of the Securities following a Potential Adjustment Event shall take into account the economic cost of any taxes, duties, levies, fees or registration payable by or on behalf of the Issuer or any of its relevant Affiliates or a foreign investor charged on subscription, acquisition or receipt of any Shares or other securities received as a result of the Potential Adjustment Event, such calculations to be determined and carried out by the Determination Agent in good faith.

Notwithstanding the above, the Issuer may, alternatively, on giving notice to the Securityholders in accordance with Condition 16 of the Base Conditions, elect, in lieu of the Determination Agent making an Adjustment in respect of a Potential Adjustment Event, to deliver to each Securityholder one or more additional Securities (the “**Adjustment Event Securities**”) and/or pay to each Securityholder a cash amount (the “**Adjustment Event Amount**”) to account for the diluting or concentrative effect of such Potential Adjustment Event. Where the Issuer elects to deliver Adjustment Event Securities, such Adjustment Event Securities will be issued on the same (or substantially the same) terms as the relevant Securities as the Determination Agent may determine. In such notice the Issuer will set out the amount of Securities to be delivered and/or cash to be paid and the manner in which such delivery and/or payment is to be made.

For the avoidance of doubt, if the Issuer determines and declares that a certain event constitutes a Potential Adjustment Event, then Equity Linked Condition 6 shall not apply in respect of such event.

## **2.2 Merger Events**

Following the occurrence of any Merger Event (as determined by the Determination Agent in its sole discretion), the Issuer shall, in its sole discretion, deem such Merger Event to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions, as the case may be, in respect of the Securities.

## **2.3 Nationalisation, Insolvency and Delisting**

Following the occurrence of any Nationalisation, Insolvency or Delisting (as determined by the Determination Agent in its sole discretion), the Issuer shall, in its sole discretion, deem such Nationalisation, Insolvency or Delisting, as the case may be, to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions, as the case may be, in respect of the Securities.

## **2.4 Tender Offers**

Following the occurrence of any Tender Offer (as determined by the Determination Agent in its absolute discretion), the Issuer shall, in its sole discretion, deem such Tender Offer to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions, as the case may be, in respect of the Securities.

## **2.5 Substitution of Shares**

2.5.1 If “Substitution of Shares – Standard” is specified as applicable in the applicable Final Terms, if any Share shall be affected by a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, (the “**Affected Shares**”), then without prejudice to the rights that the Issuer has under the Securities (as described above), the Issuer or the Determination Agent on its behalf shall have the discretion to substitute the Affected Shares with substitute shares (the “**Substitute Shares**”) as selected by the Determination Agent in its sole discretion for inclusion in the Basket of Shares as at the Announcement Date or the Tender Offer Date, as the case may be.

The Substitute Shares shall have such criteria as the Determination Agent deems appropriate, including, but not limited to, the following:

- (i) the Substitute Shares shall be of the same broad economic sector as the Share Company of the Affected Shares;
- (ii) the issuer of the Substitute Share shall be of a similar international standing and creditworthiness as the Share Company of the Affected Shares; and
- (iii) the Substitute Share shall not be a Share already in the Basket of Shares.

The Initial Price of the Substitute Shares shall be determined in accordance with the following:

$$\text{Initial Price} = \text{Substitute Price} \times (\text{Affected Share}(k) / \text{Affected Share}(j))$$

where:

“**Substitute Price**” means the official closing price per Share of the relevant Substitute Shares as at the Valuation Time on the dates on which the Affected Share(j) is determined or, if such date is not a Scheduled Trading Date on the relevant Exchange in respect of the Substitute Shares, the following Scheduled Trading Date of the Substitute Shares;

“**Affected Share(k)**” means the “Initial Price” per Share of the relevant Affected Shares as specified in the applicable Final Terms; and

“**Affected Share(j)**” means the last closing price per Share of the Affected Shares on or prior to the Announcement Date or the Tender Offer Date (as the case may be).

The Determination Agent shall notify the Securityholders as soon as practicable after the selection of the Substitute Shares; the failure by the Determination Agent to give such notice shall not, however, prejudice or invalidate the Substitute Shares being included as at the time and date specified above.

If “Physical Settlement” is specified in the Settlement Method in the applicable Final Terms or is elected by the Issuer or Securityholder pursuant to Condition 5 or 6 of the Base Conditions (as the case may be), Entitlement Substitution shall be deemed to be applicable with respect to a series of Share Linked Securities.

- 2.5.2 If “Substitution of Shares – ETF underlying” is specified as applicable in the applicable Final Terms, on the occurrence of a Merger Event, Tender Offer, Nationalisation, Insolvency Filing, Insolvency, Delisting or the Share is otherwise cancelled or an announcement has been made for it to be cancelled for whatever reason, as the case may be, (together the “**Extraordinary Events**” and each an “**Extraordinary Event**”), then without prejudice to the rights that the Issuer has under the Securities, the Issuer or the Determination Agent on its behalf shall have the discretion to substitute the Share with a Replacement Security (as defined and more particularly set out below) as selected by the Determination Agent in its sole discretion as at the Announcement Date or the Tender Offer Date or such other date as the Determination Agent may deem appropriate, as the case may be.

If an Extraordinary Events occurs, the Determination Agent shall have the discretion to substitute the Share with shares, units or other interests of an exchange-traded fund or other financial security, index or instrument (each a “**Replacement Security**”) that the Determination Agent determines, in its sole discretion, is comparable to the discontinued Share (or discontinued Replacement Security). If a Replacement Security is selected, that Replacement Security will be substituted for the discontinued Share (or discontinued Replacement Security) at such time and on such date as the Determination Agent determines and be deemed to be the Share for all purposes of the Securities after the substitution.

Upon the substitution by the Determination Agent of a Replacement Security, the Determination Agent may adjust any variable in the terms of the Securities (including, without limitation, any variable relating to the price of the shares, units or other interests in the Share, the number of such shares, units or other interests outstanding, created or redeemed or any dividend or other distribution made in respect of such shares, units or other interests) as, in the good faith judgement of the Determination Agent, may be, and for such time as may be, necessary to render the Replacement Security comparable to the shares or other interests of the discontinued Share (or discontinued Replacement Security) for purposes of the Securities.

Upon any substitution by the Determination Agent of a Replacement Security, the Determination Agent shall notify the Securityholders as soon as practicable after the selection of the Replacement Security; the failure to give such notice by the Determination Agent shall not, however, invalidate the Replacement Security being selected and substituted as at the time and date as specified above.

### 3 Consequences of Disrupted Days following a Market Disruption Event

3.1 If, in the opinion of the Determination Agent, any Valuation Date is a Disrupted Day, then:

- 3.1.1 in the case of a Share Linked Security referencing a Share, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day, in which case that eighth Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that it is a Disrupted Day, and the Determination Agent shall determine in a commercially reasonable manner the relevant Exchange-traded or quoted price (the “**Traded Price**”) for such Share that would have prevailed on that eighth Scheduled Trading Day but for that Disrupted Day; or
- 3.1.2 in the case of an Index Linked Security referencing an Index, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the Disrupted Days, would have been the Valuation Date (the “**Scheduled Valuation Date**”) is a Disrupted Day. In that case (i) the eighth Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day and (ii) the Determination Agent shall determine the level of the Index in the manner set out in the applicable Final Terms or, if not set out or not practicable, shall determine the level of the Index as at the Valuation Time on the eighth Scheduled Trading Day in

accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Traded Price as at the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its determination made in a commercially reasonable manner of the Traded Price for the relevant security as at the Valuation Time on that eighth Scheduled Trading Day); or

- 3.1.3 in the case of a Security referencing a Basket or Baskets of Indices and/or Shares, the Valuation Date for each Index or Share, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index or Share affected by the occurrence of a Disrupted Day (each an “Affected Index” or an “Affected Share”, as the case may be) shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Index or Affected Share, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day relating to that Affected Index or Affected Share. In that case (i) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for that Affected Index or Affected Share, notwithstanding the fact that such day is a Disrupted Day and (ii) in relation to (1) the Affected Share, the Determination Agent shall determine the relevant Traded Price for such Share that would have prevailed on that eighth Scheduled Trading Day but for the Disrupted Day and (2) the Affected Index, the Determination Agent shall determine the level for such Index in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using the level for that Index as at the Valuation Time on the eighth Scheduled Trading Day determined in accordance with the formula for and method of calculating that Affected Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange-traded or quoted price as at the Valuation Time on that eighth Scheduled Trading Day of each security comprised in that Affected Index or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its determination made in a commercially reasonable manner of the Traded Price for the relevant security as at the Valuation Time on that eighth Scheduled Trading Day.

#### 4 Adjustments

If the Issuer requests that the Determination Agent determine whether an appropriate adjustment can be made in accordance with Condition 5 or 6 of the Base Conditions, as the case may be, the Issuer shall not be obliged to make any adjustment that it does not think is appropriate and none of the Determination Agent, the Issuer or any other party shall be liable for the Issuer making or failing to make any such adjustment.

In particular, notwithstanding that an adjustment is required to be made by the provisions set out in these Equity Linked Conditions in respect of any event affecting a Share Company or its Shares, or an Index or its Index Sponsor, the Issuer reserves the right not to make that adjustment if, at the time the adjustment is to be made pursuant thereto, an option or future on the relevant Share or Index is traded on any Futures or Options Exchange and no adjustment is made by that Futures or Options Exchange to the entitlement under that traded option or future in respect of that event.

## 5 FX Disruption Event

- 5.1 If “FX Disruption Event” is specified as applying in the applicable Final Terms, upon the occurrence of an FX Disruption Event, the Issuer may in its sole and absolute discretion take any one or more of the actions described below:
- 5.1.1 make payment of the relevant Settlement Amount and/or any other amount payable by the Issuer pursuant to the Conditions in the Specified Currency instead of the Settlement Currency, the amount payable in the Specified Currency being determined by the Determination Agent in its sole and absolute discretion; or
  - 5.1.2 deduct an amount calculated by the Determination Agent in its sole and absolute discretion as representing the applicable charge or deduction arising in connection with the FX Disruption Event from the relevant Settlement Amount and/or any other amount payable by the Issuer pursuant to the Conditions; or
  - 5.1.3 postpone the relevant Redemption Date, Optional Cash Redemption Date, Early Cash Redemption Date, Early Cancellation Date, Exercise Cash Settlement Date, payment of the Disruption Cash Settlement Price and/or payment of any other amount payable by the Issuer pursuant to the Conditions until, in the determination of the Determination Agent, an FX Disruption Event is no longer subsisting.
- 5.2 Upon the occurrence of an FX Disruption Event, the Issuer shall give notice as soon as practicable to the Securityholders in accordance with Condition 16 of the Base Conditions stating the occurrence of the FX Disruption Event, giving details thereof and the action proposed to be taken in relation thereto.

## 6 Dividends and Rights Issue Provisions for Market Access Products

In the case of Share Linked Securities which are Cash Settled Securities referencing a Share, if “Market Access Dividend” and “Rights Issue Provisions” are specified as applying in the applicable Final Terms, the following provisions shall apply to such Securities:

### 6.1 Cash Dividends

- 6.1.1 In the event that on or after the Issue Date a Cash Dividend is declared by the Share Company, notwithstanding any provisions in these Equity Linked Conditions to the contrary, the Determination Agent shall (i) calculate the relevant Distributed Amount and (ii) determine the relevant Expected Dividend Date.
- 6.1.2 The Issuer shall give notice to Securityholders in accordance with Condition 16 of the Base Conditions of the Cash Dividend and the Expected Dividend Date.
- 6.1.3 Subject as provided below, the Issuer shall pay to each Securityholder on the Cash Dividend Payment Date an amount equal to its pro rata share of the Cash Dividend Amount on the Cash Dividend Payment Date, provided that if the relevant Dividend Date has not occurred prior to the earlier of (i) the date that falls six months after the Expected Dividend Date or (ii) the Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Specified Early Cash Redemption Date, Specified Early Physical Redemption Date, Early Cancellation Date,

Early Physical Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable, the Issuer shall not be obliged to pay the relevant Cash Dividend Amount and the Issuer shall have no further obligation in respect thereof.

- 6.1.4 In order to receive the Cash Dividend Amount, in relation to Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), a Securityholder must deliver to the Relevant Clearing System, with a copy to the Issue and Paying Agent, a duly completed notice (a “**Cash Dividend Notice**”) in the applicable form set out in Schedule 9 to the Master Agency Agreement (as amended from time to time) on or prior to the Cash Dividend Notice Cut-off Date. A Cash Dividend Notice may only be delivered in such manner as is acceptable to the Relevant Clearing System.
- 6.1.5 In order to receive the Cash Dividend Amount, in relation to Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of DTC, a Securityholder must deliver, through computerised instruction through DTC (via its DWAC function), to the New York Agent, with a copy to the Issue and Paying Agent, a duly completed notice (a “**Cash Dividend Notice**”) in the applicable form set out in Schedule 9 to the Master Agency Agreement (as amended from time to time) on or prior to the Cash Dividend Notice Cut-off Date.
- 6.1.6 In the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), upon receipt of a Cash Dividend Notice, the Relevant Clearing System shall (subject to its rules and procedures) verify that the person delivering the Cash Dividend Notice is the Securityholder of the Securities described therein according to the books of the Relevant Clearing System. Subject thereto, the Relevant Clearing System will (subject to its rules and procedures) confirm to the Issue and Paying Agent the Series number and number of Securities the subject of such notice, the relevant account details and the details for the payment of the Cash Dividend Amount of each Security that is the subject of such notice. Upon receipt of such confirmation, the Issue and Paying Agent will inform the Issuer thereof and the Issuer shall pay the relevant Cash Dividend Amount to the relevant Securityholder’s account at the Relevant Clearing System specified by such Securityholder in the Cash Dividend Notice.
- 6.1.7 In the case of Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of, DTC, upon receipt of a Cash Dividend Notice, the New York Agent shall verify that the person delivering the Cash Dividend Notice is the Securityholder according to the records of DTC. Subject thereto, the New York Agent shall notify the Issuer of the Series number and the number of Securities the subject of such notice, the account details and the details for the payment of the Cash Dividend Amount of each Security that is the subject of such notice, and the Issuer shall pay the relevant Cash Dividend Amount to the relevant Securityholder’s account at DTC specified by such Securityholder in the Cash Dividend Notice.

- 6.1.8 In the event that a Securityholder fails to deliver a duly completed Cash Dividend Notice on or prior to the Cash Dividend Notice Cut-off Date as provided above, such Securityholder's right to receive the Cash Dividend Amount in respect of its Securities shall lapse and the relevant Issuer shall have no further liability in respect thereof.
- 6.1.9 A Cash Dividend Notice may not be withdrawn after receipt thereof by the Relevant Clearing System or the New York Agent, as the case may be, and after delivery of a Cash Dividend Notice the relevant Securityholder may not transfer the Securities which are the subject of such Cash Dividend Notice until after the payment of the relevant Cash Dividend Amounts in respect of the relevant Securities.

*Securityholders should note that, in the event that a duly completed Cash Dividend Notice is duly delivered as provided above, the Issuer's only obligation in respect thereof is to pay the relevant Cash Dividend Amount(s) to the account (in the case of Securities represented by a Permanent Global Security, Regulation S Global Security or Rule 144A Global Security, with the Relevant Clearing System, as applicable) specified in such Cash Dividend Notice and to no other person or account.*

## 6.2 Stock Dividends

- 6.2.1 In the event that a Stock Dividend is declared by the Share Company on or after the Issue Date, notwithstanding any provision in these Equity Linked Conditions to the contrary, the Determination Agent shall calculate (i) the relevant Share Number, (ii) the relevant Ex-Dividend Date and (iii) the relevant Expected Stock Delivery Date.
- 6.2.2 The Determination Agent shall give notice to the Securityholders in accordance with Condition 16 of the Base Conditions of the Stock Dividend, the Ex-Dividend Date and the Expected Stock Delivery Date.
- 6.2.3 In the event that the Stock Delivery Date falls on or prior to the Stock Dividend Cut-off Date, the Issuer shall, subject as provided below, deliver to each Securityholder an amount of Securities equal to the New Security Amount in respect of each Security held by him as soon as practicable after the Stock Delivery Date.
- 6.2.4 In the event that the Stock Delivery Date falls after the Stock Dividend Cut-off Date, the Issuer shall, subject as provided below, pay to each Securityholder the Cash Amount in respect of each Security held by him on the Cash Amount Payment Date, provided that if the relevant Stock Delivery Date has not occurred on or prior to the relevant Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Specified Early Physical Redemption Date, Early Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable, the Issuer shall not be obliged to pay the relevant Cash Amount(s) and the Issuer shall have no further obligation in respect thereof.
- 6.2.5 In order to receive the New Security Amount or the Cash Amount, as the case may be, in relation to Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depository, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), a Securityholder must deliver to the Relevant Clearing System, with a copy to the

Issue and Paying Agent, a duly completed notice (a “**Stock Dividend Notice**”) in the applicable form set out in Schedule 9 to the Master Agency Agreement (as amended from time to time) on or prior to the Stock Dividend Notice Cut-off Date. A Stock Dividend Notice may only be delivered in such manner as is acceptable to the Relevant Clearing System.

- 6.2.6 In order to receive the New Security Amount or the Cash Amount, as the case may be, in relation to Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of, DTC, a Securityholder must deliver, through computerised instruction through DTC (via its DWAC function), to the New York Agent, with a copy to the Issue and Paying Agent, a duly completed notice (a “**Stock Dividend Notice**”) in the applicable form set out in Schedule 9 to the Master Agency Agreement (as amended from time to time) on or prior to the Stock Dividend Notice Cut-off Date.
- 6.2.7 In the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depository, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), upon receipt of a Stock Dividend Notice, the Relevant Clearing System, as the case may be, shall (subject to its rules and procedures) verify that the person delivering the Stock Dividend Notice is the Securityholder of the Securities described therein according to the books of the Relevant Clearing System. Subject thereto, the Relevant Clearing System will (subject to its rules and procedures) confirm to the Issue and Paying Agent the Series number and number of Securities the subject of such notice, the relevant account details and the details for the delivery of the New Security Amount or payment of the Cash Amount, as the case may be, of each Security that is the subject of such notice. Upon receipt of such confirmation, the Issue and Paying Agent will inform the Issuer thereof and the Issuer shall deliver the New Security Amount to the relevant Securityholder’s securities account or pay the relevant Cash Amount to the relevant Securityholder’s cash account, as the case may be, at the Relevant Clearing System specified by such Securityholder in the Stock Dividend Notice.
- 6.2.8 In the case of Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of, DTC, upon receipt of a Stock Dividend Notice, the New York Agent shall verify that the person delivering the Stock Dividend Notice is the Securityholder according to the records of DTC. Subject thereto, the New York Agent shall notify the Issuer of the Series number and the number of Securities the subject of such notice, the account details and the details for the delivery of the New Security Amount or payment of the Cash Amount, as the case may be, of each Security that is the subject of such notice and the Issuer shall deliver the New Security Amount to the relevant Securityholder’s securities account or pay the relevant Cash Amount to the relevant Securityholder’s cash account at DTC specified by such Securityholder in the Stock Dividend Notice.
- 6.2.9 In the event that a Securityholder fails to deliver a Stock Dividend Notice prior to the Stock Dividend Notice Cut-off Date as provided above, such Securityholder’s right to receive the New Security Amount or the Cash Amount in respect of its Securities shall lapse and the Issuer shall have no further liability in respect thereof.

- 6.2.10 A Stock Dividend Notice may not be withdrawn after receipt thereof by the Relevant Clearing System or the New York Agent, as the case may be, and, after delivery of the Stock Dividend Notice, the relevant Securityholder may not transfer the Securities which are the subject of such Stock Dividend Notice until after the delivery of the New Security Amounts or payment of the Cash Amounts, as the case may be, in respect of the relevant Securities.
- 6.2.11 Delivery of the New Security Amount in respect of each Security is subject to compliance with all applicable securities laws and, in the event that any such delivery of the New Security Amount would result in non-compliance with any applicable securities laws, in lieu of such delivery, the Issuer shall pay to the relevant Securityholder the Cash Amount.

*Securityholders should note that, in the event that a duly completed Stock Dividend Notice is duly delivered as provided above, the Issuer's only obligation in respect thereof is to deliver the relevant New Security Amount(s) or to pay the relevant Cash Amount(s), as the case may be, in each case as provided above and to no other person or account.*

### 6.3 Rights Issue

- 6.3.1 In the event that the Determination Agent determines that a Rights Issue Event has occurred on or after the Issue Date, notwithstanding any provision in these Equity Linked Conditions to the contrary, the Determination Agent shall determine (i) the relevant Rights Date, (ii) the relevant Ex-Rights Date, (iii) the relevant Rights Share Number, (iv) the relevant Subscription Price and (v) the Expected Rights Delivery Date.
- 6.3.2 The Issuer shall give notice to the Securityholders in accordance with Condition 16 of the Base Conditions of the occurrence of a Rights Issue Event, the Subscription Price and the Expected Rights Delivery Date.
- 6.3.3 In the event that the Rights Delivery Date falls on or prior to the Rights Cut-off Date, the Issuer shall, subject as provided below, deliver to each Securityholder an amount of Securities equal to the Rights Security Amount in respect of each Security held by him as soon as practicable after the Rights Delivery Date.
- 6.3.4 In the event that the Rights Delivery Date falls after the Rights Cut-off Date, the Issuer shall, subject as provided below, pay to each Securityholder the Rights Cash Amount in respect of each Security held by him on the Rights Cash Amount Payment Date, provided that if the relevant Rights Delivery Date has not occurred on or prior to the relevant Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Specified Early Physical Redemption Date, Early Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable, the Issuer shall have no obligation to pay the relevant Rights Cash Amount(s) and the Issuer shall have no further obligation in respect thereof.
- 6.3.5 In order to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in relation to Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depository, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than

DTC), a Securityholder must (i) deliver to the Relevant Clearing System, with a copy to the Issue and Paying Agent, a duly completed notice (a “**Common Depository Rights Notice**”) in the applicable form set out in out in Schedule 9 to the Master Agency Agreement (as amended from time to time) and (ii) pay to the Issuer the relevant Rights Amount, in each case on or prior to the Rights Subscription Cut-off Date. A Rights Notice may only be delivered in such manner as is acceptable to the Relevant Clearing System.

- 6.3.6 In order to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in relation to Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of, DTC, a Securityholder must (i) deliver, through computerised instruction through DTC (via its DWAC function), to the New York Agent, with a copy to the Issue and Paying Agent, a duly completed notice (a “**DTC Rights Notice**”) in the applicable form set out in out in Schedule 9 to the Master Agency Agreement (as amended from time to time) and (ii) pay to the Issuer the relevant Rights Amount, in each case on or prior to the Rights Subscription Cut-off Date.
- 6.3.7 In the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depository, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC), upon receipt of a Rights Notice, the Relevant Clearing System shall (subject to its rules and procedures) verify that the person delivering the Rights Notice is the Securityholder of the Securities described therein according to the books of the Relevant Clearing System. Subject thereto, the Relevant Clearing System will (subject to its rules and procedures) confirm to the Issue and Paying Agent the Series number and number of Securities the subject of such notice, the relevant account details and the details for the delivery of the Rights Security Amount or payment of the Rights Cash Amount, as the case may be, of each Security that is the subject of such notice. Upon receipt of such confirmation, the Issue and Paying Agent will inform the Issuer thereof and, subject to the receipt of the relevant Rights Amount, the Issuer shall deliver the Rights Security Amount to the relevant Securityholder’s securities account or pay the relevant Rights Cash Amount to the relevant Securityholder’s cash account, as the case may be, at the Relevant Clearing System specified by such Securityholder in the Rights Notice.
- 6.3.8 In the case of Securities represented by a Rule 144A Global Security held by a custodian for, and registered in the name of, DTC, upon receipt of a Rights Notice, the New York Agent shall verify that the person delivering the Rights Notice is the Securityholder according to the records of DTC. Subject thereto, the New York Agent shall notify the Issuer of the Series number and the number of Securities the subject of such notice, the details and the account details for the delivery of the Rights Security Amount or payment of the Rights Cash Amount, as the case may be, of each Security that is the subject of such notice and, subject to the receipt of the relevant Rights Amount, the Issuer shall deliver the Rights Security Amount to the relevant Securityholder’s securities account or pay the relevant Rights Cash Amount to the relevant Securityholder’s cash account at DTC specified by such Securityholder in the Rights Notice.
- 6.3.9 In the event that a Securityholder fails to deliver a duly completed Rights Notice and pay the relevant Rights Amount prior to the Rights Subscription Notice Cut-off Date as

provided above, such Securityholder's rights to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in respect of its Securities shall lapse and the Issuer shall have no further liability in respect thereof.

- 6.3.10 A Rights Notice may not be withdrawn after receipt thereof by the Relevant Clearing System or the New York Agent and, after delivery of a Rights Notice, the relevant Securityholder may not transfer the Securities which are the subject of such Rights Notice until after the delivery of the Rights Security Amounts or payment of the Rights Cash Amounts, as the case may be, in respect of the relevant Securities.
- 6.3.11 Delivery of the Rights Security Amount in respect of each Security is subject to compliance with all applicable securities laws and, in the event that any such delivery of the Rights Security Amount would result in non-compliance with any applicable securities laws, in lieu of such delivery, the Issuer shall pay to the relevant Securityholder the Rights Cash Amount.

*Securityholders should note that, in the event that a duly completed Rights Notice is duly delivered and the relevant Rights Amount(s) are paid by or on behalf of the relevant Securityholder, in each case as provided above, the Issuer's only obligation in respect of such Rights Notice is to deliver the relevant Rights Security Amount(s) or pay the relevant Rights Cash Amount(s) as provided above and to no other person or account.*

#### 6.4 General

- 6.4.1 Any determination as to whether a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice is duly completed and in proper form shall be made, in the case of Securities represented by a Global Bearer Security, a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary, Common Safekeeper, custodian or nominee on behalf of a Relevant Clearing System (other than DTC) or, in the case of Securities represented by a Rule 144A Global Security held by a custodian on behalf of DTC, by the New York Agent, in each case, in consultation with the Issue and Paying Agent, and shall be conclusive and binding on the Issuer, the Guarantor, the Agents and the relevant Securityholder. Subject as set out below, any Cash Dividend Notice, Stock Dividend Notice or Rights Notice so determined to be incomplete or not in proper form, or which is not copied to the Issue and Paying Agent immediately after being delivered or sent to the Relevant Clearing System or the New York Agent, as the case may be, as provided above, shall be null and void.
- 6.4.2 If a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice is subsequently corrected to the satisfaction of the Relevant Clearing System or the New York Agent, as the case may be, in consultation with the Issue and Paying Agent, it shall be deemed to be a new Cash Dividend Notice, Stock Dividend Notice or Rights Notice, as the case may be, submitted at the time such correction was delivered to the Relevant Clearing System or the New York Agent, as the case may be, with a copy to the Issue and Paying Agent.
- 6.4.3 The Relevant Clearing System or the New York Agent, as the case may be, shall (subject to its rules and procedures) notify the Securityholder submitting a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice if, in consultation with the Issue and Paying

Agent, it has determined that such Cash Dividend Notice, Stock Dividend Notice or Rights Notice, as the case may be, is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, (where the Issuer is BCCL) the Guarantor, the Issue and Paying Agent, the Relevant Clearing System or the New York Agent shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Securityholder.

- 6.4.4 Copies of the Cash Dividend Notice, Stock Dividend Notice and Rights Notice may be obtained during normal business hours from the specified offices of the Agents.
- 6.4.5 In the event that a Stock Dividend is declared by the Share Company as provided in Equity Linked Condition 6.2 or the Determination Agent determines that a Rights Issue Event has occurred as provided in Equity Linked Condition 6.3 above, the Issuer shall not be bound by the provisions in the Conditions with respect to giving of notice or issuing of new Securities or payment of Cash Amount or Rights Cash Amount, as the case may be, if the Issuer determines in its sole and absolute discretion that (i) there is insufficient investment quota available to the Issuer or any of its relevant Affiliates to take up the Stock Dividend or Rights Issue or the Issuer or any of its relevant Affiliates is otherwise restricted in obtaining, holding or dealing in the Shares resulting from the Stock Dividend or Rights Issue Event or (ii) the Issuer or any of its relevant Affiliates is not given sufficient notice of the Stock Dividend or Rights Issue Event by the Share Company or any other relevant agents or intermediaries to enable the Issuer to notify the Securityholders and perform any action required in connection with such Stock Dividend or Rights Issue Event.

## **7 Notice of Adjustments**

All determinations made by the Determination Agent pursuant to these Equity Linked Conditions shall be conclusive and binding on the Securityholders, the Guarantor (where the Securities are issued by BCCL), the Issue and Paying Agent and the Issuers, except in the case of manifest error. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 16 of the Base Conditions, provided that failure to give, or non-receipt of, such notice will not affect the validity or binding nature of such adjustment.

## **8 Additional Disruption Events**

Each of Increased Cost of Stock Borrow, Loss of Stock Borrow, Fund Disruption Event, Foreign Ownership Event and Insolvency Filing shall constitute Additional Disruption Events with respect to a series of Equity Linked Securities if so specified in the relevant Final Terms.

**PART C**  
**DEFINITIONS APPLICABLE TO EQUITY LINKED SECURITIES**

**1 Definitions Relating to Equity Linked Securities**

**“Announcement Date”** means (a) in respect of a Merger Event or Nationalisation or Delisting, the date of the first public announcement of a firm intention, in the case of a Merger Event, to merge or to make an offer and, in the case of a Nationalisation, to nationalise (whether or not amended or on the terms originally announced) and, in the case of a Delisting, the date of the first public announcement by the Exchange that the relevant shares will cease to be listed, traded or publicly quoted that leads to the Merger Event or the Nationalisation or Delisting, as the case may be and (b) in respect of an Insolvency, the date of the first public announcement of the termination, dissolution or institution of a proceeding, presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency, in each case as determined by the Determination Agent.

**“Averaging Date”** means, in respect of a Valuation Date or Actual Exercise Date (as the case may be), each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Determination Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (a) if “Omission” is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant level, price or amount, provided that, if, through the operation of this provision no Averaging Date would occur in respect of such Valuation Date or Actual Exercise Date, then the provisions of the definition of “Valuation Date” and Equity Linked Condition 3 (as applicable) will apply for the purposes of determining the relevant level, price or amount on the final Averaging Date with respect to that Valuation Date or Actual Exercise Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
- (b) if “Postponement” is specified as applying in the applicable Final Terms, then the provisions of the definition of “Valuation Date” and Equity Linked Condition 3 (as applicable) will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (c) if “Modified Postponement” is specified as applying in the applicable Final Terms then:
  - (i) where the Securities reference a single Reference Asset, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred as at the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Valuation Date or Actual Exercise Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) and (B) the Determination Agent shall determine the

relevant level or price for that Averaging Date in accordance with paragraph (a) of the definition of “Valuation Date” and Equity Linked Condition 3 (as applicable); and

- (ii) where the Securities reference a basket or portfolio of Reference Assets, the Averaging Date for each Reference Asset not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the “**Scheduled Averaging Date**”) and the Averaging Date for a Reference Asset affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Reference Asset. If the first succeeding Valid Date in relation to such Reference Asset has not occurred as at the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Valuation Date or Actual Exercise Date, then (A) that eighth Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in respect of such Reference Asset and (B) the Determination Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with paragraph (b) of the definition of “Valuation Date” and Equity Linked Condition 3 (as applicable).

For the purposes of this definition, “**Valid Date**” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in relation to the Valuation Date or Actual Exercise Date does not or is not deemed to occur.

“**Basket of Indices**” means, in relation to a Series of Securities, a basket composed of each Index specified in the applicable Final Terms in the relative proportions indicated in the applicable Final Terms.

“**Basket of Shares**” means, in relation to a Series of Securities, a basket composed of Shares of each Share Company specified in the applicable Final Terms in the relative proportions and numbers of Shares specified.

“**Cash Amount**” means, in respect of a Security and a Stock Dividend, an amount calculated by the Determination Agent equal to the share of (a) the market value of the Distributed Shares determined by the Determination Agent in its sole and absolute discretion less (b) Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Stock Delivery Date), as the case may be, such amount, if an FX Disruption Event has not occurred on or prior to the relevant Stock Delivery Date, to be converted into the Settlement Currency at the Dividend Exchange Rate on the Stock Delivery Date.

“**Cash Amount Payment Date**” means, in respect of a Stock Dividend, the date falling 10 Business Days after the relevant Stock Delivery Date.

“**Cash Dividend**” means any cash dividend to be paid by the Share Company in respect of the Shares.

“**Cash Dividend Amount**” means, in respect of a Security, an amount calculated by the Determination Agent equal to the share of (a) the Distributed Amount less (b) Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Dividend Date), as the case may be, such amount, if an

FX Disruption Event has not occurred on or prior to the relevant Dividend Date, to be converted into the Settlement Currency at the Dividend Exchange Rate on the Dividend Date.

**“Cash Dividend Notice Cut-Off Date”** means the day falling three Business Days prior to the Expected Dividend Date.

**“Cash Dividend Payment Date”** means, in respect of a Cash Dividend, the fifth Business Day following the Dividend Date in respect of such Cash Dividend.

**“Component”** means, in relation to an Index, any Share which comprises such Index.

**“Delisting”** means, in respect of any Shares, that the relevant Exchange announces that, pursuant to the rules of such Exchange, the Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately relisted, retraded or requoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union).

**“Disrupted Day”** means:

- (a) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred; and
- (b) with respect to any Multi-exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index, (ii) the Related Exchange fails to open for trading during its regular trading session, or (iii) a Market Disruption Event has occurred.

**“Distributed Amount”** means, in respect of a Cash Dividend, the amount of such dividend payable by the Share Company in respect of one Share, as determined by the Determination Agent in its sole and absolute discretion.

**“Distributed Shares”** means the Share Number less one.

**“Dividend Date”** means, in respect of a Cash Dividend, the date on which such Cash Dividend would be received by a foreign investor in the Shares as determined by the Determination Agent in its sole and absolute discretion.

**“Dividend Exchange Rate”** means the rate specified as such in the applicable Final Terms.

**“Early Closure”** means:

- (a) except with respect to a Multi-exchange Index, the closure on any Exchange Business Day of the relevant Exchange (or in the case of an Index Linked Security, any relevant Exchange(s) relating to Components that comprise 20 per cent. or more of the level of the relevant Index) or any Related Exchange(s) prior to its Scheduled Closing Time, unless such earlier closing time is announced by such Exchange(s) or any Related Exchange(s) at least one hour prior to the earlier of (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 of orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day; and

- (b) with respect to any Multi-exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component or the Related Exchange prior to its Scheduled Closing Time, unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into such Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

**“Equity Linked Security”** means a Security that is a Share Linked Security or an Index Linked Security or a combination of both, as more fully described in Part A of the Equity Linked Annex.

**“Exchange”** means:

- (a) (i) in respect of an Index relating to Index Linked Securities other than a Multi-exchange Index, each exchange or quotation system specified as such for such Index or Indices in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Components underlying such Index or Indices has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to the Components underlying such Index or Indices on such temporary substitute exchange or quotation system as on the original Exchange and (ii) with respect to any Multi-exchange Index, and in respect of each Component, the principal stock exchange on which such Component is principally traded, as determined by the Determination Agent; and
- (b) in respect of a Share relating to Share Linked Securities, each Exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such Exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange.

**“Exchange Business Day”** means:

- (a) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which each Exchange is open for trading during its regular trading sessions, notwithstanding any such Exchange closing prior to its Scheduled Closing Time; and
- (b) with respect to a Multi-exchange Index, any Scheduled Trading Day on which: (i) the Index Sponsor publishes the level of the Index; and (ii) the Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or the Related Exchange closing prior to its Scheduled Closing Time.

**“Exchange Disruption”** means:

- (a) except with respect to a Multi-exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange (or, in the case of Index Linked Securities, on any relevant Exchange(s) relating to

Components that comprise 20 per cent. or more of the level of the relevant Index) or (ii) to effect transactions in, or obtain market values for, futures and options contracts relating to the Components or the relevant Index on any relevant Related Exchange; and

- (b) with respect to any Multi-exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Determination Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component on the Exchange in respect of such Component; or (ii) futures or options contracts relating to the Index on the Related Exchange.

**“Ex-Dividend Date”** means, in respect of a Stock Dividend, the date on which the Shares are to trade on the Exchange ex-dividend, as determined by the Determination Agent in its sole and absolute discretion.

**“Expected Dividend Date”** means, in respect of a Cash Dividend, the date on which such Cash Dividend is expected to be paid by the Share Company, as determined by the Determination Agent in its sole and absolute discretion.

**“Expected Rights Delivery Date”** means, in respect of a Rights Issue, the date on which the Share Company is expected to make delivery of the new Shares to holders of Shares pursuant to the relevant Rights Issue, as determined by the Determination Agent in its sole and absolute discretion.

**“Expected Stock Delivery Date”** means, in respect of a Stock Dividend, the date on which the Share Company is expected to make delivery of the Stock Dividend, as determined by the Determination Agent in its sole and absolute discretion.

**“Expenses”** means, in respect of a Security, all taxes, duties and/or expenses, including any applicable depository charges, transaction charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the redemption of such Security and/or delivery or transfer of the Relevant Assets.

**“Ex-Rights Date”** means, in respect of a Rights Issue Event, the date on which the Shares are to trade on the Exchange ex-rights, as determined by the Determination Agent.

**“FX Disruption Event”** means:

- (a) the determination by the Determination Agent of the occurrence of any event on or prior to the relevant Payment Date that has or would have the effect of preventing or delaying the Issuer and/or any of its Affiliates directly or indirectly from:
  - (i) converting the Specified Currency into the Settlement Currency through customary legal channels;
  - (ii) converting the Specified Currency into the Settlement Currency at a rate at least as favourable as the rate for domestic institutions located in the Specified Jurisdiction;
  - (iii) delivering the Settlement Currency from accounts inside the Specified Jurisdiction to accounts outside the Specified Jurisdiction or between accounts inside the Specified Jurisdiction or to a party that is a non-resident of the Specified Jurisdiction; or

- (iv) delivering the Specified Currency from accounts inside the Specified Jurisdiction to accounts outside the Specified Jurisdiction or between accounts inside the Specified Jurisdiction or to a party that is a non-resident of the Specified Jurisdiction; or
- (b) the Determination Agent determines that the government of the Specified Jurisdiction has given public notice of its intention to impose any capital controls which the Determination Agent determines are likely to materially affect the Issuer's ability to hedge its obligations with respect to the Securities, maintain such hedge or to unwind such hedge.

**"Foreign Ownership Event"** means that the Issuer and/or any of its Affiliates is unable, after using commercially reasonable efforts, to hold, acquire, establish, re-establish, substitute or maintain any Hedge Positions, due to any foreign ownership restriction imposed by the issuer of and/or counterparty to such Hedge Positions, or any court, tribunal or regulatory authority having competent jurisdiction with respect to the ability of the Issuer and/or any of its Affiliates to hold, acquire, maintain or own such Hedge Positions.

**"Fund Disruption Event"** means any of the following:

- (a) the Shares are reclassified or the Share Company is acquired by, or aggregated into, another fund, depository bank, pooled investment vehicle, collective investment scheme, partnership, trust or other similar legal arrangement whose mandate, risk-profile and/or benchmarks are different from the mandate, risk-profile and/or benchmark of the Share Company as stated as at the Trade Date;
- (b) there is a material change in the Share Company, the constitutional documents of the Share Company or the mandate, risk profile or investment guidelines or objectives of the Share Company as stated as at the Trade Date;
- (c) there is a material breach of the investment, borrowing or stock lending restrictions of the Share Company;
- (d) the director, trustee and/or investment manager of the Share Company, in accordance with the provisions of the constitutional documents of the Share Company, requires the Issuer to redeem or transfer such Shares held by the Issuer or its Affiliates;
- (e) the currency denomination of the Shares is amended in accordance with the constitutional documents of the Share Company;
- (f) any change in the regulatory or tax treatment applicable to the Share Company or the Shares, as applicable, which could have a negative effect on the Issuer or its Affiliates if it were the holder of such Shares;
- (g) the activities of the Share Company, the director, the trustee and/or the investment manager of the Share Company or any service provider of the Share Company is placed under review by its regulators for reasons of wrongdoing, breach of any rule or regulation or other similar reason or any disciplinary action is taken in respect of such director, trustee and/or investment manager or service provider, as the case may be, by its regulators;
- (h) a change in national, international, financial, political or economic conditions or currency exchange rate or exchange controls;

- (i) a material change or prospective material change in the size, nature, management or frequency of trading of the Shares or any other characteristics of the Share Company;
- (j) the occurrence or existence of any event, circumstance or cause beyond the control of the Issuer that has had or would be expected to have a material adverse effect on (i) the hedge positions of the Issuer and/or its Affiliates or their ability to hedge their positions or (ii) the cost which the Issuer and/or its Affiliates incurs in hedging its position, in each case with respect to the Share Company;
- (k) in relation to the events in paragraphs (a) to (f) above, there is an announcement by or on behalf of the Share Company or by the Exchange that such an event will occur; or
- (l) an illegality occurs or the relevant authorisation or licence is revoked in respect of the directors, the trustee and/or the investment manager of the Share Company and/or the Share Company.

**“Futures or Options Exchange”** means the relevant exchange in options or futures contracts on the relevant Share or Shares or the relevant Index or Indices, as the case may be, as determined by the Determination Agent in its absolute discretion.

**“Hedging Shares”** means the number of Shares (in the case of Share Linked Securities) or Components comprised in an Index (in the case of Index Linked Securities) that the Issuer deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities.

**“Increased Cost of Stock Borrow”** means that the Issuer and/or any of its Affiliates would incur a rate to borrow any Share (in the case of Share Linked Securities) or any component comprised in an Index (in the case of Index Linked Securities) that is greater than the Initial Stock Loan Rate.

**“Index”** means an index or indices (including, but not limited to, a proprietary index created by the Issuer or an associate of the Issuer) specified in the applicable Final Terms.

**“Index Level”** has the meaning given in the applicable Final Terms.

**“Index Linked Security”** means a Security, payments or deliveries in respect of which will be contingent on and/or calculated by reference to an Index or a Basket of Indices, as the case may be, as specified in the applicable Final Terms.

**“Index Sponsor”** means, in relation to an Index, the corporation or entity that is responsible for setting and reviewing the rules and procedures, and the methods of calculation and adjustments, if any, related to such Index.

**“Initial Stock Loan Rate”** means, in respect of a Share (in the case of Share Linked Securities) or a Component comprised in an Index (in the case of Index Linked Securities), the initial stock loan rate specified in relation to such Share in the applicable Final Terms.

**“Insolvency”** means, by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution, termination or winding-up of, or any analogous proceeding affecting, a Share Company, (a) all the Shares of that Share Company are required to be transferred to a trustee, liquidator or other similar official or (b) the holders of the Shares of that Share Company become legally prohibited from transferring them or (c) the Share Company is dissolved, terminated or ceases to exist, as the case may be.

**“Insolvency Filing”** means that a Share Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, or it has a resolution passed or an announcement published for its dissolution or termination, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company shall not be deemed an Insolvency Filing.

**“Loss of Stock Borrow”** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any Share (in the case of Share Linked Securities) or any Components comprised in an Index (in the case of Index Linked Securities) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate.

**“Market Disruption Event”** means:

- (a) except with respect to a Multi-exchange Index, the occurrence or existence of:
  - (i) a Trading Disruption, which the Determination Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time;
  - (ii) an Exchange Disruption, which the Determination Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time;
  - (iii) an Early Closure; or
  - (iv) any event, which the Determination Agent determines is material, which disrupts or impairs the ability of the Issuer or of any market participants to effect transactions in, or obtain market values for, futures, options or derivatives contracts relating to the Reference Asset (including any proprietary index created by the Issuer or an associate of the Issuer);
- (b) with respect to a Multi-exchange Index, when both of the following are satisfied:
  - (i) the occurrence or existence, in respect of any Component, of:
    - (A) a Trading Disruption in respect of such Component, which the Determination Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded;
    - (B) an Exchange Disruption in respect of such Component, which the Determination Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component is principally traded; OR
    - (C) an Early Closure in respect of such Component; AND
  - (ii) the aggregate of all Components in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Index; OR

- (c) In all cases, the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (i) a Trading Disruption; (ii) an Exchange Disruption, which, in either case, the Determination Agent determines is material, at any time during the one-hour period that ends at the Valuation Time in respect of the Related Exchange; or (iii) an Early Closure, in each case in respect of such futures or options contracts.

In addition:

- (1) for the purposes of determining whether a Market Disruption Event exists in respect of an Index which is not a Multi-exchange Index at any time, if a Market Disruption Event occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of such Index shall be based in a comparison of (x) the portion of the level of such Index attributable to that security to (y) the overall level of such Index, in each case immediately before the Market Disruption Event occurred; and
- (2) for the purposes of determining whether a Market Disruption Event exists in respect of an Index which is a Multi-exchange Index at any time, if a Market Disruption Event occurs in respect of a Component included in such Index at any time, then the relevant percentage contribution of that Component to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component to (y) the overall level of the Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market “opening data”.

“**Maximum Stock Loan Rate**” means, in respect of a Share (in the case of Share Linked Securities) or a Component comprised in an Index (in the case of Index Linked Securities), the rate specified as such in the applicable Final Terms.

“**Merger Date**” means, in respect of a Merger Event, the date upon which all holders of the relevant Shares (other than, in the case of a takeover offer, Shares owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Shares.

“**Merger Event**” means, in respect of any relevant Shares, any:

- (a) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent. or more of such Shares outstanding;
- (b) consolidation, amalgamation, merger or binding share exchange of the Share Company with or into another entity (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Company is the continuing entity and which results in a reclassification or change of less than 20 per cent. of the relevant Shares outstanding);
- (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity for such Shares that results in a transfer of or an irrevocable commitment to transfer 20 per cent. or more of such Shares (other than such Shares owned or controlled by the offeror); or
- (d) consolidation, amalgamation, merger or binding share exchange of the Share Company or its subsidiaries with or into another entity in which the Share Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding, but results in the outstanding Shares (other than Shares owned or controlled by such other entity)

immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event,

if, in each case, the date on which the Determination Agent determines that such event occurs is on or before, in the case of Physically Delivered Securities, the Physical Delivery Date or, in any other case, the Determination Date in respect of the relevant Security.

**“Multi-exchange Index”** means any Index specified as such in the applicable Final Terms.

**“Nationalisation”** means that all the Shares or all the assets or substantially all the assets of the Share Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

**“New Security Amount”** means, in respect of each Security, an amount of Securities calculated by the Determination Agent equal to the share of (a) the Distributed Shares less (b) Shares with a market value determined by the Determination Agent in its sole and absolute discretion on such day selected by the Determination Agent falling on or after the relevant Stock Delivery Date equal to the sum of Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Stock Delivery Date), as the case may be, provided that, where a Securityholder delivers a Stock Dividend Notice in respect of more than one Security, the New Security Amount shall be aggregated in respect of such Securities, provided further that the aggregate New Security Amounts will be rounded down to the nearest whole number and a cash adjustment (calculated by the Determination Agent in its sole and absolute discretion) shall be paid by the Issuer in lieu of the amount of Securities so rounded down.

**“Number of Shares”** means, in the case of (i) a Share Linked Security referencing a Share, the number of Shares specified as such in the applicable Final Terms and (ii) a Share Linked Security referencing a Basket of Shares, the number of Shares of each Share Company comprised in the Basket of Securities, as specified in the applicable Final Terms.

**“Payment Date”** means a day on which a payment is due in respect of the Equity Linked Securities.

**“Potential Adjustment Event”** means any of the following or a declaration by the Share Company of the terms of any of the following:

- (a) a subdivision, consolidation or reclassification of the relevant Shares (other than a Merger Event) or a free distribution or dividend of any such Shares to existing holders of the relevant Shares by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant Shares of (i) additional Shares, (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of dissolution, liquidation or termination of the Share Company equally or proportionately with such payments to holders of such Shares, (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Company as a result of a spin-off or other similar transaction or (iv) any other type of securities, rights or warrants or other assets in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Determination Agent;
- (c) an amount per Share which the Determination Agent determines should be characterised as an extraordinary dividend;

- (d) a call by the Share Company in respect of the relevant Shares that are not fully paid;
- (e) a repurchase by the Share Company or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of the Share Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides, upon the occurrence of certain events, for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Determination Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) any other event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

**“Related Exchange”** means, subject to the proviso below, in respect of a Reference Asset, each exchange or quotation system specified as such for such Reference Asset in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures and options contracts relating to such Reference Asset has temporarily relocated (provided that the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Reference Asset on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that, where “All Exchanges” is specified as the Related Exchange in the applicable Final Terms, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Reference Asset.

**“Relevant Settlement Day”** means a Scheduled Trading Day and Clearing System Business Day.

**“Rights Amount”** means, in respect of a Security and a Rights Issue Event, an amount calculated by the Determination Agent equal to the share of the Subscription Price, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis, as the case may be, provided that where a Securityholder delivers a Rights Notice in respect of more than one Security, the Rights Amount shall be aggregated in respect of such Securities.

**“Rights Cash Amount”** means, in respect of a Security and a Rights Issue Event, an amount calculated by the Determination Agent equal to the share of (a) the market value of the number of Shares equal to the Rights Share Number determined by the Determination Agent in its sole and absolute discretion less (b) Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the relevant Rights Delivery Date), as the case may be, such amount, if an FX Disruption Event has not occurred on or prior to the relevant Rights Delivery Date, to be converted into the Settlement Currency at the Dividend Exchange Rate on the Rights Delivery Date.

**“Rights Cash Amount Payment Date”** means, in respect of a Rights Issue Event, the date falling 10 Business Days after the relevant Rights Delivery Date.

**“Rights Cut-off Date”** means the day falling four calendar months prior to the Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Early Cancellation Date, Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, Specified Early Physical Redemption Date, the Specified Early Physical Cancellation Date, Early Physical Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable.

**“Rights Date”** means, in respect of a Rights Issue Event, the date by which the relevant rights must be subscribed, as determined by the Determination Agent in its sole and absolute discretion.

**“Rights Delivery Date”** means, in respect of a Rights Issue, the date on which the Rights Security Amounts would be received by a foreign investor in Shares, as determined by the Determination Agent in its sole and absolute discretion.

**“Rights Issue”** means, in the determination of the Determination Agent, a rights issue (howsoever described) by the Share Company.

**“Rights Issue Event”** means, in the determination of the Determination Agent, the announcement of a Rights Issue by the Share Company.

**“Rights Notice”** means a Common Depository Rights Notice, a DTC Rights Notice or a Register Rights Notice.

**“Rights Security Amount”** means, in respect of each Security, an amount of Securities calculated by the Determination Agent with an aggregate market value equal to the difference of (a) the Rights Share Number less (b) the number of Shares with an aggregate market value, as determined by the Determination Agent in its sole and absolute discretion, on such day selected by the Determination Agent falling on or after the relevant Rights Delivery Date, equal to the sum of the Taxes and Expenses, attributable to such Security on a per Specified Denomination basis or on a per Calculation Amount per Security basis (as determined on or about the Rights Delivery Date), as the case may be, provided that where a Securityholder delivers a Rights Notice in respect of more than one Security, the Rights Security Amount shall be aggregated in respect of such Securities, provided further that the aggregate Rights Security Amounts will be rounded down to the nearest whole number and a cash adjustment (calculated by the Determination Agent in its sole and absolute discretion) shall be paid by the Issuer in lieu of the amount of Securities so rounded down.

**“Rights Share Number”** means, in respect of a Rights Issue Event, the number of new Shares that a Securityholder of one Share may subscribe pursuant to the relevant Rights Issue, as determined by the Determination Agent in its sole and absolute discretion.

**“Rights Subscription Cut-off Date”** means a day falling 10 Business Days prior to the relevant Rights Date.

**“Scheduled Closing Time”** means, in respect of any Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after-hours or other trading outside regular trading session hours.

**“Scheduled Trading Day”** means:

- (a) except with respect to a Multi-exchange Index, any day on which each Exchange and each Related Exchange are scheduled to open for trading for their respective regular trading sessions, provided that a day shall be a Scheduled Trading Day if it is known at any time before that day each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that the Exchange or Related Exchange is not scheduled to be open for trading for its regular trading session on that day; and
- (b) with respect to any Multi-exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session, provided that a day shall be a Scheduled Trading Day if it is known at any time before that day that the Related Exchange is scheduled to be open for trading for its regular trading session on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that the Related Exchange is not scheduled to be open for trading for its regular trading session on that day.

**“Scheduled Valuation Date”** means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Date.

**“Share”** means, in relation to an Equity Linked Security, a share, a unit, a depositary receipt, an interest or an equity unit to which such Security relates.

**“Share Company”** means, in the case of an Equity Linked Security, the company, the depositary bank, the fund, the pooled investment vehicle, the collective investment scheme, the partnership, the trust or other legal arrangement that has issued or gave rise to the relevant Share.

**“Share Linked Security”** means a Security, payments or deliveries in respect of which will be contingent on and/or calculated by reference to a Share or a Basket of Shares, as the case may be, as specified in the applicable Final Terms.

**“Share Number”** means, in respect of a Stock Dividend, the number of Shares that a holder of one Share would hold after such Stock Dividend, as determined by the Determination Agent in its sole and absolute discretion.

**“Specified Currency”** means the currency or currencies specified in the applicable Final Terms.

**“Specified Jurisdiction”** means the jurisdiction specified in the applicable Final Terms, provided that if the Specified Currency is specified to be euro in the applicable Final Terms, Specified Jurisdiction is to mean any of the Euro-zone countries.

**“Stock Delivery Date”** means, in respect of a Stock Dividend, the date on which the Stock Dividend would be received by a foreign investor in the Shares, as determined by the Determination Agent in its sole and absolute discretion.

**“Stock Dividend”** means any dividend in the form of Shares to be delivered by the Share Company in respect of the Shares.

**“Stock Dividend Cut-Off Date”** means the day falling four calendar months prior to the Redemption Date, Optional Cash Redemption Date, Optional Physical Redemption Date, Early Cash Redemption Date, Specified Early Physical Redemption Date, the Specified Early Physical Cancellation Date,

Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, Early Cancellation Date, Early Physical Cancellation Date, Exercise Cash Settlement Date or Physical Delivery Date, as applicable.

“**Stock Dividend Notice Cut-Off Date**” means the day falling 10 Business Days prior to the relevant Expected Stock Delivery Date.

“**Subscription Price**” means, in respect of a Rights Issue Event, an amount calculated by the Determination Agent in its sole and absolute discretion equal to the amount that a holder of a Share would have to pay to exercise its rights to subscribe for one new Share under the relevant Rights Issue.

“**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Share Company as determined by the Determination Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Determination Agent deems relevant.

“**Tender Offer Date**” means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Determination Agent).

“**Trading Disruption**” means:

- (a) except with respect to a Multi-exchange Index, any suspension of, impairment of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to the Share on the Exchange or, in the case of an Index Linked Security, on any relevant Exchange(s) relating to any Component that comprise 20 per cent. or more of the level of the relevant Index or Indices or (ii) in futures or options contracts relating to the Shares or the relevant Index or Indices on any relevant Related Exchange; and
- (b) with respect to any Multi-exchange Index, any suspension of, impairment of or limitation imposed on trading by the Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise (i) relating to any Component on the Exchange in respect of such Component or (ii) in futures or options contracts relating to the Index (or any Component thereof) on the Related Exchange.

For the avoidance of doubt, the following events shall be deemed to be a suspension or limitation of trading for the purposes of a Trading Disruption, as determined by the Determination Agent: (i) a price change exceeding limits set by the relevant Exchange; (ii) an imbalance of orders; or (iii) a disparity in bid prices and ask prices.

“**Valuation Date**” means, unless otherwise specified in the applicable Final Terms, in the case of:

- (a) a particular Series of Securities that references a Share or an Index, the date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day), unless there is a Disrupted Day in respect of such Share or Index on that date, in which event Equity Linked Condition 3 (as applicable) will apply; and

- (b) a particular Series of Securities that references a Basket of Shares and/or a Basket of Indices, the date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Date for a Share or an Index in such Basket of Shares or Basket of Indices (as the case may be), the date determined in the manner set out in the applicable Final Terms, or, if not set out, the next following Scheduled Trading Day for all Shares and/or Indices in such Basket of Shares and/or Basket of Indices), unless there is a Disrupted Day in respect of any relevant Share or Index on that date, in which event Equity Linked Condition 3 (as applicable) will apply,

provided that, in each case, where the Securities are redeemed pursuant to Condition 5, the date will be the second Business Day preceding the relevant Redemption Date, Optional Cash Redemption Date, the Exercise Cash Settlement Date or Early Cash Redemption Date, unless otherwise specified in the applicable Final Terms.

**“Valuation Time”** means the time specified as such in the applicable Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the Valuation Date or Averaging Date, as the case may be, in relation to each Index or Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time. In relation to a Multi-exchange Index, “Valuation Time” means (a) for the purposes of determining whether a Market Disruption Event has occurred: (i) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component, and (ii) in respect of any options contracts or future contracts on the relevant Index, the close of trading on the Related Exchange; and (b) in all other circumstances, the time at which the official closing level of the relevant Index is calculated and published by the Index Sponsor.

## **WARRANT LINKED SECURITIES ANNEX**

### **Table of Contents**

#### **PART A – DESCRIPTION AND RISK FACTORS**

1. Brief Description of Warrant Linked Securities
2. Risk Factors Relating to Warrant Linked Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR WARRANT LINKED SECURITIES**

1. Redemption of Warrant Linked Securities
2. Redenomination

#### **PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO WARRANT LINKED SECURITIES**

#### **PART D – PRO FORMA FINAL TERMS FOR WARRANT LINKED SECURITIES**

## PART A – DESCRIPTION AND RISK FACTORS

### 1 Brief Description of Warrant Linked Securities

Warrant Linked Securities are Securities where the repayment of principal on redemption will be calculated by reference to the performance of one or more Series of warrants issued under the Programme ("**Underlying Warrants**"). The Underlying Warrants will be linked to (and consequently the amount payable on exercise thereof will be calculated by reference to and/or contingent upon) the performance of one or more Reference Assets. Reference Assets may include but are not limited to shares, funds, depositary receipts, indices, commodities, bonds, currencies or interest rates.

### 2 Risk Factors Relating to Warrant Linked Securities

Warrant Linked Securities have a different risk profile to ordinary unsecured debt securities as the return on a Warrant Linked Security is linked to the performance of the Underlying Warrants which in turn are linked to the performance of the Reference Asset(s).

This section describes additional factors to which prospective investors should have regard when considering an investment in Warrant Linked Securities. Prospective investors are also referred to the factors set out in the section headed "Risk Factors" and the factors set out in the Product Annex(es) in respect of each relevant Reference Asset, in each case of the Base Prospectus.

#### *General Risks relating to Warrant Linked Securities*

The Issuer may issue Warrant Linked Securities where the redemption amount is dependent upon the changes in the value of one or more Series of Underlying Warrants, which may fluctuate up or down depending on the performance of the relevant Reference Asset(s) to which the Underlying Warrants are linked (the "**Underlying Warrant Reference Asset**"). If as a result of the performance of the Underlying Warrant Reference Asset, the performance of the Underlying Warrants is negative, the value of the Warrant Linked Securities will be adversely affected. Purchasers of Warrant Linked Securities may, in certain circumstances, risk losing all or a part of their investment if the value of the Underlying Warrants does not move in the anticipated direction.

An investment in Warrant Linked Securities will entail significant risks not associated with a conventional debt or equity security. Purchasers of Warrant Linked Securities should conduct their own investigations and, in deciding whether or not to purchase the Warrant Linked Securities, prospective purchasers should form their own views of the merits of an investment related to the Underlying Warrants based upon such investigations and not in reliance on any information given in this document.

*Potential investors in Warrant Linked Securities should consider carefully the Risk Factors set out in this Base Prospectus.*

Warrant Linked Securities will be subject to early redemption, *inter alia*, if an Additional Disruption Event occurs or if a Warrant Termination Event occurs in relation to the Underlying Warrants. In these circumstances the Issuer may redeem the Warrant Linked Securities at the Early Cash Settlement Amount. The Early Cash Settlement Amount may be less (and in certain circumstances, significantly less) than investors' initial investment.

#### *Exposure to the Underlying Warrant Reference Assets*

The Underlying Warrant Reference Assets may be a specified index or basket of indices, a specified share or basket of shares, a specified currency or basket of currencies, a specified bond or basket of bonds, a specified commodity or basket of commodities, a specified fund share or unit or basket of fund shares or units or such other underlying instruments, bases of reference or factors as may be determined by the Issuer and specified in the terms and conditions of the relevant series of Underlying Warrants. Consequently potential investors should also consider the risk factors set out in the Product Annexes specified in the applicable Final Terms in relation to the Underlying Warrant in respect of the risks involved in investing in Securities (in this case the Underlying Warrants) linked to certain Reference Asset(s).

#### ***Potential conflicts of interest***

Barclays Bank PLC is the issuer of the Warrant Linked Securities and the issuer of the Underlying Warrants and will (unless otherwise specified in the applicable Final Terms) be the Determination Agent in respect of Warrant Linked Securities and the determination agent in respect of the Underlying Warrants. As a result, potential conflicts of interest may arise for Barclays Bank PLC in acting in such capacity. Subject to any relevant regulatory obligations, the Issuer and the Determination Agent owe no duty or responsibility to any Securityholder to avoid any conflict or to act in the interests of any Securityholder.

In addition to providing calculation agency services to the Issuer, the Determination Agent or any of its affiliates may perform further or alternative roles relating to any Series of Underlying Warrants including, but not limited to, being involved in arrangements relating to any Underlying Warrant Reference Assets (for example as determination agent). Further, the Determination Agent or any of its affiliates may enter into transactions, including hedging transactions, which relate to the Underlying Warrants or any Underlying Warrant Reference Assets and as a result the Determination Agent may face a conflict between its obligations as Determination Agent and its and/or its affiliates' interests in other capacities.

#### ***Determination of Additional Disruption Events***

The Determination Agent may determine the occurrence of an Additional Disruption Event in relation to the Warrant Linked Securities. Upon such determination, the Issuer may, at its option redeem the Warrant Linked Securities in whole at the Early Cash Settlement Amount which may be less than the amount invested in the Warrant Linked Securities. Securityholders will not benefit from any appreciation of the Underlying Warrants that may occur following such redemption.

#### ***No ownership rights***

An investment in Warrant Linked Securities is not the same as an investment in the Underlying Warrants and does not confer any legal or beneficial interest in the Underlying Warrants or any Underlying Warrant Reference Assets or any voting rights or other rights that a holder of the Underlying Warrants or any Underlying Warrant Reference Assets may have. The Warrant Linked Securities are unsubordinated and unsecured obligations of the Issuer.

#### ***Hedging activities of the Issuer and affiliates***

The Issuer or its affiliates may carry out hedging activities related to the Warrant Linked Securities, including purchasing the Underlying Warrants and/or the Underlying Warrant Reference Assets, but

will not be obliged to do so. Certain of the Issuer's affiliates may also purchase and sell the Underlying Warrants and/or purchase and sell the Underlying Warrant Reference Assets on a regular basis as part of their securities businesses. Any of these activities could potentially affect the value of the Underlying Warrant Reference Assets and, accordingly, the value of the Underlying Warrants and the Warrant Linked Securities.

## PART B – ADDITIONAL TERMS AND CONDITIONS FOR WARRANT LINKED SECURITIES

The terms and conditions applicable to Warrant Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “**Warrant Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Warrant Linked Conditions set out below, the Warrant Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Warrant Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. The Warrant Linked Conditions are a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified as Warrant Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.

### 1 REDEMPTION OF WARRANT LINKED SECURITIES

#### 1.1 Final Cash Settlement Amount

Unless specified in the applicable Final Terms, the Final Cash Settlement Amount in respect of each Security will be an amount calculated by the Determination Agent equal to:

(a) if the Securities are linked to a single Underlying Warrant:

$$\text{Calculation Amount} \times \frac{\text{Warrant Value}_{\text{final}}}{\text{Warrant Value}_{\text{initial}}}; \text{ or}$$

(b) if the Securities are linked to more than one Underlying Warrant:

$$\text{Calculation Amount} \times \frac{\text{Aggregate Warrant Value}_{\text{final}}}{\text{Aggregate Warrant Value}_{\text{initial}}}$$

where:

“**Aggregate Warrant Value<sub>final</sub>**” means the arithmetic sum of the Warrant Value<sub>final</sub> in respect of all Underlying Warrant;

“**Aggregate Warrant Value<sub>initial</sub>**” means the arithmetic sum of the Warrant Value<sub>initial</sub> in respect of all Underlying Warrant;

“**Warrant Value<sub>final</sub>**” means, in respect of an Underlying Warrant, the Warrant Value of such Underlying Warrant on the Valuation Date; and

“**Warrant Value<sub>initial</sub>**” means, in respect of an Underlying Warrant, the Warrant Value of such Underlying Warrant on the Initial Valuation Date.

#### 1.2 Early Redemption following the occurrence of a Warrant Termination Event

Upon the occurrence of a Warrant Termination Event, the Issuer may give notice to the Securityholders in accordance with Condition 16 and redeem all (but not some only) of the Securities each Security being redeemed at the Early Cash Settlement Amount on the Early Cash Settlement Date.

#### 1.3 Early Redemption at the option of the Issuer

If "Call Option" is specified to apply in the applicable Final Terms the provisions of Condition 5.4 shall apply to the Securities as if the words "redeem some or all of the Securities in whole (but not in part)" in the sixth line were replaced with the words "redeem all of the Securities (but not some only)".

#### **1.4 Early Redemption following the occurrence of an Additional Disruption Event**

If in the determination of the Determination Agent an Additional Disruption Event occurs, the Issuer may (but is not obliged to) give notice to Securityholders in accordance with Condition 16 and redeem all, but not some only, of the Securities, each Security being redeemed at the Early Cash Settlement Amount on the Early Cash Settlement Date.

#### **1.5 Calculations and Determinations**

The Determination Agent will make the calculations and determinations in respect of the Warrant Linked Securities in such a manner as the Determination Agent determines is appropriate acting in good faith and in a commercially reasonable manner (having regard in each case to the criteria stipulated in the Conditions and the hedging arrangements in respect of the Securities).

Notwithstanding that certain calculations, determinations and adjustments may be expressed to be on a certain date, the Determination Agent may make such calculations, determinations and adjustments in respect of that date on a date after that date determined by it in its discretion.

Pursuant to the Base Conditions and the Warrant Linked Conditions the Determination Agent has a number of discretions. These are necessary because in certain circumstances it is not reasonably practicable or otherwise not appropriate for certain valuations to be carried out in relation to the Underlying Warrants or the reference assets to which they relate, and in these circumstances the Determination Agent may exercise these discretions.

## **2 REDENOMINATION**

Where the applicable Final Terms specify redenomination is applicable and the Warrant Linked Securities are Notes and the currency of the Notes to be sterling and where the Issuer determines a Redenomination Date will occur, the Notes shall, without requiring the consent of the Securityholders but upon the Issuer having given prior notice to the Issue and Paying Agent and the Relevant Clearing Systems and at least 30 days' prior notice to the Securityholders in accordance with Condition 16, be redenominated in euro with effect from the Redenomination Date specified in the notice.

The redenomination of the Notes into euro will have effect as follows:

- (a) the Notes shall be deemed to be redenominated in euro in the denomination of euro 0.01 with a nominal amount for each Note equal to the nominal amount of that Note in sterling, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Issue and Paying Agent, that the then market practice in respect of the redenomination in euro of internationally offered Notes is different from the provisions specified in this Warrant Linked Condition 2, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Securityholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;

- (b) save to the extent that an Exchange Notice has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;
- (c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of euro 1.00, euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1.00 or such smaller denominations as the Issue and Paying Agent may approve) euro 0.01 and such other denominations as the Issue and Paying Agent shall determine and notify to the Securityholders;
- (d) if issued prior to the Redenomination Date, all unmatured Coupons denominated in sterling (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro-denominated Notes and Coupons are available for exchange (provided that such Notes are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes so issued will also become void on that date although those Notes will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes and Coupons will be issued in exchange for Notes and Coupons denominated in sterling in such manner as the Issue and Paying Agent may specify and as shall be notified to the Securityholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (e) after the Redenomination Date, all payments in respect of the Notes and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to sterling were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and
- (f) if the applicable Final Terms specify that the Notes will bear interest and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an interest payment date, it will be calculated in the manner specified in the Final Terms or the Exchange Notice, as the case may be, provided (in the latter case) that the calculation complies with conventions then applicable to instruments denominated in euro.

For the purposes of this Warrant Linked Condition 2, the following expressions have the following meanings:

**"Established Rate"** means the rate for the conversion of sterling (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty;

**"euro"** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty;

**"Redenomination Date"** means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of non interest bearing Notes) any date, in each case specified

by the Issuer in the notice given to Securityholders pursuant to Condition 16 which falls on or after the date on which the United Kingdom first participates in the third stage of European economic and monetary union; and

“**Treaty**” means the Treaty establishing the European Community, as amended.

## PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO EXCLUDED INDEXED SECURITIES

“**Early Cash Settlement Amount**” means, in respect of a Security, an amount in the Settlement Currency calculated by the Determination Agent on the same basis as the Final Cash Settlement Amount, except that the definition of Warrant Value<sub>final</sub> in respect of each Underlying Warrant shall be the Warrant Value in respect of such Underlying Warrant on the Early Cash Settlement Valuation Date or such other amount as specified in the applicable Final Terms.

“**Early Cash Settlement Date**” means the fifth Business Day immediately following the Early Cash Settlement Valuation Date or such other date as may be specified in the applicable Final Terms.

“**Early Cash Settlement Valuation Date**” means the Warrant Termination Date.

“**Initial Valuation Date**” means the date specified as such in the applicable Final Terms or, if any date(s) for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Underlying Warrants falling on or about such day is to be delayed in accordance with the terms and conditions of the Underlying Warrants by reason of a disruption or adjustment event, the Initial Valuation Date shall be such delayed valuation or determination date(s), all as determined by the Determination Agent.

“**Underlying Warrants**” means each Series of Warrants specified as such in the applicable Final Terms.

“**Valuation Date**” means the date specified as such in the applicable Final Terms or, if any date(s) for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Underlying Warrants falling on or about such day is to be delayed in accordance with the terms and conditions of the Underlying Warrants by reason of a disruption or adjustment event, the Valuation Date shall be such delayed valuation or determination date(s), all as determined by the Determination Agent.

“**Valuation Time**” has the meaning given to it in the applicable Final Terms or if not set out in the applicable Final Terms, means (i) in relation to the Initial Valuation Date, 5pm (London Time); and (ii) in respect of all other dates, the time immediately following the time at which the settlement amount(s) in respect of all Underlying Warrant(s) is(are) determined.

“**Warrant Termination Date**” means, in respect of an Underlying Warrant, the date on which such Underlying Warrant is cancelled or terminated as a result of a Warrant Termination Event, as determined by the Determination Agent.

“**Warrant Termination Event**” means, in respect of an Underlying Warrant, (a) the cancellation or termination of such Underlying Warrant for any reason other than (i) by reason of its scheduled exercise by a holder thereof or (ii) its automatic exercise pursuant to its terms or (b) a specified early cancellation event occurs in respect of such Underlying Warrant in accordance with its terms.

“**Warrant Value**” means, in respect of a day and an Underlying Warrant, the value per unit of such Underlying Warrant at the Valuation Time on such day as determined by the Determination Agent.

## PART D – PRO FORMA FINAL TERMS FOR WARRANT LINKED SECURITIES

### PRO FORMA FINAL TERMS FOR WARRANT LINKED SECURITIES

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

#### Final Terms

##### BARCLAYS BANK PLC

*(Incorporated with limited liability in England and Wales)*

##### BARCLAYS CAPITAL (CAYMAN) LIMITED

*(Incorporated with limited liability in the Cayman Islands)*

##### GLOBAL STRUCTURED SECURITIES PROGRAMME

for the issue of Securities

##### BARCLAYS BANK PLC

[Up to][Amount][*title of the Notes*]

linked to [*title of Warrants*]

under the Global Structured Securities Programme

Issue Price: [100 per cent. of par]

This document constitutes the final terms of the Notes (the “**Final Terms**”) described herein for the purposes of Article 5.4 of Directive 2003/71/EC (the “**Prospectus Directive**”) and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the “**Bank**”) and Barclays Capital (Cayman) Limited (“**BCCL**”) and is supplemental to and should be read in conjunction with the Base Prospectus dated [ ] 2011, as supplemented and amended from time to time, which constitutes a base prospectus (the “**Base Prospectus**”) for the purpose of the Prospectus Directive. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent for the time being in London, and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein. [Subject as provided below, the][The] Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. To the best of [its/their] knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information. [The information relating to [ ] [and ] contained herein has been accurately extracted from [*insert information source(s)*].] [The Issuer [and

the Guarantor] confirm[s] that this information has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain from information published by [ ] [and [ ]], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

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

This document constitutes the final terms of the Securities (the “**Final Terms**”) described herein for the purposes of Article 5.4 of the Prospectus Directive and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the “**Bank**”) and Barclays Capital (Cayman) Limited (“**BCCL**”) and is supplemental to and should be read in conjunction with the Base Prospectus dated [ ] 2011, as supplemented and amended from time to time, which constitutes a base prospectus (the “**Base Prospectus**”) for the purpose of the Prospectus Directive, save in respect of the Conditions, which are extracted from the [[Base Prospectus]/[Offering Circular]] dated [original date] (the “**Original Offering Document**”), as incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Conditions extracted from the Original Offering Document. The Base Prospectus and the Original Offering Document are available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent for the time being in London, and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

[Subject as provided below, the][The] Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. To the best of [its/their] knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information. [The information relating to [ ] [and] contained herein has been accurately extracted from [insert information source(s)].] [The Issuer [and the Guarantor] confirm[s] that this information has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain from information published by [ ] [and] [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.]]

Investors should refer to the sections headed “Risk Factors” in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

### **Barclays Capital**

Final Terms dated [*Issue Date*]

The distribution of this document and the offer of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in “Purchase and Sale” in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or

delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

## Part A

### Terms and Conditions of the Securities

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(es) set out in the Base Prospectus dated [ ] 2011.

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

#### Parties

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

THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). SUBJECT TO CERTAIN EXCEPTIONS, THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”)). THESE FINAL TERMS HAVE BEEN PREPARED BY THE ISSUER FOR USE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITIES OUTSIDE THE UNITED STATES TO NON-US PERSONS IN RELIANCE ON REGULATION S AND FOR LISTING OF THE SECURITIES ON THE RELEVANT STOCK EXCHANGE, IF ANY, AS STATED HEREIN. FOR A DESCRIPTION OF THESE AND

CERTAIN FURTHER RESTRICTIONS ON OFFERS AND SALES OF THE SECURITIES AND DISTRIBUTION OF THESE FINAL TERMS AND THE BASE PROSPECTUS [AND THE SUPPLEMENTAL PROSPECTUS], SEE “PURCHASE AND SALE” IN THE BASE PROSPECTUS.

Provisions relating to the Securities

1	Series:	[ ]
2	Currency:	[ ] <i>(N.B. the currency of issue of the Notes must be the same as the currency of issue of the underlying warrants)</i>
3	Notes:	Applicable
	(i) Aggregate Nominal Amount as at the Issue Date:	[Up to][ ] <i>[For Bmarkets products insert: Up to authorised Aggregate Nominal Amount: [ ] Aggregate Nominal Amount issue as at the Issue Date: [ ]]</i>
	(ii) Specified Denomination:	[ ] <i>[For multiple Specified Denominations greater than EUR50,000 (or equivalent) insert: [EUR50,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR99,000].] [Notes will not be issued in definitive form with a Specified Denomination above [EUR99,000]]</i>
	(iii) Minimum Tradable Amount:	[ ]
	(iv) Calculation Amount per Security as at the Issue Date:	[ ]
4	Certificates:	N/A
5	Form:	Global Bearer Securities: [Temporary Global Security, exchangeable for a Permanent Global Security/Permanent Global Security] <i>[Where the Securities are intended to be held in a manner which would allow Eurosystem eligibility, add the following wording, as applicable: registered in the</i>

		name of a nominee for a [common depositary][common safekeeper] for Euroclear and Clearstream]
	(ii) NGN Form:	[Applicable] [N/A]
	(iii) Held under the NSS:	[Applicable] [N/A]
	(iv) CGN Form:	[Applicable] [N/A]
	(v) CDIs:	N/A
6	Trade Date:	[ ]
7	Issue Date:	[ ] <i>(N.B. the underlying warrants should already be in issue as of or issued on the Issue Date of the first tranche of Notes)</i> <i>(N.B. the Issue Date for the first tranche of the Notes and the Initial Valuation Date must occur on the same date)</i>
8	Redemption Date:	[ ], or if later 5 Business Days after the Valuation Date
9	Issue Price:	100% of the Aggregate Nominal Amount
10	Relevant Stock Exchange[s]:	[London Stock Exchange] [Other ( <i>specify</i> )] [N/A]
11	The following Relevant Annex(es) shall apply to the Securities ( <i>specify each applicable Relevant Annex</i> ):	Warrant Linked Securities Annex
<b>Provisions relating to interest (if any) payable on the Securities</b>		
12	Interest:	[Applicable] [N/A]
13	Interest Amount:	<i>[Where single Interest Calculation Period which is less than one year and rate provided is not a rate per annum: [In respect of the Interest Calculation Period shall be equal to [ ] % of the Calculation Amount as at the Issue Date]]</i> [As per Conditions 4 and 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]

14	Interest Rate[s]:	
	(i) Fixed Rate:	[ ] % per annum [N/A]
	(ii) Floating Rate:	[Screen Rate Determination] [ISDA Determination] [N/A]
	(iii) Variable Rate:	[Specify basis/methodology/formula for Interest Rate] [N/A]
	(iv) Zero Coupon:	N/A
	(v) Bond Linked Securities – Fixed Coupon:	N/A
	(vi) Bond Linked Securities – Pass Through Interest:	N/A
15	Screen Rate Determination:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Reference Rate:	[ ]
	(ii) Relevant Screen Page:	[Reuters Screen LIBOR01 Page] [Reuters Screen EURIBOR01 Page] [Other (specify)]
16	ISDA Determination:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Floating Rate Option:	[ ]
	(ii) Designated Maturity:	[ ]
	(iii) Reset Date:	[ ]
17	Margin:	[Plus/Minus] [ ] [N/A]
18	Minimum/Maximum Interest Rate:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Minimum Interest Rate:	[ ] % per annum [N/A]
	(ii) Maximum Interest Rate:	[ ] % per annum [N/A]

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

**Provisions relating to Redemption**

25	Settlement Method:	(i) For the purposes of Condition 5.1 of the Base Conditions: Cash Settlement; and (ii) For the purposes of Condition[s] [5.4]/[5.5] of the Base Conditions: Cash Settlement
26	Settlement Currency:	[ ]
27	Settlement Number:	[As defined in Condition 24 of the Base Conditions][Specify]
28	Terms relating to Cash Settled Securities:	
	(i) Final Cash Settlement Amount:	See Warrant Linked Securities Annex [insert alternative formulation]
	(ii) Early Cash Settlement Amount:	See Warrant Linked Securities Annex [insert alternative formulation] [Specify whether Early Cash Settlement Amount is or is not to include accrued interest (if applicable)]
	(iii) Early Cash Redemption Date:	[N/A]
	(iv) Early Cash Settlement Date:	See Warrant Linked Securities Annex [insert alternative formulation]
	(v) Early Cash Settlement Valuation Date:	See Warrant Linked Securities Annex [insert alternative formulation]
29	Terms relating to Physically Delivered Securities:	
	(i) Final Physical Redemption Entitlement:	N/A
	(ii) Final Physical Redemption Date:	N/A
	(iii) Physical Delivery Date(s):	N/A
	(iv) Entitlement Substitution:	N/A
	(v) Relevant Settlement Day:	N/A
	(vi) Disruption Cash Settlement Price:	N/A
30	Nominal Call Event:	N/A
31	Call Option:	N/A
32	Put Option:	N/A
33	Specified Early Redemption Event:	N/A
34	Maximum and Minimum Redemption Requirements:	
	(i) Daily Maximum Amount:	N/A

	(ii) Minimum Number/Minimum Nominal Amount:	N/A
	(iii) Daily Maximum Number/Daily Maximum Amount:	N/A
35	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:	
	(i) Affected Jurisdiction Hedging Disruption:	N/A
	(ii) Affected Jurisdiction Increased Cost of Hedging:	N/A
	(iii) Affected Jurisdiction:	N/A
	(iv) Other Additional Disruption Events:	N/A
	(v) The following shall not constitute Additional Disruption Events:	N/A
36	Warrant Linked Securities	Applicable
	(i) Underlying Warrant(s):	[ ] Warrants linked to [ ] issued by Barclays Bank PLC (ISIN: [ ]; Series Number: [ ]) [and [ ] Warrants linked to [ ] issued by Barclays Bank PLC (ISIN: [ ]; Series Number: [ ])]
	(ii) Initial Valuation Date:	[The Issue Date for the first tranche of the Notes]
	(iii) Valuation Date:	[ ] <i>(This date should be the same day as the Valuation Date for the Underlying Warrants)</i>
	(v) Valuation Time:	See Warrant Linked Securities Annex <i>[insert alternative formulation]</i>
Items 37-44		N/A
<b>Provisions relating to Settlement</b>		
45	Settlement in respect of VP Notes, APK Registered Securities, Dutch Securities, Italian Securities, Swedish Registered Securities, VPS Registered Securities or Spanish Securities:	N/A
46	Additional provisions relating to Taxes and Settlement Expenses:	[[ ] (specify)] [N/A]
<b>Definitions</b>		
47	Business Day:	[As defined in Condition 24 of the Base

		Conditions]
		[Other ( <i>specify</i> )]
48	Additional Business Centre(s):	[ ] [N/A]
<b>Selling restrictions and provisions relating to certification</b>		
49	Non-US Selling Restrictions:	[As described in the Base Prospectus] [Other ( <i>specify</i> )] [N/A]
50	Applicable TEFRA exemption:	[TEFRA C: C Rules Applicable] [TEFRA D: D Rules Applicable] [N/A]
<b>General</b>		
51	Business Day Convention:	[Following] [Modified Following] [Nearest] [Preceding]
52	Relevant Clearing System[s]:	[Euroclear] [Clearstream]
53	If syndicated, names [and addresses] of Managers [and underwriting commitments]:	[N/A] [ <i>give names and addresses and underwriting commitments</i> ]
54	(a) Details relating to Partly Paid Securities:	N/A
	(b) Details relating to Instalment Notes:	N/A
55	Relevant securities codes:	ISIN: [ ] Common Code: [ ]
56	Modifications to the Master Subscription Agreement and/or Agency Agreement:	[ ] [N/A]
57	Additional Conditions and/or modification to the Conditions of the Securities:	[ <i>Specify details</i> ] [N/A]
58	Provisions relating to redenomination:	[Applicable] [N/A]

## Part B

### Other Information

#### 1. LISTING AND ADMISSION TO TRADING

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

#### 2. RATINGS

- Ratings: [The Securities have not been individually rated.]  
[Upon issuance the Securities are expected to be rated:  
[S & P: [ ]]  
[Moody's: [ ]]  
[Fitch: [ ]]  
[The credit rating[s] referred to above will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the "CRA Regulation") as having been issued by [Fitch Ratings Limited] / [Moody's Investors Service Ltd.] / [and][Standard & Poor's Credit Market Services Europe Limited], [each of] which is established in the European Union and has applied through its respective London office to be registered under the CRA Regulation, although the result of such applications has not yet been determined.]  
[Other]: [ ]]  
[The credit rating[s] referred to above will be

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<sup>3</sup> Only applicable to Series of Securities with a denomination of at least €50,000 or equivalent in other currencies.

treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the “CRA Regulation”) as having been issued by [Other], which is a [registered rating agency established in the EU] / [unregistered rating agency established outside the EU] / [rating agency established in the EU and is applying to be registered but has not yet been registered] / [third country rating agency that is endorsed by an EU registered agency] / [third country rating agency that has not applied to be registered but is certified] in accordance with the CRA Regulation.]

### 3. NOTIFICATION

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

[N/A]

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

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

“Save as discussed in [“Purchase and Sale”], so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.”]

[N/A]

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

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

(i) Reasons for the offer: [General funding]  
[Specify if other reasons]  
(See “General Information - Use of Proceeds” wording in Base Prospectus - if reasons for offer different from general corporate purposes and/or hedging, certain risks will need to include those reasons here.)

[(ii)] Estimated net proceeds: [ ]

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

[(iii)] Estimated total expenses:

[ ]

[Include breakdown of expenses]

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

## 6. FIXED RATE SECURITIES ONLY - YIELD

[Indication of yield:

[ ]

[N/A]

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

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

## 7. FLOATING RATE SECURITIES ONLY - HISTORIC INTEREST RATES

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

[N/A]

## 8. PERFORMANCE OF THE UNDERLYING WARRANTS, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING WARRANTS

[Applicable]

[N/A]

[The Securities relate to the Underlying Warrants. The Underlying Warrants are [ ] Warrants linked to [ ] issued by Barclays Bank PLC (ISIN: [ ]; Series Number: [ ]) [and [ ] Warrants linked to [ ] issued by Barclays Bank PLC (ISIN: [ ]; Series Number: [ ])].

The Warrant Value in respect of each Underlying Warrant will be published on each Business Day on [ ].

The performance of the Underlying Warrants depends on the performance of the Reference Assets to which Underlying Warrants are linked (the "Underlying Warrant Reference Assets"). The Underlying Warrant Reference Assets are *[insert details of the Reference Assets to which the Underlying Warrants relate]*. [Information on the Underlying Warrant Reference Assets (including past and future performance and volatility) is published on [ ].] Investors should review the terms and conditions of the Underlying Warrants and consult with their own professional advisers if they consider it necessary. The terms and conditions of the Underlying Warrants are available on [ ].]

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

## 9. OPERATIONAL INFORMATION

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* (together with their addresses) and the relevant identification number(s):

N/A

Delivery:

Delivery [against/free of] payment

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

[ ]

[N/A]

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

[Yes]

[No]

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

## 10. OFFER INFORMATION

*[If applicable, the following details should be included:]*

(i) Offer Price:

[Issue Price]

(ii) Conditions to which the offer is subject:

[Not Applicable/*give details*]

- (iii) Description of the application process: [Not Applicable/*give details*]
- (iv) Details of the minimum and/or maximum amount of application: [Not Applicable/*give details*]
- (v) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not Applicable/*give details*]
- (vi) Details of method and time limits for paying up and delivering the Securities: [Not Applicable/*give details*]
- (vii) Manner in and date on which results of the offer are to be made public: [Not Applicable/*give details*]
- (viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/*give details*]
- (ix) Categories of prospective investors to which the Securities are offered and whether tranche(s) have been reserved for certain countries: [Not Applicable/*give details*]
- (x) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made: [Not Applicable/*give details*]
- (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not Applicable/*give details*]
- (xii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: [Name/*give details*]

[A distribution fee has been paid to a third party. The amount of this fee will not exceed [ ] % of the Aggregate Nominal Amount of each year of the product's term. Such fee shall be paid [on the Trade Date]/[annually] and is not refundable in the event of early redemption or sale on the secondary market.]]

## FX LINKED ANNEX

### Table of Contents

#### **PART A – DESCRIPTION AND RISK FACTORS**

1. Brief Description of FX Linked Securities
2. Risk Factors Relating to FX Linked Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR FX LINKED SECURITIES**

1. Calculation of FX Linked Amounts
2. Consequences of the occurrence of FX Disruption Events
3. Currencies, Principal Financial Centres and Conventions
  - 3.1 Currencies
  - 3.2 Principal Financial Centre
  - 3.3 Corrections to Published and Displayed Rates
4. Averaging
5. FX Index Adjustment Events and Disruption
  - 5.1 Disrupted Day
  - 5.2 Successor Index Sponsor or Substitution of Index with substantially similar calculation
  - 5.3 Index Adjustment Events
  - 5.4 Error in Index Calculation
  - 5.5 Correction to Published Prices
  - 5.6 Adjustment to Payment Dates

#### **PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO FX LINKED SECURITIES**

1. Certain general definitions relating to FX Linked Securities
2. FX Rates
  - 2.1 Asia Pacific/Southeast Asia
  - 2.2 Central and Eastern Europe
  - 2.3 Latin America
  - 2.4 Middle East/Africa
  - 2.5 North America
  - 2.6 Western Europe

**PART A**  
**DESCRIPTION AND RISK FACTORS**

**1 Brief Description of FX Linked Securities**

FX Linked Securities are Securities where: (a) in relation to Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option; (b) in relation to Exercisable Certificates and Warrants, the exercise of the such Securities or the amount payable or deliverable on exercise; or (c) any additional amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of one or more currency rates or the value or level derived from a formula or index relating to one or more currency rates or a combination thereof.

**2 Risk Factors Relating to FX Linked Securities**

FX Linked Securities have a different risk profile to ordinary unsecured debt securities. This section describes additional factors prospective investors should have regard to when considering an investment in FX Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

Fluctuations in exchange rates of the relevant currency (or basket of currencies) will affect the value of FX Linked Securities. Furthermore, investors who intend to convert gains or losses from the redemption, exercise or sale of FX Linked Securities into their home currency may be affected by fluctuations in exchange rates between their home currency and the relevant currency (or basket of currencies). Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value of a currency (or basket of currencies), regardless of other market forces. Purchasers of some FX Linked Securities risk losing their entire investment if exchange rates of the relevant currency (or basket of currencies) move sufficiently in an unanticipated direction.

Where the FX Linked Securities are denominated in an emerging market currency or linked to one or more emerging market currencies, such emerging market currencies can be significantly more volatile than currencies of more developed markets. Emerging market currencies are highly exposed to the risk of a currency crisis happening in the future and this could trigger the need for the Determination Agent to make adjustments to the terms and conditions of the Securities.

Governments have imposed from time to time, and may in the future impose, exchange controls that could also affect the availability of a relevant currency. Even if there are no actual exchange controls, it is possible that a relevant currency would not be available when payments on the relevant FX Linked Security are due.

If additional certificates, warrants, securities or options relating to particular currencies or particular currency indices are subsequently issued, the supply of certificates, warrants, securities and options relating to such non-US currencies or currency indices, as applicable, in the market will increase, would cause the price at which the relevant Securities and such other certificates, warrants, securities or options trade in the secondary market to decline significantly.

Prospective investors are referred to the definition of “FX Disruption Events” in Part C of this FX Linked Annex.

**PART B**  
**ADDITIONAL TERMS AND CONDITIONS FOR FX LINKED SECURITIES**

*The terms and conditions applicable to FX Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “FX Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the FX Linked Conditions set out below, the FX Linked Conditions shall prevail. In the event of any inconsistency between (a) the Base Conditions and/or the FX Linked Conditions and (b) the Final Terms, the Final Terms shall prevail. This FX Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be FX Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

**1 Calculation of FX Linked Amounts**

Any FX Linked Amounts payable in respect of an FX Linked Security will be calculated by reference to (each as further described in the applicable Final Terms):

- (a) one or more FX Rates (which may include, without limitation, a basket of FX Rates); and/or
- (b) a formula, basket or index based upon or involving one or more FX Rates; and/or
- (c) a product or transaction which is, in whole or in part, based on or linked to any of the above.

**2 Consequences of the occurrence of FX Disruption Events**

If:

- (a) one or more Mandatory FX Disruption Events occurs at any time and is continuing; and/or
- (b) one or more Elective FX Disruption Events are specified as applying in the applicable Final Terms to an FX Linked Security and any such Elective FX Disruption Event occurs at any time and is continuing,

the Issuer may, in its sole and absolute discretion, take any one or more of the following actions:

- (i) deduct from the relevant Settlement Amount and/or any other FX Linked Amount(s) an amount calculated by the Determination Agent as representing a cost, expense, charge and/or deduction arising in connection with such FX Disruption Event(s) or make any other adjustment with respect thereto; and/or
- (ii) adjust any Valuation Date, Averaging Date, Interest Payment Date, Exercise Date, Expiration Date, Redemption Date, Optional Cash Redemption Date, Early Cash Redemption Date, Early Cancellation Date, Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, Exercise Cash Settlement Date, Rate Calculation Date and/or any other date for payment of the relevant Settlement Amount and/or any other FX Linked Amount(s) or calculation thereof; and/or
- (iii) (in the case of a Price Source Disruption) specify and adopt:

- (I) an appropriate alternate fallback or alternative price or rate source or method of determination selected by the Determination Agent in its sole discretion (which may (or may not) be by reference to dealer poll or such other publication page or service as may replace the relevant page or service for the purpose of displaying a currency exchange rate comparable or equivalent to the relevant FX Rate); or
- (II) a replacement of any one or more relevant currencies, as the case may be; and/or
- (iv) treat the relevant FX Disruption Event(s) as if an Additional Disruption Event had occurred in respect of the FX Linked Security for the purposes of exercising any applicable rights under the Base Conditions (including, without limitation, exercising the cancellation or adjustment rights in Conditions 5.4 or 6.2 of the Base Conditions).

### 3 Currencies, Principal Financial Centres and Conventions

Where any of the following are specified in the applicable Final Terms, they shall have the meaning prescribed below:

#### 3.1 Currencies

- (i) **Algerian Dinar.** “Algerian Dinar” and “DZD” each means the lawful currency of the People’s Democratic Republic of Algeria.
- (ii) **Angolan Kwanza.** “Angolan Kwanza”, “Kwanza” and “AOA” each means the lawful currency of the Republic of Angola.
- (iii) **Argentine Peso.** “Argentine Peso” and “ARS” each means the lawful currency of the Argentine Republic.
- (iv) **Australian Dollar.** “Australian Dollar”, “A\$” and “AUD” each means the lawful currency of the Commonwealth of Australia.
- (v) **Brazilian Real.** “Brazilian Real”, “Brazilian Reais” and “BRL” each means the lawful currency of the Federative Republic of Brazil.
- (vi) **Bulgarian Lev.** “Bulgarian Lev” and “BGL” each means the lawful currency of the Republic of Bulgaria.
- (vii) **Canadian Dollar.** “Canadian Dollar”, “C\$” and “CAD” each means the lawful currency of Canada.
- (viii) **Chilean Peso.** “Chilean Peso” and “CLP” each means the lawful currency of the Republic of Chile.
- (ix) **Chinese Renminbi.** “Chinese Renminbi”, “CNY” and “RMB” each means the lawful currency of the People’s Republic of China.
- (x) **Colombian Peso.** “Colombian Peso” and “COP” each means the lawful currency of the Republic of Colombia.
- (xi) **Croatian Kuna.** “Croatian Kuna” and “HRK” each means the lawful currency of the Republic of Croatia.

- (xii) **Czech Koruna.** “Czech Koruna” and “CZK” each means the lawful currency of the Czech Republic.
- (xiii) **Danish Krone.** “Danish Krone”, “Dkr” and “DKK” each means the lawful currency of the Kingdom of Denmark.
- (xiv) **Ecuadorian Sucre.** “Ecuadorian Sucre” and “ECS” each means the lawful currency of the Republic of Ecuador.
- (xv) **Egyptian Pound.** “Egyptian Pound” and “EGP” each means the lawful currency of the Arab Republic of Egypt.
- (xvi) **Estonian Kroon.** “Estonian Kroon” and “EEK” each means the lawful currency of the Republic of Estonia.
- (xvii) **Euro.** “Euro”, “euro” and “EUR” each means the lawful currency of the participating member states of the European Union adopted in accordance with the Treaty establishing the European Communities, as amended by the Treaty on European Union.
- (xviii) **Ghanaian Cedi.** “Ghanaian Cedi”, “Cedi” and “GHS” each means the lawful currency of the Republic of Ghana.
- (xix) **Hong Kong Dollar.** “Hong Kong Dollar”, “HK\$” and “HKD” each means the lawful currency of Hong Kong.
- (xx) **Hungarian Forint.** “Hungarian Forint” and “HUF” each means the lawful currency of the Republic of Hungary.
- (xxi) **Indian Rupee.** “Indian Rupee” and “INR” each means the lawful currency of the Republic of India.
- (xxii) **Indonesian Rupiah.** “Indonesian Rupiah” and “IDR” each means the lawful currency of the Republic of Indonesia.
- (xxiii) **Israeli Shekel.** “Israeli Shekel” and “ILS” each means the lawful currency of the State of Israel.
- (xxiv) **Kazakhstan Tenge.** “Kazakhstan Tenge”, “Tenge” and “KZT” each means the lawful currency of the Republic of Kazakhstan.
- (xxv) **Kenyan Shilling.** “Kenyan Shilling” and “KES” each means the lawful currency of the Republic of Kenya.
- (xxvi) **Korean Won.** “Korean Won” and “KRW” each means the lawful currency of the Republic of Korea.
- (xxvii) **Kuwaiti Dinar.** “Kuwaiti Dinar” and “KWD” each means the lawful currency of the State of Kuwait.
- (xxviii) **Latvian Lats.** “Latvian Lats” and “LVL” each means the lawful currency of the Republic of Latvia.

- (xxix) **Lebanese Pound.** “Lebanese Pound” and “LBP” each means the lawful currency of the Republic of Lebanon.
- (xxx) **Lithuanian Litas.** “Lithuanian Litas” and “LTL” each means the lawful currency of the Republic of Lithuania.
- (xxxii) **Malaysian Ringgit.** “Malaysian Ringgit” and “MYR” each means the lawful currency of the Federation of Malaysia.
- (xxxiii) **Mexican Peso.** “Mexican Peso”, “MXN” and “MXP” each means the lawful currency of the United Mexican States.
- (xxxiv) **Moroccan Dirham.** “Moroccan Dirham” and “MAD” each means the lawful currency of the Kingdom of Morocco.
- (xxxv) **New Zealand Dollar.** “New Zealand Dollar”, “NZ\$” and “NZD” each means the lawful currency of New Zealand.
- (xxxvi) **Nigerian Naira.** “Nigerian Naira” and “NGN” each means the lawful currency of the Republic of Nigeria.
- (xxxvii) **Norwegian Krone.** “Norwegian Krone”, “Nkr” and “NOK” each means the lawful currency of the Kingdom of Norway.
- (xxxviii) **Pakistani Rupee.** “Pakistani Rupee” and “PKR” each means the lawful currency of the Islamic Republic of Pakistan.
- (xxxix) **Peruvian Sol.** “Peruvian Nuevo Sol”, “Peruvian Sol” and “PEN” each means the lawful currency of the Republic of Peru.
- (xl) **Philippine Peso.** “Philippine Peso” and “PHP” each means the lawful currency of the Republic of the Philippines.
- (xli) **Polish Zloty.** “Polish Zloty”, “PLN” and “PLZ” each means the lawful currency of the Republic of Poland.
- (xlii) **Romanian Leu.** “Romanian Leu”, “ROL” and “RON” each means the lawful currency of Romania.
- (xliii) **Russian Ruble.** “Russian Ruble”, “Russian Rouble”, “RUR” and “RUB” each means the lawful currency of the Russian Federation.
- (xliv) **Saudi Arabian Riyal.** “Saudi Arabian Riyal”, “Saudi Arabian Rial” and “SAR” each means the lawful currency of the Kingdom of Saudi Arabia.
- (xlv) **Singapore Dollar.** “Singapore Dollar”, “S\$” and “SGD” each means the lawful currency of the Republic of Singapore.
- (xlvi) **South African Rand.** “South African Rand”, “Rand”, “R” and “ZAR” each means the lawful currency of the Republic of South Africa.
- (xlvii) **Sri Lankan Rupee.** “Sri Lankan Rupee” and “LKR” each means the lawful currency of the Democratic Socialist Republic of Sri Lanka.

- (xlvii) **Sterling.** “Sterling”, “British Pound”, “United Kingdom Pound”, “£”, “GBP” and “STG” each means the lawful currency of the United Kingdom.
- (xlviii) **Swedish Krona.** “Swedish Krona”, “Skr” and “SEK” each means the lawful currency of the Kingdom of Sweden.
- (xlix) **Swiss Franc.** “Swiss Franc”, “Sfr”, “CHF” and “SWF” each means the lawful currency of Switzerland.
- (l) **Taiwanese Dollar.** “Taiwanese Dollar”, “New Taiwanese Dollar” and “TWD” each means the lawful currency of the Republic of China.
- (li) **Thai Baht.** “Thai Baht” and “THB” each means the lawful currency of the Kingdom of Thailand.
- (lii) **Tunisian Dinar.** “Tunisian Dinar” and “TND” each means the lawful currency of the Republic of Tunisia.
- (liii) **Turkish Lira.** “Turkish Lira”, “TRY” and “TRL” each means the lawful currency of the Republic of Turkey.
- (liv) **Ukrainian Hryvnia.** “Ukrainian Hryvnia” and “UAH” each means the lawful currency of the Republic of Ukraine.
- (lv) **U.S. Dollar.** “U.S. Dollar”, “Dollar”, “U.S.\$”, “\$” and “USD” each means the lawful currency of the United States of America.
- (lvi) **Venezuelan Bolivar.** “Venezuelan Bolivar”, “Venezuelan Bolivar Fuerte” and “VEF” each means the lawful currency of the Bolivarian Republic of Venezuela.
- (lvii) **Vietnamese Dong.** “Vietnamese Dong” and “VND” each means the lawful currency of the Socialist Republic of Vietnam.
- (lviii) **Yen.** “Yen”, “Japanese Yen”, “¥” and “JPY” each means the lawful currency of Japan.
- (lix) **Zambian Kwacha.** “Zambian Kwacha” and “ZMK” each means the lawful currency of the Republic of Zambia.

Unless otherwise specified in the applicable Final Terms, each currency with respect to a particular country defined in this FX Linked Condition 3.1 will be deemed to include any lawful successor currency (the “**Successor Currency**”) of that country subject to FX Linked Condition 2 above. If, after the Trade Date and on or before any relevant Valuation Date, Averaging Date, Interest Payment Date, Exercise Date, Expiration Date, Redemption Date, Optional Cash Redemption Date, Early Cash Redemption Date, Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, Early Cancellation Date or Exercise Cash Settlement Date, as the case may be, of an FX Linked Security, a country has lawfully eliminated, converted, redenominated or exchanged its currency in effect on such Trade Date or any Successor Currency, as the case may be (the “**Original Currency**”), for a Successor Currency, then, for purposes of calculating any amounts of such currency in respect of an FX Linked Security, and for purposes of effecting settlement thereof, any Original Currency amounts will be converted to the Successor Currency by multiplying the amount of Original Currency by a ratio of

Successor Currency to Original Currency, which ratio will be calculated on the basis of the exchange rate set forth by such country for converting the Original Currency into the Successor Currency on the date on which the elimination, conversion, redenomination or exchange took place as determined by the Determination Agent. If there is more than one such date, the date closest to the relevant Valuation Date, Averaging Date, Interest Payment Date, Exercise Date, Expiration Date, Redemption Date, Optional Cash Redemption Date, Early Cash Redemption Date, Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, Early Cancellation Date or Exercise Cash Settlement Date, as the case may be, will be selected. Notwithstanding the foregoing provisions, and subject to any alternative determination by the Determination Agent, with respect to any currency that is substituted or replaced by the euro, the consequences of such substitution or replacement will be determined in accordance with applicable law.

### 3.2 Principal Financial Centre

Unless otherwise specified in the applicable Final Terms, the principal financial centre (the “Principal Financial Centre”) with respect to each currency defined in this FX Linked Condition 3.2 is the financial centre or centres indicated below with respect to such currency:

<b>Currency</b>	<b>Principal Financial Centre(s)</b>
Algerian Dinar	Algiers
Angolan Kwanza	Luanda
Argentine Peso	Buenos Aires
Australian Dollar	Sydney and Melbourne
Brazilian Real	Brasilia, Rio de Janeiro or São Paulo
Bulgarian Lev	Sofia
Canadian Dollar	Toronto
Chilean Peso	Santiago
Chinese Renminbi	Beijing
Colombian Peso	Bogota
Croatian Kuna	Zagreb
Czech Koruna	Prague
Danish Krone	Copenhagen
Ecuadorian Sucre	Guayaquil
Egyptian Pound	Cairo
Estonian Kroon	Tallinn
Ghanaian Cedi	Accra
Hong Kong Dollar	Hong Kong
Hungarian Forint	Budapest
Indian Rupee	Mumbai

<b>Currency</b>	<b>Principal Financial Centre(s)</b>
Indonesian Rupiah	Jakarta and Singapore
Israeli Shekel	Tel Aviv
Kazakhstan Tenge	Almaty
Kenyan Shilling	Nairobi
Korean Won	Seoul
Kuwaiti Dinar	Kuwait City
Latvian Lats	Riga
Lebanese Pound	Beirut
Lithuanian Litas	Vilnius
Malaysian Ringgit	Kuala Lumpur and Singapore
Mexican Peso	Mexico City
Moroccan Dirham	Rabat
New Zealand Dollar	Wellington and Auckland
Nigerian Naira	Lagos
Norwegian Krone	Oslo
Pakistani Rupee	Karachi
Peruvian Sol	Lima
Philippine Peso	Manila
Polish Zloty	Warsaw
Romanian Leu	Bucharest
Russian Ruble	Moscow
Saudi Arabian Riyal	Riyadh
Singapore Dollar	Singapore
South African Rand	Johannesburg
Sri Lankan Rupee	Colombo
Sterling	London
Swedish Krona	Stockholm
Swiss Franc	Zurich
Taiwanese Dollar	Taipei
Thai Baht	Bangkok and Singapore
Tunisian Dinar	Tunis
Turkish Lira	Ankara
Ukrainian Hryvnia	Kiev
U.S. Dollar	New York

Currency	Principal Financial Centre(s)
Venezuelan Bolivar	Caracas
Vietnamese Dong	Hanoi and Singapore
Yen	Tokyo
Zambian Kwacha	Lusaka

### 3.3 Corrections to Published and Displayed Rates

For purposes of determining an FX Rate for any Rate Calculation Date:

- (a) In any case where the FX Rate is based on information obtained from the Reuter Monitor Money Rates Service, the FX Rate will be subject to the corrections, if any, to that information subsequently displayed by that source within one hour of the time when such rate is first displayed by such source.
- (b) Notwithstanding paragraph (a) above, in any case where the FX Rate for a Rate Calculation Date is based on information published or announced by any Governmental Authority in the relevant country, the FX Rate will be subject to the corrections, if any, to that information subsequently published or announced by that source within five days of the Rate Calculation Date.
- (c) In the event that the Determination Agent identifies any correction referred to in paragraph (a) or (b) above no later than five days after the expiration of the period referred to in such subsection, if applicable an appropriate amount will be payable by the Issuer or the Securityholder (as appropriate) as a result of such correction (whether such correction is made or such notice is given before or after the relevant Redemption Date, Early Cash Redemption Date, Optional Cash Redemption Date, Specified Early Cash Redemption Date, the Specified Early Cash Cancellation Date, Early Cancellation Date, Exercise Date or Exercise Cash Settlement Date, as applicable, of the Security), together with interest on that amount at a rate per annum equal to the cost (as determined by the Determination Agent) to the Issuer or the Securityholder (as applicable) of funding that amount for the period from, and including, the day on which, based on such correction, a payment in the incorrect amount was first made to, but excluding, the day of payment of the refund or payment resulting from such correction.

## 4 Averaging

If “Averaging Dates” are specified in the applicable Final Terms, then, for the purposes of determining the FX Rate in relation to a Valuation Date, the FX Rate will be the arithmetic mean of the FX Rates on each specified Averaging Date (or, if different, the day on which rates for each Averaging Date would, in the ordinary course, be published or announced by the relevant price source).

## 5 FX Index Adjustment Events and Disruption

The following provisions will apply to all FX Linked Securities that references an Index.

### 5.1 Disrupted Day

If, in the opinion of the Determination Agent, a Rate Calculation Date is a Disrupted Day, then that Rate Calculation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the five Scheduled Trading Days immediately following the original date is a Disrupted Day. In that case (a) the fifth Scheduled Trading Day shall be deemed to be the Rate Calculation Date, notwithstanding the fact that such day is a Disrupted Day, and (b) the Determination Agent shall determine the level of the Index on the fifth 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.

### 5.2 Successor Index Sponsor or Substitution of Index with substantially similar calculation

If an Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Determination Agent (the “**Successor Sponsor**”), or (b) replaced by a successor index using, in the opinion of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index (the “**Successor Index**”), then, in each case, that index will be deemed to be the Index. The Determination Agent shall inform the parties as soon as reasonably practicable after it becomes aware of a Successor Sponsor and/or a Successor Index.

### 5.3 Index Adjustment Events

If, on or prior to any date on which the Index Level is to be calculated, including, without limitation, any Averaging Date or Rate Calculation Date (a “**Determination Date**”), the Determination Agent determines that the Index Sponsor:

- (a) makes, or announces that it will make, a material change to the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes to the Index constituent and weightings and other routine events) (an “**Index Modification**”);
- (b) permanently cancels the Index and the Determination Agent determines that no Successor Index has been designated (an “**Index Cancellation**”); or
- (c) fails to calculate and announce the Index and the Determination Agent determines that there is no Successor Sponsor or Successor Index (an “**Index Disruption**”),

(Index Disruption, Index Modification and Index Cancellation together, the “**Index Adjustment Events**”), then the Determination Agent shall determine if such Index Adjustment Event has a material effect on the relevant Securities and, if so, calculate the level of the Index to use in lieu of the published level for the Index (if any). Such level shall be calculated by the Determination Agent in accordance with the formula for and method of calculating the Index last in effect prior to that Index Adjustment Event, but using only those Index constituents that comprised the relevant Index immediately prior to that Index Adjustment Event.

In the event that the Determination Agent determines that it can no longer continue to calculate such Index, the Determination Agent may, in its sole discretion, deem such Index Adjustment Event to constitute an Additional Disruption Event for the purposes of these

provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions, as the case may be, in respect of the Securities. The Determination Agent shall notify the Issuer and Securityholders in accordance with Condition 16 of the Base Conditions.

#### 5.4 Error in Index Calculation

Notwithstanding anything to the contrary in these FX Linked Conditions, if, on any Determination Date, there is, in the reasonable opinion of the Determination Agent, a manifest error in the calculation of the level of the Index as published by the Index Sponsor, the Determination Agent may calculate the level of such Index to use in lieu of the level published on such date by the Index Sponsor. Such calculation will be determined in accordance with the methodology and formula for calculating the level of the Index used by the Index Sponsor.

In the event that the Determination Agent determines that it can no longer continue to calculate such Index, the Determination Agent may, in its sole discretion, deem such manifest error to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions, as the case may be, in respect of the Securities. The Determination Agent shall notify the Issuer and Securityholders in accordance with Condition 16 of the Base Conditions.

#### 5.5 Correction to Published Prices

If the level of an Index published or announced on a given day and used or to be used by the Determination Agent in respect of that day is subsequently corrected and the correction is published or announced by the Index Sponsor or a Successor Index Sponsor within 20 Scheduled Trading Days of the original publication or announcement, the Determination Agent may, in its sole discretion, recalculate any relevant payment amounts (the “**Actual Amount**”) using such corrected level of the Index. The Determination Agent shall notify the parties of any such correction, the revised level of the Index and the amount (if any) that should have been paid as a result of that correction (the “**Adjusted Amount**”). Upon being notified of the Adjusted Amount, the Issuer may (but shall not be obliged to) take such action as it considers necessary or appropriate to either pay or deliver additional amounts (if the Adjusted Amount is greater than the Actual Amount) or recover amounts (if the Adjusted Amount is less than the Actual Amount) from the person to whom the Actual Amounts were paid or delivered. Notwithstanding the foregoing, under no circumstances shall the Issuer be obliged to recover any monies from any Relevant Clearing System. The Determination Agent shall not be obliged to make any determination under this FX Linked Condition and shall have no liability to any person for any determination made or not made under this FX Linked Condition.

Notwithstanding the foregoing, where the Determination Agent, in its sole discretion, determines that the level of the Index published or announced on a given day and used or to be used by it to determine any amounts in respect of that day is expected to be subsequently corrected, then the Determination Agent may, in its sole discretion, delay the determination or calculation of such amounts in respect of such day (but for not more than five Scheduled Trading Days following such day) and instead notify the parties of the expected correction. If the Determination Agent notifies the parties of an expected correction to any amounts, the

parties shall not make any payments or deliveries, until the Determination Agent determines or calculates the correct amounts and the day on which such payments are due shall be delayed to the same extent as was the determination or calculation of the correct amount. No additional amounts shall be payable or deliverable as a result of any such delay.

#### **5.6 Adjustment to Payment Dates**

If, as a result of a delay or postponement pursuant to the occurrence of a Disrupted Day or Index Adjustment Event, the level of the Index used to determine any amount payable on any payment date is unavailable, such payment date(s) will be delayed or postponed to fall on the fifth Business Day following the determination of the level of the Index under the Disrupted Day or Index Adjustment provisions. No additional amounts shall be payable the payer as a result of any such delay or postponement.

**PART C**  
**DEFINITIONS AND INTERPRETATIONS APPLICABLE**  
**TO FX LINKED SECURITIES**

**1 Certain general definitions relating to FX Linked Securities**

“**Averaging Date**” means, in respect of a Valuation Date, each date specified as such or otherwise determined as provided in the applicable Final Terms, subject to adjustment in accordance with the Preceding Business Day Convention unless another Business Day Convention is specified to be applicable to that Averaging Date.

“**Benchmark Obligation**” means the benchmark obligation specified in the applicable Final Terms.

“**CURRENCY-WHOLESALE MARKET**” or “**CURA5**” each means that the Spot Rate for a Rate Calculation Date will be determined by the Determination Agent on the basis of that day’s Specified Rate, expressed as the amount of one currency per one unit of another currency, in a legal and customary wholesale market in which there is no, or minimal, Governmental Authority controls or interference, except as a participant in such market.

“**Determination Agent Determination of FX Rate**” means that the Determination Agent will determine the FX Rate (or a method for determining the FX Rate), taking into consideration all available information that in good faith it deems relevant.

“**Disrupted Day**” means any Scheduled Trading Day on which (a) the Index Sponsor fails to publish the level of the Index; (b) there is a temporary or permanent discontinuance or unavailability of the Index Fixing Page; or (c) there occurs any suspension of, impairment of, or limitation imposed on, trading of the Index constituents or any event, which the Determination Agent determines is material, which disrupts or impairs the ability of the Issuer or of any market participants to effect transactions in the Index or Index constituents, or obtain market values for spot, forward, futures, options or derivatives contracts relating to the Index or Index constituents.

“**Elective FX Disruption Event**” means the occurrence (in the determination of the Determination Agent) of any of the following events:

- (a) **Benchmark Obligation Default:** With respect to any Benchmark Obligation, the occurrence of an event of default or other similar condition or event (howsoever described), including, but not limited to:
  - (i) the failure of timely payment in full of any principal, interest or other amounts due (without giving effect to any applicable grace periods) in respect of such Benchmark Obligation;
  - (ii) a declared moratorium, standstill, waiver, deferral, repudiation or rescheduling of any principal, interest or other amounts due in respect of such Benchmark Obligation; or
  - (iii) the amendment or modification of the terms and conditions of payment of any principal, interest or other amounts due in respect of such Benchmark Obligation without the consent of all holders of such Benchmark Obligation.

The determination of the existence or occurrence of any default, event of default or other similar condition or event shall be made without regard to any lack or alleged lack of authority or capacity of the relevant entity to issue or enter into such Benchmark Obligation;

- (b) **Price Materiality:** The Primary Rate differs from the Secondary Rate by at least the Price Materiality Percentage; and/or
- (c) **Other:** Any additional FX Disruption Event(s) specified as such in the applicable Final Terms.

“**FX Disruption Event**” means an Elective FX Disruption Event or a Mandatory FX Disruption Event or such other event specified as such in the applicable Final Terms.

“**FX Linked Amount(s)**” means any amount(s) payable in respect of an FX Linked Security.

“**FX Linked Security**” means any Security specified as such in the applicable Final Terms.

“**FX Rate**” means each rate specified as such in the applicable Final Terms which, unless otherwise specified in such Final Terms, shall be the exchange rate of one currency for another currency expressed as a number of units of one currency per one unit of the other relevant currency.

“**Governmental Authority**” means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of a relevant jurisdiction.

“**Index**” means, in relation to an FX Linked Security, the index as specified in the applicable Final Terms.

“**Index Level**” means, in respect of any Rate Calculation Date, the level of the Index published by the Index Sponsor in respect of such Rate Calculation Date.

“**Index Sponsor**” means the entity that publishes or announces (directly or through an agent) the Index Level.

“**Index Fixing Page**” means, in respect of an FX Linked Security that references an Index, the publication or source that publishes the level of the Index.

“**Mandatory FX Disruption Event(s)**” means the occurrence (in the sole determination of the Determination Agent) of any of the following events:

- (a) **Currency Replacement:** A relevant currency ceases to exist and is replaced by a new currency in a relevant jurisdiction;
- (b) **Dual Exchange Rate:** A relevant FX Rate splits into dual or multiple currency exchange rates;
- (c) **Governmental Authority Event:** A Governmental Authority of a relevant jurisdiction giving public notice of its intention to impose any controls which are likely to materially affect the Issuer’s ability to hedge its obligations with respect to the FX Linked Security or to unwind any such hedge;
- (d) **Illiquidity:** It is or becomes or is likely to become impossible or impracticable for the Issuer to obtain any currency or obtain or use an FX Rate in an appropriate amount;

- (e) **Inconvertibility:** The occurrence of any event that makes it or is likely to make it impossible and/or impracticable for the Issuer to convert one relevant currency into another through customary legal channels (including, without limitation, any event that has the direct or indirect effect of hindering, limiting or restricting convertibility by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions on repatriation of one currency into another currency);
- (f) **Non-Transferability:** The occurrence of any event in or affecting any relevant jurisdiction that makes it or is likely to make it impossible and/or impracticable for the Issuer to deliver any relevant currency into a relevant account; and/or
- (g) **Price Source Disruption:** It becomes impossible or impracticable to obtain an FX Rate on or in respect of a Valuation Date or Averaging Date (or, if different, the day on which rates for that Valuation Date or Averaging Date would, in the ordinary course, be published or announced by the relevant price source).

“**Price Materiality Percentage**” means the percentage specified as such in the applicable Final Terms.

“**Primary Rate**” means the FX Rate specified as such in the applicable Final Terms.

“**Rate Calculation Date**” means any Valuation Date, any Averaging Date, any other date specified as such in the applicable Final Terms or any other date on which a calculation is required in respect of an FX Linked Security.

“**Reuters Screen**” means, when used in connection with any designated page, the display page so designated on the Reuter Monitor Money Rates Service (or any successor service thereof), or such other page as may replace that page on that service.

“**Scheduled Trading Day**” means any day:

- (a) that is a Business Day in London and in any specified Additional Business Centres; and
- (b) on which the Index Sponsor is scheduled to publish the level of the Index.

“**Secondary Rate**” means the FX Rate specified as such in the applicable Final Terms.

“**Specified Rate**” means the rates specified as such in the applicable Final Terms.

“**Specified Time**” means the time specified as such in the applicable Final Terms.

“**Spot Rate**” means an FX Rate determined in accordance with these FX Linked Conditions unless otherwise specified in the applicable Final Terms.

“**Telerate**” means the display page so designated on the Dow Jones Telerate Service (or any successor service thereof), or such other page as may replace that page on that service.

“**Valuation Date**” means any date on which an FX Rate is to be determined as provided in the applicable Final Terms, subject to adjustment in accordance with the preceding Business Day Convention, or if different, the Business Day Convention specified in the applicable Final Terms.

“**WM Reuters Business Day**” means any day on which WM/Reuters Services will publish a spot rate for the relevant currency pair at the Specified Time as specified by The WM Company.

## 2 FX Rate Sources

### 2.1 Asia Pacific

#### 2.1.1 Australian Dollar

- (i) **“WM/Reuters USD/AUD”** or **“AUD1”** each means that the Spot Rate for a Rate Calculation Date will be the U.S. Dollar/Australian Dollar spot rate, or closing spot rate, as the case may be, expressed as the amount of U.S. Dollars per one Australian Dollar, for settlement in two Business Days calculated by WM Company which appears on Thomson Reuters Screen WMRPSPOT12 Page (or, Thomson Reuters Screen WMRPSPOT12 Page, in the case of the closing rate) at the Specified Time on that Rate Calculation Date.
- (ii) **“ASFI USD/AUD”** or **“AUD2”** each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the U.S. Dollar/Australian Dollar bid and offer rates, expressed as the amount of U.S. Dollars per one Australian Dollar, for settlement in two Business Days which appears on Thomson Reuters Screen ASFI Page under the column “AUD” at the Specified Time on that Rate Calculation Date.
- (iii) **“AUDFIX USD/AUD”** or **“AUD3”** each means that the Spot Rate for a Rate Calculation Date will be the U.S. Dollar/Australian Dollar spot rate expressed as the amount of U.S. Dollars per one Australian Dollar for settlement in two Business Days which appears on Thomson Reuters Screen AUDFIX Page at the Specified Time on that Rate Calculation Date.

#### 2.1.2 Chinese Renminbi

- (i) **“CNY SAEC”** or **“CNY01”** each means that the Spot Rate for a Rate Calculation Date will be the Chinese Renminbi/U.S. Dollar official fixing rate, expressed as the amount of Chinese Renminbi per one U.S. Dollar, for settlement in two Business Days reported by the People’s Bank of China, Beijing, People’s Republic of China, which appears on the Reuters Screen “SAEC” Page opposite the symbol “USD/CNY=“ at approximately 9:15 a.m., Beijing time, on that Rate Calculation Date.
- (ii) **“SFEMC CNY INDICATIVE SURVEY RATE”** or **“CNY02”** each means that the Spot Rate for a Rate Calculation Date will be the Chinese Renminbi/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Chinese Renminbi per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website ([www.sfemc.org](http://www.sfemc.org)) at approximately 3:30 p.m. (Singapore time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC CNY Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Chinese Renminbi/U.S. Dollar markets for the purpose of determining the SFEMC CNY Indicative Survey Rate).

### 2.1.3 Hong Kong Dollar

- (i) “WM/Reuters HKD/USD” or “HKD1” each means that the Spot Rate for a Rate Calculation Date will be the Hong Kong Dollar/U.S. Dollar spot rate (or closing spot rate, as the case may be) expressed as the amount of Hong Kong Dollars per one U.S. Dollar for settlement in two Business Days calculated by WM Company which appears on Thomson Reuters Screen WMRSPOT12 Page (or Thomson Reuters Screen WMRPSPOT12 Page, in the case of the closing rate) at the Specified Time on that Rate Calculation Date.
- (ii) “HKDFIX HKD/USD” or “HKD2” each means that the Spot Rate for a Rate Calculation Date will be the Hong Kong Dollar/U.S. Dollar spot rate expressed as the amount of Hong Kong Dollars per one U.S. Dollar for settlement in two Business Days reported by the Treasury Markets Association which appears on Thomson Reuters Screen HKDFIX Page at the Specified Time on that Rate Calculation Date.

### 2.1.4 Indian Rupee

- (i) “INR RBIB” or “INR01” each means that the Spot Rate for a Rate Calculation Date will be the Indian Rupee/U.S. Dollar reference rate, expressed as the amount of Indian Rupee per one U.S. Dollar, for settlement in two Business Days reported by the Reserve Bank of India which appears on the Reuters Screen RBIB Page at approximately 12:30 p.m., Mumbai time, or as soon thereafter as practicable, on that Rate Calculation Date.
- (ii) “SFEMC INR INDICATIVE SURVEY RATE” or “INR02” each means that the Spot Rate for a Rate Calculation Date will be the Indian Rupee/U.S. Dollar Annex A Compendium 10 Specified Rate for U.S. Dollars, expressed as the amount of Indian Rupee per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website ([www.sfemc.org](http://www.sfemc.org)) at approximately 3:30 p.m. (Singapore time), or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC INR Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Indian Rupee/U.S. Dollar markets for the purpose of determining the SFEMC INR Indicative Survey Rate).

### 2.1.5 Indonesian Rupiah

- (i) “IDR ABS” or “IDR01” each means that the Spot Rate for a Rate Calculation Date will be the Indonesian Rupiah/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Indonesian Rupiah per one U.S. Dollar, for settlement in two Business Days, reported by the Association of Banks in Singapore which appears on the Telerate Page 50157 to the right of the caption “Spot” under the column “IDR” at approximately 11:30 a.m., Singapore time, on that Rate Calculation Date.

- (ii) “**SFEMC IDR INDICATIVE SURVEY RATE**” or “**IDR02**” each means that the Spot Rate for a Rate Calculation Date will be the Indonesian Rupiah/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Indonesian Rupiah per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website ([www.sfemc.org](http://www.sfemc.org)) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC IDR Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Indonesian Rupiah/U.S. Dollar markets for the purpose of determining the SFEMC IDR Indicative Survey Rate).

#### **2.1.6 Japanese Yen**

- (i) “**WM/Reuters JPY/USD**” or “**JPY1**” each means that the Spot Rate for a Rate Calculation Date will be the Japanese Yen/U.S. Dollar spot rate (or closing spot rate, as the case may be) expressed as the amount of Japanese Yen per one U.S. Dollar for settlement in two Business Days calculated by WM Company which appears on Thomson Reuters Screen WMRSPOT12 Page (or Thomson Reuters Screen WMRSPOT12 Page, in the case of the closing rate) at the Specified Time on that Rate Calculation Date.
- (ii) “**TKFE JPY/USD**” or “**JPY2**” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the Japanese Yen/U.S. Dollar bid and offer rates, expressed as the amount of Japanese Yen per one U.S. Dollar, for settlement in two Business Days, which appears on the Thomson Reuters Screen TKFE Page under the column “DLR/YEN” at the Specified Time on that Rate Calculation Date.
- (iii) “**TKFE2 JPY/USD**” or “**JPY3**” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the Japanese Yen/U.S. Dollar bid and offer rates, expressed as the amount of Japanese Yen per one U.S. Dollar, for settlement in two Business Days, which appears on the Thomson Reuters Screen TKFE2 under the column “DLR/YEN” at the Specified Time on that Rate Calculation Date.
- (iv) “**TKYFX JPY/USD**” or “**JPY4**” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the Japanese Yen/U.S. Dollar bid and offer rates, expressed as the amount of Japanese Yen per one U.S. Dollar, for settlement in two Business Days, which appears on the Reuters Screen TKYFX Page under the column “DLR/Yen” at the Specified Time on that Rate Calculation Date.

#### **2.1.7 Korean Won**

- (i) “**KRW KFTC18**” or “**KRW02**” each means that the Spot Rate for a Rate Calculation Date will be the Korean Won/U.S. Dollar market average rate, expressed as the amount of Korean Won per one U.S. Dollar, for settlement in two Business Days reported by the Korea Financial Telecommunications and Clearing Corporation which appears on the Reuters Screen KFTC18 Page to the right of the caption

“USD Today” that is available at approximately 3:30 p.m., Seoul time, on the Rate Calculation Date or as soon thereafter as practicable.

- (ii) **“KRW TELERATE 45644”** or **“KRW03”** each means that the Spot Rate for a Rate Calculation Date will be the Korean Won/U.S. Dollar market average rate, expressed as the amount of Korean Won per one U.S. Dollar, for settlement in two Business Days reported by the Korea Financial Telecommunications and Clearing Corporation which appears on Telerate Page 45644 to the right of the caption “USD Today” that is available at approximately 3:30 p.m., Seoul time, on the Rate Calculation Date or as soon thereafter as practicable.
- (iii) **“SFEMC KRW INDICATIVE SURVEY RATE”** or **“KRW04”** each means that the Spot Rate for a Rate Calculation Date will be the Korean Won/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Korean Won per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website ([www.sfemc.org](http://www.sfemc.org)) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC KRW Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Korean Won/U.S. Dollar markets for the purpose of determining the SFEMC KRW Indicative Survey Rate).

#### 2.1.8 Malaysian Ringgit

- (i) **“MYR ABS”** or **“MYR01”** each means that the Spot Rate for a Rate Calculation Date will be the Malaysian Ringgit/U.S. Dollar spot rate at 11:00 a.m., Singapore time, expressed as the amount of Malaysian Ringgit per one U.S. Dollar, for settlement in two Business Days, reported by the Association of Banks in Singapore, which appears on the Telerate Page 50157 to the right of the caption “Spot” under the column “MYR” at approximately 11:30 a.m., Singapore time, on that Rate Calculation Date.
- (ii) **“SFEMC MYR INDICATIVE SURVEY RATE”** or **“MYR02”** each means that the Spot Rate for a Rate Calculation Date will be the Malaysian Ringgit/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Malaysian Ringgit per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website ([www.sfemc.org](http://www.sfemc.org)) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC MYR Indicative Survey Methodology (which means a methodology, dated as of 15 July 2005, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Malaysian Ringgit/U.S. Dollar markets for the purpose of determining the SFEMC MYR Indicative Survey Rate).

### 2.1.9 New Zealand Dollar

- (i) “WM/Reuters USD/NZD” or “NZD1” each means that the Spot Rate for a Rate Calculation Date will be the U.S. Dollar/New Zealand Dollar spot rate (or closing spot rate, as the case may be) expressed as the amount of U.S. Dollars per one New Zealand Dollar for settlement in two Business Days calculated by WM Company which appears on Thomson Reuters Screen WMRSPOT13 (or Thomson Reuters Screen WMRPSPOT13 Page in the case of the closing rate) at the Specified Time on that Rate Calculation Date.
- (ii) “ASFI USD/NZD” or “NZD2” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the U.S. Dollar/New Zealand Dollar bid and offer rates, expressed as the amount of U.S. Dollars per one New Zealand Dollar for settlement in two Business Days, which appears on Thomson Reuters Screen ASFI Page under the column “NZD” at the Specified Time on that Rate Calculation Date.

### 2.1.10 Pakistani Rupee

- (i) “PKR SBPK” or “PKR01” each means that the Spot Rate for a Rate Calculation Date will be the Pakistani Rupee/U.S. Dollar reference rate expressed as the amount of Pakistani Rupees per one U.S. Dollar, for settlement in two Business Days reported by the State Bank of Pakistan ([www.sbp.org.pk](http://www.sbp.org.pk)) at approximately 2:30 p.m., Karachi time, on that Rate Calculation Date.
- (ii) “SFEMC PKR INDICATIVE SURVEY RATE” or “PKR02” each means that the Spot Rate for a Rate Calculation Date will be the Pakistani Rupee/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Pakistani Rupees per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website ([www.sfemc.org](http://www.sfemc.org)) at approximately 3:30 p.m. Singapore time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC PKR Indicative Survey Methodology (which means a methodology, dated as of 14 July 2008, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Pakistani Rupee/U.S. Dollar markets for the purpose of determining the SFEMC PKR Indicative Survey Rate).

### 2.1.11 Philippine Peso

- (i) “PHP PHPESO” or “PHP01” each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing system which appears on the Reuters Screen PHPESO Page to the right of the caption “AM WT AVE” at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.
- (ii) “PHP TELERATE 2920” or “PHP02” each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos

per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing System which appears on the Telerate Page 2920 to the right of the caption “AM WT AVE” at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.

- (iii) “**PHP TELERATE 15439**” or “**PHP03**” each means that the Spot Rate for a Rate Calculation date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in on Business Day reported by the Philippine Dealing System which appears on the Telerate Page 15439 to the right of the caption “AM WT AVE” at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.
- (iv) “**PHP PHPES01**” or “**PHP04**” each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing System which appears on the Reuters Screen PHPES01 Page to the right of the caption “AM WT AVE” at approximately 12:30 p.m., Manila time, on that Rate Calculation Date.
- (v) “**SFEMC PHP INDICATIVE SURVEY RATE**” or “**PHP05**” each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day, as published on SFEMC’s website ([www.sfemc.org](http://www.sfemc.org)) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC PHP Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Philippine Peso/U.S. Dollar markets for the purpose of determining the SFEMC PHP Indicative Survey Rate).
- (vi) “**PHP PDSPESO**” or “**PHP06**” each means that the Spot Rate for a Rate Calculation Date will be the Philippine Peso/U.S. Dollar morning weighted average rate for that Rate Calculation Date, expressed as the amount of Philippine Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Philippine Dealing System PDEX which appears on the Reuters Screen PDSPESO Page to the right of the caption “AM WT AVE” at approximately 11:30 a.m., Manila time, or as soon thereafter as practicable, on that Rate Calculation Date.

#### 2.1.12 Singapore Dollar

- (i) “**WM/Reuters SGD/USD**” or “**SGD1**” each means that the Spot Rate for a Rate Calculation Date will be the Singapore Dollar/U.S. Dollar spot rate (or closing spot rate, as the case may be) expressed as the amount of Singapore Dollars per one U.S. Dollar for settlement in two Business Days calculated by WM Company which

appears on Thomson Reuters Screen WMRSPOT13 Page (or Thomson Reuters Screen WMRSPOT13 Page, in the case of the closing rate) at the Specified Time on that Rate Calculation Date.

- (ii) “ABS SGD/USD” or “SGD2” each means the Spot Rate for a Rate Calculation Date will be the Singapore Dollar/U.S. Dollar spot rate, expressed as the amount of Singapore Dollars per one U.S. Dollar for settlement in two Business Days reported by the Association of Banks in Singapore which appears on Thomson Reuters Screen ABSIRFIX01 Page under the column “SGD” and the row “SPOT”, at the Specified Time on that Rate Calculation Date.

#### 2.1.13 Taiwanese Dollar

- (i) “TWD TELERATE 6161” or “TWD01” each mean that the Spot Rate for a Rate Calculation Date will be the Taiwanese Dollar/U.S. Dollar spot rate, expressed as the amount of Taiwanese Dollars per one U.S. Dollar, for settlement in two Business Days, reported by the Taipei Forex Inc. which appears on the Telerate Page 6161 under the heading “Spot” as of 11:00 a.m., Taipei time, on that Rate Calculation Date, or, if no rate appears as of 11:00 a.m., Annex A Compendium 12 Taipei time, the rate that first appears in any of the next succeeding 15-minute intervals after such time, up to and including 12:00 noon, Taipei time, on that Rate Calculation Date.
- (ii) “TWD TAIFX1” or “TWD03” each mean that the Spot Rate for a Rate Calculation Date will be the Taiwanese Dollar/U.S. Dollar spot rate, expressed as the amount of Taiwanese Dollars per one U.S. Dollar, for settlement in two Business Days, reported by the Taipei Forex Inc. which appears on the Reuters Screen TAIFX1 Page under the heading “Spot” as of 11:00 a.m. Taipei time, on that Rate Calculation Date, or, if no rate appears as of 11:00 a.m., Taipei time, the rate that first appears in any of the next succeeding 15 minute intervals after such time, up to and including 12:00 noon, Taipei time on that Rate Calculation Date.
- (iii) “SFEMC TWD INDICATIVE SURVEY RATE” or “TWD04” each means that the Spot Rate for a Rate Calculation Date will be the Taiwanese Dollar/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Taiwanese Dollars per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website ([www.sfemc.org](http://www.sfemc.org)) at approximately 3:30 p.m., Singapore time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate will be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC TWD Indicative Survey Methodology (which means a methodology, dated as of 1 December 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Taiwanese Dollar/U.S. Dollar markets for the purpose of determining the SFEMC TWD Indicative Survey Rate).

#### 2.1.14 Vietnamese Dong

- (i) “VND ABS” or “VND01” each means that the Spot Rate for a Rate Calculation Date will be the Vietnamese Dong/U.S. Dollar spot rate at 11:00 a.m., Singapore time,

expressed as the amount of Vietnamese Dong per one U.S. Dollar, for settlement in two Business Days reported by the Association of Banks in Singapore, which appears on the Reuters Screen ABSIRFIX01 Page to the right of the caption “Spot” under the column “VND” at approximately 11:30 a.m., Singapore time, on that Rate Calculation Date.

- (ii) “VND FX” or “VND02” each means that the Spot Rate for a Rate Calculation Date will be the Vietnamese Dong/U.S. Dollar spot rate expressed as the amount of Vietnamese Dong per one U.S. Dollar, for settlement in two Business Days which appears on Reuters Screen VNDFIX=VN Page under the caption “Spot” and to the right of the caption “Average” at approximately 11:00 a.m., Hanoi time, on that Rate Calculation Date.
- (iii) “SFEMC VND INDICATIVE SURVEY RATE” or “VND03” each means that the Spot Rate for a Rate Calculation Date will be the Vietnamese Dong/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Vietnamese Dong per one U.S. Dollar, for settlement in two Business Days, as published on SFEMC’s website ([www.sfemc.org](http://www.sfemc.org)) at approximately 3:30 p.m., Singapore time, or as soon as thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by SFEMC (or a service provider SFEMC may select in its sole discretion) pursuant to the SFEMC VND Indicative Survey Methodology (which means a methodology, dated as of 14 July 2008, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Vietnamese Dong/U.S. Dollar markets for the purpose of determining the SFEMC VND Indicative Survey Rate).

## 2.2 Central and Eastern Europe

### 2.2.1 Hungarian Forint

- (i) “HUF USD Official Rate” or “HUF01” each means that the Spot Rate for a Rate Calculation Date will be the Hungarian Forint/U.S. Dollar official rate for U.S. Dollars, expressed as the amount of Hungarian Forints per one U.S. Dollar, for settlement in two Business Days calculated by the National Bank of Hungary which appears on the Reuters Screen HUFE page at approximately 12:00 noon, Budapest time, on that Rate Calculation Date.
- (ii) “HUF EUR Official Rate” or “HUF02” each means that the Spot Rate for a Rate Calculation Date will be the Hungarian Forint/euro official rate for euros, expressed as the amount of Hungarian Forints per one euro, for settlement in two Business Days calculated by the National Bank of Hungary which appears on the Reuters Screen HUFE page at approximately 12:00 noon, Budapest time, on that Rate Calculation Date.

### 2.2.2 Kazakhstan Tenge

- (i) “KZT KASE” or “KZT01” each means that the Spot Rate for a Rate Calculation Date will be the Kazakhstan Tenge/U.S. Dollar weighted average rate, expressed as the amount of Kazakhstan Tenge per one U.S. Dollar, for settlement on the same

Business Day reported by the Kazakhstan Stock Exchange ([www.kase.kz](http://www.kase.kz)) at approximately 11:00 a.m., Almaty time, on that Rate Calculation Date.

- (ii) “EMTA KZT INDICATIVE SURVEY RATE” or “KZT02” each means that the Spot Rate for a Rate Calculation Date will be the Kazakhstan Tenge/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Kazakhstan Tenge per one U.S. Dollar, for settlement on the same Business Day, as published on EMTA’s website ([www.emta.org](http://www.emta.org)) at approximately 1:00 p.m., Almaty time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA KZT Indicative Survey Methodology (which means a methodology, dated as of 16 March 2009, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Kazakhstan Tenge/U.S. Dollar markets for the purpose of determining the EMTA KZT Indicative Survey Rate).

### 2.2.3 Polish Zloty

- (i) “PLZ NBPQ” or “PLZ01” each means that the Spot Rate for a Rate Calculation Date will be the Polish Zloty/U.S. Dollar fixing rate, expressed as the amount of Polish Zloty per one U.S. Dollar, for settlement in two Business Days reported by the National Bank of Poland which appears on the Reuters Screen NBPQ Page at approximately 11:00 a.m., Warsaw time, on that Rate Calculation Date.
- (ii) “PLZ NBPR” or “PLZ02” each means that the Spot Rate for a Rate Calculation Date will be the Polish Zloty/U.S. Dollar mid rate, expressed as the amount of Polish Zloty per one U.S. Dollar, for settlement in two Business Days reported by the National Bank of Poland which appears on the Reuters Screen NBPR Page below the caption “Central Parity” at approximately 11:00 a.m., Warsaw time, on that Rate Calculation Date.
- (iii) “PLN USD Official Rate” means that the Spot Rate for a Rate Calculation Date will be the Polish Zloty/U.S. Dollar official rate for U.S. Dollars, expressed as the amount of Polish Zloty per one U.S. Dollar, for settlement in two Business Days calculated by the National Bank of Poland which appears on the Reuters Screen NBPFIXA page at approximately 12:00 noon, Warsaw time, on that Rate Calculation Date.

### 2.2.4 Russian Ruble

- (i) “RUB MICEXFRX” or “RUB01” each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement on the same day reported by the Moscow Interbank Currency Exchange which appears on the Reuters Screen MICEXFRX Page as of 10:30 a.m., Moscow time, on that Rate Calculation Date.
- (ii) “RUB MMVB” and “RUB02” each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement on the same day reported by

the Moscow Interbank Currency Exchange which appears on the Reuters Screen MMVB Page as of 10:30 a.m., Moscow time, on that Rate Calculation Date.

- (iii) **“RUB CME-EMTA”** and **“RUB03”** each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement in one Business Day, calculated by the Chicago Mercantile Exchange (the “CME”) and as published on the CME’s website, which appears on the Reuters Screen EMTA Page, at approximately 1:30 p.m., Moscow time, on that Rate Calculation Date. The Spot Rate shall be calculated by the CME pursuant to the Chicago Mercantile Exchange/EMTA, Inc. Daily Russian Ruble Per U.S. Dollar Reference Rate Methodology (which means a methodology, effective as of 16 June 2005, as amended from time to time, for a centralised industry-wide survey of financial institutions in Russia that are active participants in the Russian Ruble/U.S. Dollar spot market for the purpose of determining the RUB CMEEMTA Rate).
- (iv) **“EMTA RUB INDICATIVE SURVEY RATE”** and **“RUB04”** each means that the Spot Rate for a Rate Calculation Date will be the Russian Ruble/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Russian Rubles per one U.S. Dollar, for settlement in one Business Day, as published on EMTA’s web site ([www.emta.org](http://www.emta.org)) at approximately 2:45 p.m., Moscow time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA RUB Indicative Survey Methodology (which means a methodology dated as of 16 June 2005, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Russian Ruble/U.S. Dollar spot market for the purpose of determining the EMTA RUB Indicative Survey Rate).

#### 2.2.5 Slovak Koruna

**“SKK NBSB”** or **“SKK01”** each means that the Spot Rate for a Rate Calculation Date will be the Slovak Koruna/U.S. Dollar official FX rate, expressed as the amount of Slovak Koruna per one U.S. Dollar, for settlement in two Business Days reported by the National Bank of Slovakia which appears on the Reuters Screen NBSFX Page at approximately 11:40 a.m., Bratislava time, on that Rate Calculation Date.

#### 2.2.6 Ukrainian Hryvnia

- (i) **“UAH GFI”** or **“UAH01”** each means that the Spot Rate for a Rate Calculation Date will be the Ukrainian Hryvnia/U.S. Dollar spot rate, expressed as the amount of Ukrainian Hryvnia per one U.S. Dollar, for settlement on the same Business Day reported by GFI Brokers on Thomson Reuters Page GFIU by 9:30 a.m., London time, on that Rate Calculation Date.
- (ii) **“EMTA UAH INDICATIVE SURVEY RATE”** or **“UAH03”** each means that the Spot Rate for a Rate Calculation Date will be the Ukrainian Hryvnia/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Ukrainian Hryvnia per one U.S. Dollar, for settlement on the same Business Day, as published on EMTA’s website

(www.emta.org) at approximately 2:00 p.m., Kiev time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA UAH Indicative Survey Methodology (which means a methodology, dated as of 16 March 2009, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Ukrainian Hryvnia/U.S. Dollar markets for the purpose of determining the EMTA UAH Indicative Survey Rate).

- (iii) **“EMTA UAH INDICATIVE SURVEY RATE”** or **“UAH03”** each means that the Spot Rate for a Rate Calculation Date will be the Ukrainian Hryvnia/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Ukrainian Hryvnia per one U.S. Dollar, for settlement on the same Business Day, as published on EMTA’s website (www.emta.org) at approximately 2:00 p.m., Kiev time, or as soon thereafter as practicable, on that Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA UAH Indicative Survey Methodology (which means a methodology, dated as of 16 March 2009, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Ukrainian Hryvnia/U.S. Dollar markets for the purpose of determining the EMTA UAH Indicative Survey Rate).
- (iv) **“HUF USD Official Rate”** meaning that the Spot Rate for a Rate Calculation Date will be the Hungarian Forint/U.S. Dollar official rate for U.S. Dollars, expressed as the amount of Hungarian Forints per one U.S. Dollar, for settlement in two Business Days calculated by the National Bank of Hungary which appears on the Reuters Screen HUFE page at approximately 11:00 a.m., Budapest time, on that Rate Calculation Date.

## 2.3 Latin America

### 2.3.1 Argentine Peso

- (i) **“ARS BNAR”** or **“ARS01”** each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day which appears on the Reuters Screen BNAR Page at the close of business in Buenos Aires on that Rate Calculation Date.
- (ii) **“EMTA ARS INDUSTRY SURVEY RATE”** or **“ARS03”** each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site (www.emta.org) at approximately 1:00 p.m., Buenos Aires time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA ARS Industry Survey Methodology (which means a methodology, dated as of 2 January 2003, as amended from time to time, for a centralised industry-wide survey of

financial institutions in Buenos Aires that are active participants in the Argentine Peso/U.S. Dollar spot markets for the purpose of determining the EMTA ARS Industry Survey Rate).

- (iii) “**EMTA ARS INDICATIVE SURVEY RATE**” or “**ARS04**” each means that the Spot Rate for a Rate Calculation Date will be the Argentine Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Argentine Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site ([www.emta.org](http://www.emta.org)) at approximately 1:00 p.m., Buenos Aires time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA ARS Indicative Survey Methodology (which means a methodology, dated as of 2 January 2003, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Argentine Peso/U.S. Dollar markets for the purpose of determining the EMTA ARS Indicative Survey Rate).

### 2.3.2 Brazilian Real

- (i) “**BRL BRBY**” or “**BRL01**” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar interbank rate, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen BRBY Page to the right of the caption “Interbank”, below the heading “Last” at the Specified Time on that Rate Calculation Date.
- (ii) “**BRL OFFICIAL RATE**” or “**BRL02**” each means the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar official rate, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil in the “Diário Oficial da União” on the first Business Day following that Rate Calculation Date.
- (iii) “**BRL PCOT**” or “**BRL03**” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PCOT-390, Option 3, at the Specified Time on that Rate Calculation Date.
- (iv) “**BRL PTAX**” or “**BRL09**” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PTAX-800 (“Consulta de Cambio” or Exchange Rate Inquiry), Option 5 (“Cotacões para Contabilidade” or “Rates for Accounting Purposes”) by approximately 6:00 p.m., São Paulo time, on that Rate Calculation Date.
- (v) “**BRL PTAX BRFR**” or “**BRL10**” each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in

two Business Days reported by the Banco Central do Brasil on SISBACEN Data System under transaction code PTAX-800 (“Consulta de Cambio” or Exchange Rate Inquiry), Option 5 (“Cotacoes para Contabilidade” or Rates for Accounting Purposes), which appears on Reuters Screen BRFR Page under the caption “Dolar PTAX” at approximately 6:00 p.m., São Paulo time, on the first Business Day following that Rate Calculation Date.

- (vi) **“BRL INDUSTRY SURVEY RATE”** or **“BRL11”** each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar offered rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days calculated by the Chicago Mercantile Exchange pursuant to the BRL Methodology which appears on the Reuters Screen EMTA Page at approximately 12:30 p.m., São Paulo time, or as soon thereafter as practicable, on the first Business Day following the Rate Calculation Date. “BRL Methodology”, as used herein, means the methodology dated 8 November 1999, establishing a centralised industry-wide survey of financial institutions in Brazil that are active participants in the Brazilian Real/U.S. Dollar spot markets for the purpose of determining the BRL Industry Survey Rate. (The BRL Methodology is available on the websites of The Foreign Exchange Committee and Emerging Markets Traders Association (EMTA).)
- (vii) **“EMTA BRL INDUSTRY SURVEY RATE”** or **“BRL12”** each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days, as published on EMTA’s web site ([www.emta.org](http://www.emta.org)) at approximately 3:45 p.m., São Paulo time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Industry Survey Methodology (which means a methodology, dated as of 1 March 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions in Brazil that are active participants in the Brazilian Real/U.S. Dollar spot markets for the purpose of determining the EMTA BRL Industry Survey Rate).
- (viii) **“EMTA BRL INDICATIVE SURVEY RATE”** or **“BRL13”** each means that the Spot Rate for a Rate Calculation Date will be the Brazilian Real/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Brazilian Reais per one U.S. Dollar, for settlement in two Business Days, as published on EMTA’s web site ([www.emta.org](http://www.emta.org)) at approximately 12:00 noon, São Paulo time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA BRL Indicative Survey Methodology (which means a methodology, dated as of 1 March 2004, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Brazilian Real/U.S. Dollar markets for the purpose of determining the EMTA BRL Indicative Survey Rate).

### 2.3.3 Chilean Peso

- (i) “**CLP BCCHILG**” or “**CLP01**” each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar observado rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile which appears on the Reuters Screen BCCHILG Page under the caption “OBSERVADO” at approximately 10:00 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.
- (ii) “**CLP INFORMAL**” or “**CLP02**” each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar informal rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day of the informal exchange market which appears on the Reuters Screen CLPP= Page at the Specified Time on that Rate Calculation Date.
- (iii) “**CLP INTERBANK**” or “**CLP03**” each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar interbank rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile for the formal exchange market which appears on the Reuters Screen CLP= Page at the Specified Time on that Rate Calculation Date.
- (iv) “**CLP OBSERVADO**” or “**CLP04**” each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar observado rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile which appears on the Reuters Screen CLPOB= Page below the caption “Value” at approximately 10:00 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.
- (v) “**CLP OFFICIAL RATE**” or “**CLP08**” each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar official rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, calculated in accordance with Title I, Chapter 1, Number 6 of the Compendium of International Exchange Norms of the Banco Central de Chile and published by the Banco Central de Chile at the Specified Time, if any, on the first Business Day following that Rate Calculation Date.
- (vi) “**CLP TELERATE 38942**” or “**CLP09**” each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar observado rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day reported by the Banco Central de Chile which appears on the Telerate Page 38942 below the caption “Dolar Observado” at approximately 10:00 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.
- (vii) “**CLP DÓLAR OBS**” or “**CLP10**” each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar “observado” rate, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement in one Business Day reported by the Banco Central de Chile ([www.bcentral.cl](http://www.bcentral.cl)) as the “Dólar

Observado” (Dollar Observado) rate by not later than 10:30 a.m., Santiago time, on the first Business Day following that Rate Calculation Date.

- (viii) “**EMTA CLP INDICATIVE SURVEY RATE**” or “**CLP11**” each means that the Spot Rate for a Rate Calculation Date will be the Chilean Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Chilean Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site ([www.emta.org](http://www.emta.org)) at approximately 11:00 a.m., Santiago time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA CLP Indicative Survey Methodology (which means a methodology, dated as of 1 August 2006, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Chilean Peso/U.S. Dollar markets for the purpose of determining the EMTA CLP Indicative Survey Rate).

#### 2.3.4 Colombian Peso

- (i) “**COP CO/COL03**” or “**COP01**” each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar fixing rate, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day reported by the Colombian Banking Superintendency which appears on the Reuters Screen CO/COL03 Page to the right of the caption “TCRM” (“Tasa de Cierre Representativa del Mercado” or closing market price) below the heading “Hoy” at approximately 9:30 a.m., Bogota time, on the first Business Day following that Rate Calculation Date.
- (ii) “**COP TRM**” or “**COP02**” each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar fixing rate, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day reported by the Colombian Financial Superintendency ([www.banrep.gov.co](http://www.banrep.gov.co)) as the “Tasa Representativa del Mercado (TRM)” (also referred to as the “Tasa de Cambio Representativa del Mercado” (TCRM)) by not later than 10:30 a.m., Bogotá time, on the first Business Day following that Rate Calculation Date.
- (iii) “**EMTA COP INDICATIVE SURVEY RATE**” or “**COP03**” each means that the Spot Rate for a Rate Calculation Date will be the Colombian Peso/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Colombian Pesos per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site ([www.emta.org](http://www.emta.org)) at approximately 11:30 a.m., Bogotá time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA COP Indicative Survey Methodology (which means a methodology, dated as of 1 August 2006, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Colombian Peso/U.S. Dollar markets for the purpose of determining the EMTA COP Indicative Survey Rate).

### 2.3.5 Ecuadorian Sucre

- (i) “ECS DNRP” or “ECS01” each means that the Spot Rate for a Rate Calculation Date will be the Ecuadorian Sucre/U.S. Dollar Specified Rate, expressed as the amount of Ecuadorian Sucres per one U.S. Dollar, for settlement in one Business Day which appears on Reuters Screen DNRP Page below the caption “Official” at 12:00 noon, Guayaquil time, on that Rate Calculation Date.
- (ii) “ECS ECBCE02” or “ECS02” each means that the Spot Rate for a Rate Calculation Date will be the Ecuadorian Sucre/U.S. Dollar Specified Rate, expressed as the amount of Ecuadorian Sucres per one U.S. Dollar, for settlement in one Business Day which appears on Reuters Screen ECBCE02 Page at the Specified Time on that Rate Calculation Date.

### 2.3.6 Mexican Peso

- (i) “MXP BNMX” or “MXP01” each means that the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days reported by Banco de Mexico which appears on the Reuters Screen BNMX Page opposite the caption “Fix” at the close of business in Mexico City on that Rate Calculation Date.
- (ii) “MXP FIXING RATE” or “MXP02” each means that the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days which is published by Banco de Mexico in the Official Gazette of the Federation pursuant to the “Disposiciones aplicables a la determinacion del tipo de Câmbio para solventar obligaciones denominadas en moneda extranjera pagaderas en la Republica Mexicana” (Rules applicable to determine the exchange rate to pay obligations denominated in foreign currency payable in Mexico) on the first Business Day following that Rate Calculation Date.
- (iii) “MXP MEX01” or “MXP03” each means that the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days reported by Banco de Mexico which appears on Reuters Screen MEX01 Page under the heading “MXNFIX=RR”, at the close of business in Mexico City on that Rate Calculation Date.
- (iv) “MXP PUBLISHED” or “MXP04” each means the Spot Rate for a Rate Calculation Date will be the Mexican Peso/U.S. Dollar fixing rate, expressed as the amount of Mexican Pesos per one U.S. Dollar, for settlement in two Business Days published by the Bolsa Mexicana de Valores, S.A. de C.V. (as established in Section 2 of the “Resolution concerning the exchange rate applicable for calculating the Mexican Peso equivalent of principal and interest of Mexican Treasury Notes denominated in foreign currency and payable in Mexican Pesos” published in the Di ario Oficial de la Federacion on 11 November 1991) in the Movimiento Di ario del Mercado de Valores de la Bolsa Mexicana de Valores, S.A. de C.V. under the heading “Movimiento Di ario del Mercado de Valores” on that Rate Calculation Date.

### 2.3.7 Peruvian Sol

- (i) “PEN PDSB” or “PEN01” each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar Specified Rate, expressed as the amount of Peruvian Sols per one U.S. Dollar, for settlement on that same day which appears on the Reuters Screen PDSB Page in the row entitled “INTRB” and below the caption “ULT/REUTERS” at approximately 12:00 noon, Lima time, on that Rate Calculation Date.
- (ii) “PEN PDSC” or “PEN02” each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar interbank rate expressed as the amount of Peruvian Sols per one U.S. Dollar, for settlement on that same day which appears on the Reuters Screen PDSC Page below the caption “INTERBANCARIO” as of 11:00 a.m., Lima time, on that Rate Calculation Date.
- (iii) “PEN WT AVE” or “PEN03” each means that the Spot Rate for a Rate Calculation Date will be the midpoint of the Peruvian Sol/U.S. Dollar closing weighted average bid and offer (“compra y venta”) exchange rates expressed as the amount of Peruvian New Soles per one U.S. Dollar for settlement on the same day, reported by the Superintendencia de Banca, Seguros y AFP ([www.sbs.gob.pe](http://www.sbs.gob.pe)) of the Republic of Peru at approximately 5:00 p.m., Lima time, on that Rate Calculation Date.
- (iv) “EMTA PEN INDICATIVE SURVEY RATE” or “PEN04” each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Peruvian Soles per one U.S. Dollar, for settlement on the same day, as published on EMTA’s web site ([www.emta.org](http://www.emta.org)) at approximately 11:00 a.m., Lima time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA PEN Indicative Survey Methodology (which means a methodology, dated as of 1 August 2006, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Peruvian Sol/U.S. Dollar markets for the purpose of determining the EMTA PEN Indicative Survey Rate).
- (v) “PEN INTERBANK AVE” or “PEN05” each means that the Spot Rate for a Rate Calculation Date will be the Peruvian Sol/U.S. Dollar average exchange rate in the interbank market expressed as the amount of Peruvian New Soles per one U.S. Dollar for settlement on the same day reported by the Banco Central de Reserva del Peru ([www.bcrp.gob.pe](http://www.bcrp.gob.pe)) as the “Tipo de Cambio Interbancario Promedio” at approximately 2:00 p.m., Lima time, on that Rate Calculation Date.

### 2.3.8 Venezuelan Bolivar

“VEF FIX” or “VEF01” each means that the Spot Rate for a Rate Calculation Date will be the midpoint of the Venezuelan Bolivar/U.S. Dollar Tipo de Câmbio De Referencia buying and selling rates, expressed as the amount of Venezuelan Bolivar per one U.S. Dollar, for settlement in two Business Days reported by the Banco Central de Venezuela

([www.bcv.org.ve](http://www.bcv.org.ve)) at approximately 5:00 p.m., Caracas time, on that Rate Calculation Date.

## 2.4 Middle East/Africa

### 2.4.1 Egyptian Pound

- (i) “EGP FEMF” or “EGP01” each means that the Spot Rate for a Rate Calculation Date will be the Egyptian Pound/U.S. Dollar weighted average spot rate, expressed as the amount of Egyptian Pounds per one U.S. Dollar for settlement in two Business Days reported by the Central Chamber for Foreign Exchange Statistics of the Central Bank of Egypt which appears on Thomson Reuters Screen FEMF Page underneath the caption “Val Spot” at approximately 12:00 noon, Cairo time, or, if no rate appears at 12:00 noon, Cairo time, on that Rate Calculation Date, then the rate that appears at 1:00 p.m., Cairo time, on that Rate Calculation Date, or, if no rate appears at either 12:00 noon or 1:00 p.m., Cairo time, on that Rate Calculation Date, then the rate that appears at 2:00 p.m., Cairo time, on that Rate Calculation Date.
- (ii) “EMTA EGP INDICATIVE SURVEY RATE” or “EGP02” each means that the Spot Rate for a Rate Calculation Date will be the Egyptian Pound/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Egyptian Pounds per one U.S. Dollar, for settlement in two Business Days, as published on EMTA’s website ([www.emta.org](http://www.emta.org)) at approximately 4:00 p.m., Cairo time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA EGP Indicative Survey Rate Methodology (which means a methodology dated as of 24 May 2010, as amended from time to time, for a centralized industry-wide survey of financial institutions that are active participants in the Egyptian Pound/U.S. Dollar markets for the purpose of determining the EMTA EGP Indicative Survey Rate).

### 2.4.2 Israeli Shekel

- (i) “ILS BOIJ” or “ILS01” each means that the Spot Rate for a Rate Calculation Date will be the Israeli Shekel/U.S. Dollar fixing rate, expressed as the amount of Israeli Shekels per one U.S. Dollar, for settlement in two Business Days reported by the Bank of Israel which appears on the Reuters Screen BOIJ Page opposite the symbol “USD” and below the caption “REP RATES” at approximately 3:15 p.m., Tel Aviv time, on that Rate Calculation Date.
- (ii) “ILS FXIL” or “ILS02” each means that the Spot Rate for a Rate Calculation Date will be the Israeli Shekel/U.S. Dollar Specified Rate, expressed as the amount of Israeli Shekels per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen FXIL Page at the Specified Time, on that Rate Calculation Date.

### 2.4.3 Lebanese Pound

“LBP BDLX” or “LBP01” each means that the Spot Rate for a Rate Calculation Date will be the Lebanese Pound/U.S. Dollar Specified Rate, expressed as the amount of Lebanese Pounds per one U.S. Dollar, for settlement in two Business Days which appears on the Reuters Screen BDLX Page as of 12:00 noon, Beirut time, on that Rate Calculation Date.

### 2.4.4 Moroccan Dirham

“MAD OFFICIAL RATE” or “MAD01” each means that the Spot Rate for a Rate Calculation Date will be the Moroccan Dirham/U.S. Dollar Specified Rate, expressed as the amount of Moroccan Dirham per one U.S. Dollar, for settlement in two Business Days reported by the Central Bank of Morocco as of 1:00 p.m., Rabat time, on that Rate Calculation Date.

### 2.4.5 Nigerian Naira

- (i) “NGN FMDA” or “NGN01” each means that the Spot Rate for a Rate Calculation Date will be the Nigerian Naira/US Dollar Specified Rate expressed as the amount of Nigerian Naira per one US Dollar for settlement in two Business Days reported by the Financial Market Dealers Association of Nigeria, which is published at [www.fmda.com.ng](http://www.fmda.com.ng), not later than 10:00 a.m., Lagos time, on the first Business Day following the Rate Calculation Date.
- (ii) “EMTA NGN INDICATIVE SURVEY RATE” or “NGN02” each means that the Spot Rate for a Rate Calculation Date will be the Nigerian Naira/U.S. Dollar Specified Rate for U.S. Dollars, expressed as the amount of Nigerian Naira per one U.S. Dollar, for settlement in two Business Days, as published on EMTA’s website ([www.emta.org](http://www.emta.org)) at approximately 12:00 noon, Lagos time, or as soon thereafter as practicable, on such Rate Calculation Date. The Spot Rate shall be calculated by EMTA (or a service provider EMTA may select in its sole discretion) pursuant to the EMTA NGN Indicative Survey Rate Methodology (which means a methodology dated as of 27 December 2010, as amended from time to time, for a centralised industry-wide survey of financial institutions that are active participants in the Nigerian Naira/U.S. Dollar markets for the purpose of determining the EMTA NGN Indicative Survey Rate).

## 2.5 North America

### 2.5.1 Canadian Dollar

- (i) “WM/Reuters CAD/USD” or “CAD1” each means that the Spot Rate for a Rate Calculation Date will be the Canadian Dollar/U.S. Dollar spot rate, or closing spot rate, as the case may be, expressed as the amount of Canadian Dollars per one U.S. Dollar for settlement in one Business Day calculated by WM Company which appears on Thomson Reuters Screen WMRSPOT09 Page (or Thomson Reuters Screen WMRPSPOT09 Page, in the case of the closing rate) at the Specified Time on that Rate Calculation Date.

## 2.6 Western Europe

### 2.6.1 Danish Krone

- (i) “WM/Reuters DKK/USD” or “DKK1” each means that the Spot Rate for a Rate Calculation Date will be the Danish Krone/U.S. Dollar spot rate, or closing spot rate, as the case may be, expressed as the amount of Danish Krone per one U.S. Dollar for settlement in two Business Days calculated by WM Company which appears on Thomson Reuters Screen WMRSPOT05 Page (or Thomson Reuters Screen WMRPSPOT05 Page, in the case of the closing rate) at the Specified Time on that Rate Calculation Date.

### 2.6.2 Euro

- (i) “ECB37 USD/EUR” or “EUR1” each means that the Spot Rate for a Rate Calculation Date will be the U.S. Dollar/Euro spot rate expressed as the amount of U.S. Dollars per one Euro for settlement in two Business Days, reported by the European Central Bank which appears on Thomson Reuters Screen ECB37 Page at approximately 14:15 (Central European Time) on that Rate Calculation Date.
- (ii) “WM/Reuters USD/EUR” or “EUR2” each means that the Spot Rate for a Rate Calculation Date will be the U.S. Dollar/Euro spot rate (or closing spot rate, as the case may be), expressed as the amount of U.S. Dollars per one Euro which appears on Thomson Reuters Screen WMRSPOT05 Page (or Thomson Reuters WMRPSPOT05 Page, in the case of the closing rate) at the Specified Time on that Rate Calculation Date.
- (iii) “TKFE USD/EUR” or “EUR3” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the Euro/U.S. Dollar bid and offer rates, expressed as the amount of U.S. Dollars per one Euro for settlement in two Business Days which appears on Thomson Reuters Screen TKFE Page under the column “EUR/DLR” at the Specified Time on that Rate Calculation Date.
- (iv) “TKFE2 USD/EUR” or “EUR4” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the U.S. Dollar/Euro bid and offer rates, expressed as the amount of U.S. Dollars per one Euro for settlement in two Business Days which appears on Thomson Reuters Screen TKFE2 Page under the column “EUR/DLR” at the Specified Time on that Rate Calculation Date.
- (v) “TKYFX USD/EUR” or “EUR5” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the U.S. Dollar/Euro bid and offer rates, expressed as the amount of U.S. Dollars per one Euro for settlement in two Business Days which appears on Thomson Reuters Screen TKYFX Page under the column “EUR/DLR” at the Specified Time on that Rate Calculation Date.

### 2.6.3 Norwegian Krone

- (i) “WM/Reuters NOK/USD” or “NOK1” each means that the Spot Rate for a Rate Calculation Date will be the Norwegian Krone/U.S. Dollar spot rate (or closing spot rate, as the case may be) expressed as the amount of Norwegian Krone per one U.S. Dollar for settlement in two Business Days calculated by WM Company which

appears on Thomson Reuters Screen WMRSPOT6 Page (or Thomson Reuters Screen WMRPSPOT06 Page in the case of the closing rate) at the Specified Time on that Rate Calculation Date,

#### 2.6.4 Sterling

- (i) “WM/Reuters USD/GBP” or “GBP1” each means that the Spot Rate for a Rate Calculation Date will be the U.S. Dollar/Sterling spot rate (or closing spot rate, as the case may be) expressed as the amount of U.S. Dollars per one Sterling for settlement in two Business Days calculated by WM Company which appears on Thomson Reuters Screen WMRSPOT07 Page (or Thomson Reuters Screen WMRPSPOT07 Page, in the case of the closing rate) at the Specified Time on that Rate Calculation Date.
- (ii) “TKFE USD/GBP” or “GBP2” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the U.S. Dollar/Sterling bid and offer rates, expressed as the amount of U.S. Dollar per one Sterling for settlement in two Business Days which appears on Thomson Reuters Screen TKFE Page under the column “STG/DLR” at the Specified Time on that Rate Calculation Date.
- (iii) “TKFE2 GBP/USD” or “GBP3” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the U.S. Dollar/Sterling bid and offer rates, expressed as the amount of U.S. Dollars per one Sterling for settlement in two Business Days which appears on Thomson Reuters Screen TKFE2 Page under the column “STG/DLR” at the Specified Time on that Rate Calculation Date.
- (iv) “TKYFX USD/GBP” or “GBP4” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the U.S. Dollar/Sterling bid and offer rates, expressed as the amount of U.S. Dollars per one Sterling for settlement in two Business Days which appears on Thomson Reuters Screen TKYFX Page under the column “STG/USD” at the Specified Time on that Rate Calculation Date.

#### 2.6.5 Swedish Krona

- (i) “WM/Reuters SEK/USD” or “SEK1” each means that the Spot Rate for a Rate Calculation Date will be the Swedish Krona/U.S. Dollar spot rate (or closing spot rate, as the case may be) expressed as the amount of Swedish Krona per one U.S. Dollar for settlement in two Business Days calculated by WM Company which appears on Thomson Reuters Screen WMRSPOT07 Page (or Thomson Reuters Screen WMRPSPOT07 Page, in the case of the closing rate) at the Specified Time on that Rate Calculation Date.

#### 2.6.6 Swiss Francs

- (i) “WM/Reuters CHF/USD” or “CHF1” each means that the Spot Rate for a Rate Calculation Date will be the Swiss Franc/U.S. Dollar spot rate, or closing spot rate, as the case may be, expressed as the amount of Swiss Francs per one U.S. Dollar for settlement in two Business Days calculated by WM Company which appears on Thomson Reuters Screen WMRSPOT07 Page (or Thomson Reuters Screen

WMRPSPOT07 Page, in the case of the closing rate) at the Specified Time on that Rate Calculation Date.

- (ii) “TKFE CHF/USD” or “CHF2” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the Swiss Franc/U.S. Dollar bid and offer rates, expressed as the amount of Swiss Francs per one U.S. Dollar for settlement in two Business Days which appears on Thomson Reuters Screen TKFE Page under the column “DLR/SFR” at the Specified Time on that Rate Calculation Date.
- (iii) “TKFE2 CHF/USD” or “CHF3” each means that the Spot Rate for a Rate Calculation Date will be the arithmetic average of the Swiss Franc/U.S. Dollar bid and offer rates, expressed as the amount of Swiss Francs per one U.S. Dollar for settlement in two Business Days which appears on Thomson Reuters Screen TKFE2 Page under the column “DLR/SFR” at the Specified Time on that Rate Calculation Date.

## **GOLD SETTLEMENT ANNEX**

### **Table of Contents**

#### **PART A – DESCRIPTION AND RISK FACTORS**

- 1 Brief Description of Gold Settled Securities
- 2 Risk Factors Relating to Gold Settled Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR GOLD SETTLED SECURITIES**

- 1 Physical Settlement

#### **PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO GOLD SETTLED SECURITIES**

- 1 Certain general definitions relating to Gold Settled Securities

## PART A – DESCRIPTION AND RISK FACTORS

### 1 Brief Description of Gold Settled Securities.

Gold Settled Securities are Securities in respect of which the Issuer will have the obligation, in certain circumstances, to deliver gold to an unallocated gold account of a Securityholder held with a clearing member bank of the London Bullion Market Association (“LBMA”).

### 2 Risk Factors Relating to Gold Settled Securities.

Without prejudice to the following risk factors, these risk factors shall be read in conjunction with the relevant gold and commodities related risk factors listed in the Commodity Linked Annex.

#### 2.1 Delivery to Unallocated Gold Account

Gold Settled Securities will not be delivered to investors who either (i) do not have, or intend and are unable to open, an unallocated account with an LBMA clearing member bank or (ii) have not appointed, or intend and are unable to appoint, a person with an unallocated account with an LBMA clearing member bank to act as their agent in respect of the relevant settlement, in either case, sufficiently far in advance of any settlement in respect of the Securities which is due to be made by a transfer or delivery of gold to an unallocated account with an LBMA clearing member bank to allow for settlement to take place in accordance with the terms of those Securities and no assurance is given regarding the availability or suitability of any third party that may act as agent of a Securityholder in respect of any such settlement.

An unallocated gold account is an account where specific bars are not set aside and the account holder has a general entitlement to gold. It is the most convenient, cheapest and most commonly used method of holding gold. Transactions may be settled by credits or debits to the account while the balance represents the indebtedness between the two parties (being, the account holder and the account bank). Credit balances on the account do not entitle the account holder to specific bars of gold, but are backed by the general stock of the bullion dealer with whom the account is held. The account holder is an unsecured creditor of the bank clearing member with whom the account is held. Account holders are exposed to the creditworthiness of the bank or dealer providing the service in the same way as they would be with any other kind of account. The Securities do not represent or entitle any Securityholder to a direct or indirect ownership interest in any specific bars of gold

#### 2.2 Accuracy of Information

The Issuer shall bear no responsibility for any failure by any Agent to accurately communicate the settlement instructions of any Securityholder to the Issuer or its appointed agent.

#### 2.3 Settlement Disruption Events

Each of the following events shall, amongst other things and without limitation, constitute a Settlement Disruption Event in respect of Gold Settled Securities in circumstances where physical settlement applies:

- (a) if a Securityholder fails to deposit a duly completed Gold Settlement Instruction with the Issue and Paying Agent on or before the Notice Delivery Cut-off Date; or

- (b) if a Securityholder has deposited Gold Settlement Instructions on or before the Notice Delivery Cut-off Date with the Issue and Paying Agent in the manner required to allow for physical settlement in accordance with the Conditions but the Issuer is not notified of such fact by any Agent by 10.00 a.m. London time on the Business Day following the Notice Delivery Cut-off Date.

If, following the occurrence of a Settlement Disruption Event, the Issuer elects or is required to satisfy its obligations in respect of the relevant Security by payment to the relevant Securityholder of the Disruption Cash Settlement Price on the Disruption Cash Settlement Date, the relevant Securityholder shall bear the risk of the market value of gold changing at any time up until the day on which the Disruption Cash Settlement Price is calculated.

### **3 Risk Factors relating to tax on Gold Settled Securities**

#### **3.1 Taxes, Settlement Expenses and Exercise Price Conditions to Settlement**

Payments of any Settlement Amount and delivery of any Entitlement to an investor in connection with the redemption, cancellation or exercise of Gold Settled Securities shall be subject to deduction, or conditional upon payment by the relevant investor, of any applicable Taxes and Settlement Expenses and any other amounts payable as specified in the Base Conditions, this Gold Settlement Annex or the applicable Final Terms. As such an investor may not receive the full Settlement Amount or Entitlement that they would otherwise have received. Further, should the investor not pay any Exercise Price, Taxes or Settlement Expenses or any other amounts payable prior to the relevant delivery date, the Issuer will not be required to procure delivery of the Entitlement or make any payment of any nature to the relevant investor, and any related settlement instructions shall be deemed null and void.

## PART B – ADDITIONAL TERMS AND CONDITIONS FOR GOLD SETTLED SECURITIES

### 1 Physical Settlement

For Securities which are Notes or Certificates (other than Exercisable Certificates) to which the Gold Settlement Annex is specified as being applicable in the relevant Final Terms (“**Gold Settled Securities**”), the following Condition 7.2 shall apply in place of Condition 7.2 in the Base Conditions:

#### 7.2 Physical Settlement by delivery of the Entitlement

##### (a) Delivery of Entitlement

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

- (i) The Issuer shall, subject to Conditions 7, 8 and 9, on any relevant Physical Delivery Date, deliver or procure the delivery of gold in an amount equal to the relevant Entitlement in respect of each Security on the Redemption Date to such unallocated gold account of the relevant Securityholder with an LBMA clearing bank member in London as designated by such Securityholder in the relevant Gold Settlement Instruction or Exercise Notice, as applicable, at the risk and expense of the relevant Securityholder. The Issuer and Paying Agent and the Relevant Clearing System, if applicable, shall determine whether any instructions received by it are sufficient and/or duly completed and whether they have been received in time to enable delivery on any given date. As used herein, “delivery” in relation to any Entitlement means the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Entitlement (in particular crediting the relevant Entitlement to the relevant account) and “deliver” shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of any Entitlement once such steps have been carried out, whether resulting from settlement periods of the LBMA, any clearing systems, acts or omissions of any LBMA members or any registrars or otherwise and shall have no responsibility for the lawfulness of the acquisition or transfer of the Entitlement or any interest therein by any Securityholder or any other person.
- (ii) No delivery by (or on behalf of) the Issuer of a fraction of any component comprising the Entitlement shall be made. Securities (or, if Units are specified in the applicable Final Terms, Units, as the case may be) redeemed or exercised at the same time by the same Securityholder will be aggregated for the purpose of determining the aggregate Entitlement to be delivered, provided that the aggregate Entitlements in respect of the same Securityholder will be rounded down to the nearest whole 0.001 fine troy ounce (or such other amount as may be specified in the relevant Final Terms). Where the Entitlement would include a fraction of any component comprising the Entitlement the relevant Securityholder will be entitled to receive an amount in cash in lieu of such fraction as determined by the Determination Agent in its sole discretion.
- (iii) If any Exercise Price, Taxes, Settlement Expenses or any other amounts payable by the relevant Securityholder to the Issuer or the Guarantor have not been credited to the

relevant Bank Account of the Settlement Agent (in favour of the Issuer or the Guarantor, as applicable) prior to the relevant Physical Delivery Date, then the Issuer and/or the Guarantor shall be under no obligation to deliver or procure delivery of the Entitlement or make any payment of any nature to the relevant Securityholder in respect of the Securities being redeemed or exercised, and the Security Exercise Notice and/or any related Gold Settlement Instruction, as the case may be, delivered in respect of such Securities shall thereafter be null and void for all purposes.

- (iv) The Issuer will endeavour to deliver (or procure delivery of) the relevant Entitlement to the Securityholder on the relevant Physical Delivery Date. In the event that a Securityholder requests that delivery of the Entitlement be made at a location or in a method that is different from that specified in the applicable Final Terms, the Issuer may (but is not obliged to), provided that no additional unreimbursed costs are incurred, seek to deliver the Entitlement to such location and/or by such method.
- (v) All Entitlements will be delivered at the risk of the relevant Securityholder.

(b) Settlement Disruption Event

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

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

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

and no liability in respect thereof shall attach to the Issuer, the Guarantor and/or the Determination Agent.

For the purposes of this Condition 7.2, where a Settlement Disruption Event occurs which is a Gold Settlement Disruption Event, “Disruption Cash Settlement Price” shall mean an amount in the Settlement Currency per Calculation Amount per Security determined by the Determination Agent equal to the pro rata share of market value of the Entitlement on the Business Day following the Notice Delivery Cut-off Date (the “**Gold Value Date**”), adjusted to take into account any costs, losses, expenses and any Local Market Expenses which are incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with the Settlement Disruption Event and the “Disruption Cash Settlement Date” shall be the day (which shall be no later than 10 Business Days (or such other number of Business Days as is specified in the relevant Final Terms) following such Gold Value Date) specified by the Issuer and notified to the relevant Securityholder(s) by the Issue and Paying Agent in accordance with Condition 16 as soon as reasonably practicable following the Gold Value Date.

For the purposes of this Condition 7.2, where a Settlement Disruption Event occurs which is not a Gold Settlement Disruption Event, “Disruption Cash Settlement Price” and “Disruption Cash Settlement Date” shall have the meanings given to them in Condition 24.

(c) Liability

Redemption or exercise of the Securities, payments by the Issuer, the Guarantor and any Agent and any delivery of an Entitlement in whole or in part by or on behalf of the Issuer and/or any Agent will be subject in all cases to all applicable fiscal and other laws, regulations and practices in force at such time (including, without limitation, any relevant exchange control laws or regulations, the rules of the LBMA and the Relevant Rules) and none of the Issuer, the Guarantor, the Relevant Clearing System or any Agent shall incur any liability whatsoever if it is unable to effect any payments or deliveries contemplated, after using all reasonable efforts, as a result of any such laws, regulations and practices. None of the Issuer, the Guarantor or any Agent shall under any circumstances be liable for any acts or defaults of the Relevant Clearing System or any LBMA member in the performance of their respective duties in relation to the Securities or, in relation to the delivery of the Entitlement, or the acts, defaults or omissions of any LBMA member. In addition the Issuer shall not be liable for any loss resulting directly or indirectly from any Agent’s acts or omissions in connection with the settlement of the Securities including, without limitation, any failure by an Agent to collate and record any Gold Settlement Instructions provided by Securityholders or to provide accurate information to the Issuer of the number of Securityholders who have provided Gold Settlement Instructions in accordance with the requirements set out in the Conditions and the number of Securities held by such Securityholders.

(d) Gold Settlement Instructions

(i) Two stage settlement

Each Securityholder shall deposit with the Issue and Paying Agent, a duly completed Gold Settlement Instruction on or before the day which is three Business Days (or such other number of Business Days as is specified in the relevant Final Terms) prior to any

Redemption Date for which physical settlement applies (the “**Notice Delivery Cut-off Date**”).

The Issue and Paying Agent shall, by the Cut-off Time on the Gold Value Date, inform the Issuer in writing of the relevant Entitlement which is to be delivered to Securityholders in accordance with the Conditions on the relevant Redemption Date. Such notice shall provide details of the relevant unallocated gold account of the Settlement Agent with an LBMA member clearing bank in London to which the relevant Entitlement is to be delivered by the Issuer. The Issuer shall, on or prior to the relevant Redemption Date, transfer such unallocated gold to the account stated in such notice from the Issue and Paying Agent. The Settlement Agent shall then transfer the relevant Entitlement to the relevant accounts of the Securityholders as stated in the relevant Gold Settlement Instructions on the relevant Redemption Date.

Should a Settlement Disruption Event occur after the Issuer has delivered the Entitlement to the Settlement Agent and the Issuer has elected that the relevant Securities are to be cash settled in accordance with Condition 7.2(b), the Settlement Agent shall return to the Issuer an equivalent amount of unallocated gold to the Entitlement received from the Issuer as soon as reasonably practicable following the day on which the Determination Agent has given notice pursuant to paragraph (b) above that a Settlement Disruption Event has occurred but in any event no later than one Business Day following the day on which the Settlement Agent becomes aware of the occurrence of the Settlement Disruption Event.

(ii) Account blocking

Upon delivery of a Gold Settlement Instruction, the Securityholder delivering that instruction must deposit (in the case of Bearer Securities) the relevant Bearer Securities (together with all unmatured or unexchanged Coupons or Receipts) with any Paying Agent or (in the case of Registered Securities) the relevant Global Registered Security of Definitive Registered Security representing such Registered Securities with the Registrar or any Transfer Agent at its specified office. If the Securities are Cleared Securities, the relevant Securityholder must give the Gold Settlement Instructions to the Issue and Paying Agent through the Relevant Clearing Systems stating the nominal amount of Notes or number of Certificates in respect of which the Gold Settlement Instruction is given and the relevant Common Depository, Common Safekeeper, custodian or nominee shall deposit and surrender the relevant Securities in accordance with the Relevant Rules. No transfers of interests in Cleared Securities in respect of which Gold Settlement Instructions have been delivered will be valid and Gold Settlement Instructions in respect of Cleared Securities must be accompanied by a copy of instructions given to the Relevant Clearing System by the relevant accountholder that the accountholder’s account be blocked for such purposes. No Securities so deposited or instructions so given may be withdrawn without the prior consent of the Issuer.

## PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO GOLD SETTLED SECURITIES

### 1 Certain general definitions relating to Gold Settled Securities

“**Cut-off Time**” shall mean 9.00am London time, or such other time as is specified as such in the relevant Final Terms.

The definition “**Delivery Entitlement Instruction**” in the Base Conditions shall be amended by the addition of the following wording at the end thereof:

“Where the Gold Settlement Annex is specified as applicable by the applicable Final Terms, references to “**Delivery Entitlement Instruction**” in the Conditions, the Master Agency Agreement (as amended from time to time) and the CREST Agency Agreement shall, where relevant, be deemed to refer to “**Gold Settlement Instruction**”.”

Each of the following events (each a “**Gold Settlement Disruption Event**”) shall, amongst other things and without limitation, constitute a Settlement Disruption Event which has occurred and is continuing on the relevant Physical Delivery Date in respect of Gold Settled Securities:

- (i) Where “**Physical Settlement**” is specified as the Settlement Method in the applicable Final Terms and physical settlement applies in the relevant circumstances, it shall be a Settlement Disruption Event if a Securityholder fails to deposit a duly completed Gold Settlement Instruction (or any other instruction necessary to enable the Issuer, any Agent and/or the Relevant Clearing System, if applicable, to effect any required delivery of the Entitlement) with the Issue and Paying Agent on or before the Notice Delivery Cut-off Date.
- (ii) Where “**Physical Settlement**” is specified as the Settlement Method in the applicable Final Terms and physical settlement applies in the relevant circumstances, it shall be a Settlement Disruption Event if a Securityholder has deposited Gold Settlement Instructions (or any other instruction necessary to enable the Issuer, any Agent and/or the Relevant Clearing System, if applicable, to effect any required delivery of the Entitlement) with the Issue and Paying Agent within the time frame and in the manner required to allow for physical settlement in accordance with the Conditions but the Issuer is not notified of such fact by any Agent by the Cut-off Time on the Gold Value Date.

In the case of (i) and (ii) above the Affected Assets shall be all of the assets comprising the Entitlement or portions thereof which were otherwise due to be delivered to the relevant Securityholder(s) on the relevant Redemption Date pursuant to Condition 7.2(a).

“**Gold Settlement Instructions**” means, in respect of a Securityholder, instructions in the form obtainable from any Paying Agent and as set out in Schedule 4 Part E to the Master Agency Agreement (as amended from time to time) specifying the account details of an unallocated gold

account of such Securityholder with an LBMA member clearing bank in London to which the relevant Entitlement (or any *pro rata* share thereof) can be delivered by or on behalf of the Issuer.

The definition “**Settlement Disruption Event**” in the Base Conditions shall be deleted in its entirety and replaced with the following wording:

“**Settlement Disruption Event**” means an event that, in the opinion of the Determination Agent, is beyond the control of the Issuer, the Guarantor, if applicable, or the Settlement Agent, if applicable, has occurred as a result of which it is impossible, unlawful or otherwise impracticable for the Issuer, the Guarantor, if applicable, or the Settlement Agent, if applicable (or their agents or affiliates) to make delivery of the Reference Assets or any Entitlement.

“**Settlement Agent**” means each person appointed from time to time by the Issuer to perform the services of the Settlement Agent described in this Gold Settlement Annex in respect of a particular Series of Securities.

## INFLATION LINKED ANNEX

### Table of Contents

#### **PART A – DESCRIPTION AND RISK FACTORS**

1. Brief Description of Inflation Linked Securities
2. Risk Factors Relating to Inflation Linked Securities
  - 2.1 The Securities are Linked to the Performance of an Inflation Index
  - 2.2 Failure to Publish or Announce Relevant Level of Index

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR INFLATION LINKED SECURITIES**

1. Index Delay and Disruption Event Provisions
  - 1.1 Delay of Publication
  - 1.2 Cessation of Publication
  - 1.3 Adjustments
2. Additional Disruption Events

#### **PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO INFLATION LINKED SECURITIES**

1. Definitions
2. Index Descriptions

**PART A**  
**DESCRIPTION AND RISK FACTORS**

**1 Brief Description of Inflation Linked Securities**

Inflation Linked Securities are Securities where (i) in relation to Notes and Certificates (other than Exercisable Certificates), the payments of interest and/or repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option; (ii) in relation to Exercisable Certificates and Warrants, the exercise of the Securities or the amount payable or deliverable on exercise; or (iii) any additional amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of an inflation index over a fixed period of time or on fixed dates.

**2 Risk Factors Relating to Inflation Linked Securities**

Inflation Linked Securities have a different risk profile to ordinary unsecured debt securities as the return on an Inflation Linked Security is linked to the performance of an inflation index.

This section describes additional factors to which prospective investors should have regard when considering an investment in Inflation Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

**2.1 The Securities are Linked to the Performance of an Inflation Index**

If the applicable Final Terms specify that the Interest Amount and/or any Settlement Amount is linked to an inflation index, the Securities carry particular risks (each a “**Relevant Factor**”) associated with inflation linked investments. Each investor and prospective investor should be aware that the Interest Amount and/or relevant Settlement Amount, as applicable, will be affected by the performance of the Index.

Investors and prospective investors should be aware that, as a result:

- (i) the market price of the Securities may be very volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to the Securities in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable will likely be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

## **2.2 Failure to Publish or Announce Relevant Level of Index**

In the event that the Relevant Level has not been published or announced on or prior to the Cut-off Date, the Substitute Index Level determined by the Determination Agent as a result thereof may differ from the Index Level (if any) published or announced after the Cut-off Date. Such event may have an effect on the valuation of the Securities and on the Interest Amount and/or Settlement Amount payable as a result thereof. The Substitute Index Level so determined by the Determination Agent may be significantly different from the level of the Index most recently published or announced.

**PART B**  
**ADDITIONAL TERMS AND CONDITIONS FOR**  
**INFLATION LINKED SECURITIES**

*The terms and conditions applicable to Inflation Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “**Inflation Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Inflation Linked Conditions set out below, the Inflation Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Inflation Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail. The Inflation Linked Conditions is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified as to be Inflation Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

**1 Index Delay and Disruption Event Provisions**

**1.1 Delay of Publication**

If the Determination Agent determines that any Index Level for a Reference Month which is relevant to the calculation of a payment under the Securities and/or the determination of any exercise right or redemption or cancellation of the Securities (a “**Relevant Level**”) has not been published or announced by the Cut-off Date, the Determination Agent shall determine an index level in place of such Relevant Level (a “**Substitute Index Level**”) by using the following methodology:

1.1.1 if “**Related Bond**” is specified as applicable in the applicable Final Terms, the Determination Agent shall take the same action to determine the Substitute Index Level for the Affected Payment Date as that taken pursuant to the terms and conditions of the Related Bond;

1.1.2 if (a) “**Related Bond**” is specified as not applicable in the applicable Final Terms, or (b) the Determination Agent is not able to determine a Substitute Index Level for the Affected Payment Date pursuant to paragraph (a) above for any reason, then the Determination Agent shall determine the Substitute Index Level by reference to the following formula:

Substitute Index Level = Base Level x (Latest Level/Reference Level); or

1.1.3 otherwise in accordance with any formula or method specified in the applicable Final Terms,

where:

“**Base Level**” means the Index Level (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

“**Latest Level**” means the latest Index Level (excluding any “flash” estimates) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined.

“**Reference Level**” means the Index Level (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month referred to in “Latest Level” above.

If a Relevant Level is published or announced at any time on or after the Cut-off Date, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Inflation Linked Condition 1.1 will be the definitive level for that Reference Month.

## 1.2 Cessation of Publication

If the Determination Agent determines that the Index Level has not been published or announced by the Index Sponsor for two consecutive months or the Index Sponsor announces that it will no longer continue to publish or announce the Index and/or the Index Sponsor cancels the Index then the Determination Agent shall determine an Index in lieu of any previously applicable Index (a “**Successor Index**”) for the purposes of the Securities by using the following methodology:

- 1.2.1 if “Related Bond” is specified as applicable in the applicable Final Terms, the Determination Agent shall determine a Successor Index by reference to the corresponding successor index determined under the terms and conditions of the Related Bond; or
- 1.2.2 if (a) “Related Bond” is specified as not applicable in the applicable Final Terms, or (b) a Related Bond Redemption Event has occurred and “Fallback Bond” is specified as not applicable in the applicable Final Terms, the Index Sponsor announces that it will no longer publish or announce the Index but that it will be superseded by a replacement index specified by the Index Sponsor, and the Determination Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be deemed the Successor index for the purposes of the Securities from the date that such replacement index comes into effect; or
- 1.2.3 if no Successor Index has been determined under Inflation Linked Condition 1.2.1 or 1.2.2 above, the Determination Agent shall ask five leading independent dealers to state what the replacement index for the Index should be. If between four and five responses are received, and, of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the Successor Index. If three responses are received, and two or more leading independent dealers state the same index, this index will be deemed the Successor Index. If fewer than three responses are received by the Cut-off Date, the Determination Agent will determine an alternative index for such Affected Payment Date, and such index will be deemed a Successor Index; or

- 1.2.4 if the Determination Agent determines that there is no appropriate alternative index, there will be deemed to be no Successor Index and an Index Cancellation will be deemed to have occurred.

The Determination Agent shall determine the date on which the Successor Index shall be deemed to replace the Index for the purposes of the Securities. Notice of the determination of a Successor Index, the effective date of the Successor Index or the occurrence of an Index Cancellation shall be given to Securityholders by the Issuer in accordance with Condition 16 of the Base Conditions.

### **1.3 Adjustments**

#### **1.3.1 Successor Index**

If a Successor Index is determined in accordance with Inflation Linked Condition 1.2, the Determination Agent may make any adjustment or adjustments (without limitation) to any amount payable under the Securities and/or any other relevant term of the Securities as the Determination Agent deems necessary. The Issuer shall give notice to the Securityholders of any such adjustment in accordance with Base Condition 16.

#### **1.3.2 Substitute Index Level**

If the Determination Agent determines a Substitute Index Level in accordance with Inflation Linked Condition 1.1, the Issuer may make any adjustment or adjustments (without limitation) to (a) the Substitute Index Level determined in accordance with Inflation Linked Condition 1.1 and/or (b) any amount payable under the Securities and/or any other relevant term of the Securities as the Determination Agent deems necessary. The Issuer shall give notice to the Securityholders of any such adjustment in accordance with Condition 16 of the Base Conditions.

#### **1.3.3 Index Level Adjustment Correction**

- (a) The first publication or announcement of the Relevant Level (disregarding estimates) by the Index Sponsor for any Reference Month shall be final and conclusive and, subject to Inflation Linked Condition 1.3.5(b) below, later revisions to the level for such Reference Month will not be used in any calculations, save that, in respect of the EUR-All Items-Revised Consumer Price Index, the ESP National-Revised Consumer Price Index (“CPI”) and the ESP-Harmonised-Revised Consumer Price Index HCPI, revisions to the Relevant Level which are published or announced up to and including the day that is two Business Days prior to any relevant Payment Date will be valid and the revised Relevant Level for the relevant Reference Month will be deemed to be the final and conclusive Relevant Level for such Reference Month. The Issuer shall give notice to the Securityholders of any valid revision in accordance with Condition 16 of the Base Conditions.
- (b) If, within 30 days of publication or at any time prior to a Payment Date in respect of which a Relevant Level will be used in any calculation or determination in respect of such Payment Date, the Determination Agent determines that the Index Sponsor has corrected the Relevant Level to correct a manifest error, the Determination Agent may make any adjustment to any amount payable under the

Securities and/or any other relevant term of the Securities as the Determination Agent deems appropriate as a result of that correction. The Issuer shall give notice to the Securityholders of any such adjustment and/or amount in accordance with Condition 16 of the Base Conditions.

- (c) If a Relevant Level is published or announced at any time after the Cut-off Date in respect of a Payment Date in respect of which a Substitute Index Level was determined, the Determination Agent may either (i) determine that such Relevant Level shall not be used in any calculation or determination under the Securities and that the Substitute Index Level shall be deemed to be the definitive Relevant Level for the relevant Reference Month, or (ii) request the Issuer to make any adjustment to any amount payable under the Securities and/or any other relevant term of the Securities as it deems appropriate as a result of the announcement or publication of the Relevant Level and/or determine the amount (if any) that is payable as a result of such publication or announcement. The Issuer shall give notice to the Securityholders of any determination in respect of paragraph (i) or (ii), together with any adjustment and/or amount in respect thereof, in accordance with Condition 16 of the Base Conditions.

#### 1.3.4 Rebasing

If the Determination Agent determines that the Index has been or will be rebased at any time, the Index as so rebased (the “**Rebased Index**”) will be used for purposes of determining the Index Level from the date of such rebasing (the “**Rebased Index Level**”) unless “Use of Re-based Index” is specified as not applicable in the applicable Final Terms in which case no adjustments shall be made to the Index and/or the terms of the Securities solely as a result of such rebasing. If the rebased index is to be used, notwithstanding the foregoing, the Determination Agent may make (a) if “Related Bond” is specified as applicable in the applicable Final Terms, any adjustments as are made pursuant to the terms and conditions of the Related Bond, if any, to the Rebased Index Levels so that the Rebased Index Levels reflect the same rate of inflation as the Index before the rebasing and/or (b) if “Related Bond” is specified as not applicable in the applicable Final Terms or a Related Bond Redemption Event has occurred, the Determination Agent may make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased and, in each case, the Issuer may make any adjustments to any amount payable under the Securities and/or any other term of the Securities as the Determination Agent may deem necessary. Unless “Acceleration upon Re-basing of Index” is specified as not applicable in the applicable Final Terms, if the Determination Agent determines that neither (a) nor (b) above would produce a commercially reasonable result, the Determination Agent may redeem or cancel each Security, as applicable, on a date notified by the Issuer to Securityholders in accordance with Condition 16 of the Base Conditions at its Early Cash Settlement Amount or such other amount specified in, or determined in the manner specified in, the applicable Final Terms. Notice of any adjustment, redemption of the Securities or determination pursuant to this paragraph shall be given to Securityholders in accordance with Condition 16 of the Base Conditions.

### 1.3.5 Index Modification

- (a) If, on or prior to the Cut-off Date in respect of any Payment Date, the Determination Agent determines that an Index Modification has occurred the Determination Agent may (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 Securities (including, without limitation, any amount payable under the Securities), consistent with any adjustments made to the Related Bond as the Determination Agent deems necessary, or (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 Securities (including, without limitation, any amount payable under the Securities), as the Determination Agent deems necessary for the modified Index to continue as the Index and to account for the economic effect of the Index Modification.
- (b) If the Determination Agent determines that an Index Modification has occurred at any time after the Cut-off Date in respect of any Payment Date, the Determination Agent may determine either to ignore such Index Modification for the purposes of any calculation or determination made by the Determination Agent with respect to such Payment Date, in which case the relevant Index Modification will be deemed to have occurred with respect to the immediately succeeding Payment Date such that the provisions of paragraph (a) above will apply, or, notwithstanding that the Index Modification has occurred following the Cut-off Date, to make any adjustments as the Determination Agent deems fit in accordance with paragraph (a) above.

### 1.3.6 Index Cancellation

If the Determination Agent determines that an Index Cancellation has occurred, the Issuer may redeem or cancel each Security, as applicable, on the date notified by the Issuer to Securityholders in accordance with Condition 16 of the Base Conditions at the Early Cash Settlement Amount. Notice of any redemption of the Security shall be given to Securityholders in accordance with Condition 16 of the Base Conditions.

### 1.3.7 Rounding

For purposes of any calculations by the Determination Agent in connection with the Index, all percentages resulting from such calculations will be rounded, if necessary, either:

- (a) if “Related Bond” is specified as applicable in the applicable Final Terms, in accordance with the rounding conventions of the documentation governing the Related Bond; or
- (b) if “Related Bond” is specified as not applicable in the applicable Final Terms, (i) in respect of percentages determined through the use of interpolation by reference to two Index Levels, in accordance with the method set forth in paragraph (ii) below, but to the same degree of accuracy as the two rates used to make the calculation (except that such percentages will not be rounded to a lower degree of

accuracy than the nearest one thousandth of a percentage point (0.001 per cent.)), (ii) in all other cases, to the nearest one hundred-thousandth of a percentage point (e.g. 9.876541 per cent. (or.09876541) being rounded down to 9.87654 per cent. (or.0987654) and 9.876545 per cent. (or.09876545) being rounded up to 9.87655 per cent. (or.0987655)),

and, if paragraph (b) above is applicable, all currency amounts used in or resulting from any calculations by the Determination Agent in connection with the Index will be rounded in the manner indicated for each of the currencies set forth below, and to the nearest two decimal places in the relevant currency (with.005 being rounded upwards (e.g.674 being rounded down to.67 and.675 being rounded up to.68)) if the currency is other than those currencies set forth below:

- (i) Chilean Peso: round to the nearest whole Chilean Peso (with one half Chilean Peso being rounded up);
- (ii) Hungarian Forint: round to the nearest whole Hungarian Forint (with one half Hungarian Forint being rounded up);
- (iii) Japanese Yen: round down to the next lower whole Japanese Yen; and
- (iv) Korean Won: round down to the next lower whole Korean Won.

## **2 Additional Disruption Events**

Hedging Disruption and Increased Cost of Hedging shall not constitute Additional Disruption Events for the purposes of any Inflation Linked Security, unless otherwise specified in the applicable Final Terms.

**PART C**  
**DEFINITIONS AND INTERPRETATIONS APPLICABLE**  
**TO INFLATION LINKED SECURITIES**

**1 Definitions**

“**Affected Payment Date**” means each date on which a payment is due to be made under the Securities in respect of which the Index Level has not been published or announced.

“**Cut-off Date**” means, in respect of a Payment Date, five Business Days prior to such Payment Date, unless otherwise stated in the applicable Final Terms.

“**Fallback Bond**” means a bond selected by the Determination Agent and issued by the government of the country to whose level of inflation the Index relates and which pays a coupon or redemption amount which is calculated by reference to the Index, with a maturity date which falls on (i) the same day as the Redemption Date or Expiration Date, as applicable, (ii) the next date after the Redemption Date, if there is no such bond maturing on the Redemption Date, or (iii) the next shortest maturity before the Redemption Date or Expiration Date, as applicable, if no bond defined in (i) or (ii) is selected by the Determination Agent. If the Index relates to the level of inflation across the European Monetary Union, the Determination Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Determination Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Determination Agent from those bonds. If the Fallback Bond redeems the Determination Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

“**Index**” means the index specified in the applicable Final Terms or any Successor Index as nominated by the Determination Agent pursuant to the terms hereof.

“**Index Cancellation**” means a level for the Index has not been published or announced for two consecutive months and/or the Index Sponsor cancels the Index and/or the Index Sponsor announces that it will no longer continue to publish or announce the Index and no Successor Index exists.

“**Index Level**” means the first publication or announcement of a level of the Index for a Reference Month.

“**Index Modification**” means the Index Sponsor announces that it will make (or has made) a material change to the Index.

“**Index Sponsor**” means the entity that publishes or announces (directly or through an agent) the Index Level, which as of the Issue Date is the index sponsor specified in the applicable Final Terms.

“**Inflation Linked Securities**” means a Security in respect of which (i) in relation to Notes and Certificates (other than Exercisable Certificates), payments of interest and/or repayment of principal

and/or the exercise of any Put Option or Call Option; or (ii) in relation to Exercisable Certificates and Warrants, the exercise of such Security or the amount payable or deliverable on exercise; and/or (iii) any additional amounts payable or deliverable in respect of such Security, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the Index Level or performance of the Index as specified in the applicable Final Terms.

“**Payment Date**” means a day on which a payment is due in respect of the Securities, the amount of which is to be determined by reference to the Index Level or any Substitute Index Level.

“**Reference Month**” means, unless otherwise specified in the Final Terms, the calendar month for which the Index Level was reported, regardless of when this information is published or announced. If the period for which the Index Level was reported is a period other than a month, the Reference Month is the period for which the Index Level was reported.

“**Related Bond**” means the bond specified as such in the applicable Final Terms:

- (i) if “Fallback Bond” is specified under the Related Bond heading in the applicable Final Terms, then, for any Related Bond determination, the Determination Agent shall use the Fallback Bond;
- (ii) if no bond is specified in the applicable Final Terms as the Related Bond and “Fallback Bond: N/A” is specified in the applicable Final Terms, there will be no Related Bond; or
- (iii) if a bond is specified as the Related Bond in the applicable Final Terms, and that bond redeems or matures prior to the Redemption Date or Expiration Date, as applicable, unless “Fallback Bond: N/A” is specified in the applicable Final Terms, the Determination Agent shall use the Fallback Bond for any Related Bond determination.

“**Related Bond Redemption Event**” means, if specified as applicable in the applicable Final Terms, at any time prior to the Redemption Date, (i) the Related Bond is redeemed, repurchased or cancelled; (ii) the Related Bond becomes repayable prior to its stated date of maturity for whatever reason; or (iii) the issuer of the Related Bond announces that the Related Bond will be redeemed, repurchased or cancelled prior to its stated date of maturity.

## 2 Index Descriptions

Where the following Index Descriptions have been specified in the applicable Final Terms as the applicable Index, the following terms and expressions shall have the following meanings:

### 2.1 Australia

“**AUD – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Index of Consumer Prices for Weighted Average of Eight Capital Cities: All – Groups Index before Seasonal Adjustment”, or relevant Successor Index, measuring the rate of inflation in Australia, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

### 2.2 Austria

2.2.1 “**AUS – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index (2005)”, or relevant Successor Index, measuring the rate of inflation in

Austria, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

- 2.2.2 “**AUS – Non-revised Harmonised Indices of Consumer Prices (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices (2005)”, or relevant Successor Index, measuring the rate of inflation in Austria, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

### 2.3 Belgium

- 2.3.1 “**BLG – Non-revised Harmonised Consumer Price Index (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Belgium, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

- 2.3.2 “**BLG – Non-revised Consumer Price Index – General Index (CPI)**” means the “Non-revised Consumer Price Index – General Index”, or relevant Successor Index, measuring the rate of inflation in Belgium, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

- 2.3.3 “**BLG – Non-revised Consumer Price Index – Health Index (CPI)**” means the “Non-revised Consumer Price Index – Health Index”, or relevant Successor Index, measuring the rate of inflation in Belgium, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

### 2.4 Brazil

- 2.4.1 “**BRL – Non-revised Consumer Price Index (IPCA)**” means the “Non-revised Extensive National Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Brazil, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

- 2.4.2 “**BRL – Non-revised Price Index (IGP-M)**” means the “IGP-M General Price Index”, or relevant Successor Index, measuring the rate of inflation in Brazil, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.5 Canada

“CAD – Non-revised Consumer Price Index (CPI)” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Canada, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.6 Chile

“CLP – Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Chile, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.7 China

“CNY – Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in China, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.8 Czech Republic

“CZK – Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price index”, or relevant Successor Index, measuring the rate of inflation in the Czech Republic, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.9 Denmark

2.9.1 “DKK – Non-revised Consumer Price Index (CPI)” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Denmark, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.9.2 “DKK – Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Denmark, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.10 European Union

2.10.1 “EUR – Excluding Tobacco-Non-revised Consumer Price Index” means the “Non-revised Index of Consumer Prices excluding Tobacco”, or relevant Successor Index,

measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.10.2 **“EUR – All Items-Non-revised Consumer Price Index”** means the “Non-revised Harmonised Index of Consumer Prices All Items”, or relevant Successor Index, measuring the rate of inflation in the European Monetary Union expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.10.3 **“EUR – All Items–Revised Consumer Price Index”** means the “Revised Harmonised Index of Consumer Prices All Items”, or relevant Successor Index, measuring the rate of inflation in the European Monetary Union expressed as an index and published by the Index Sponsor. The Index Level shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.11 Finland

2.11.1 **“FIN – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Finland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.11.2 **“FIN – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Finland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.12 France

2.12.1 **“FRC – Excluding Tobacco-Non-Revised Consumer Price Index”** means the “Non-revised Index of Consumer Prices excluding Tobacco”, or relevant Successor Index, measuring the rate of inflation in France excluding tobacco expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.12.2 **“FRC – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in France, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference

Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.13 Germany

2.13.1 “**DEM – Non-revised Consumer Price Index (CPI)**” means the “Non-revised All Items Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Germany, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.13.2 “**DEM – Non-revised Consumer Price Index for North Rhine-Westphalia**” means the “Non-revised Index of Consumer Prices for North Rhine-Westphalia”, or relevant Successor Index, measuring the rate of inflation in North Rhine-Westphalia, Germany, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.13.3 “**DEM – Non-revised Harmonised Consumer Price Index (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Germany, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.14 Greece

2.14.1 “**GRD – Harmonised-Non-revised Consumer Price Index (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Greece expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.14.2 “**GRD – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Greece expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.15 Hong Kong

“**HKD – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Hong Kong, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.16 Hungary

“HUF – Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Hungary, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.17 Iceland

2.17.1 “ISK – Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Iceland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.17.2 “ISK – Harmonised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Iceland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.18 Indonesia

“IDR – Non-revised Consumer Price Index (CPI)” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Indonesia, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.19 Ireland

2.19.1 “IRL – Non-revised Consumer Price Index (CPI)” means the “Consumer Price Index-All Items”, or relevant Successor Index, measuring the rate of inflation in Ireland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.19.2 “IRL – Harmonised-Non-revised Consumer Price Index (HICP)” means the “Non-revised Harmonised Index of Consumer Prices – All Items”, or relevant Successor Index, measuring the rate of inflation in Ireland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.20 Israel

“**ILS – Non-revised Consumer Price Index (CPI)**” means the “Consumer Price Index-General”, or relevant Successor Index, measuring the rate of inflation in Israel, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.21 Italy

2.21.1 “**ITL – Whole Community –Excluding Tobacco Consumer Price Index**” means the “Indice nazionale dei prezzi al consumo per l’intera collettività (NIC) senza tabacchi” or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.21.2 “**ITL – Whole Community –Including Tobacco Consumer Price Index**” means the “Indice nazionale dei prezzi al consumo per l’intera collettività (NIC) con tabacchi”, or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.21.3 “**ITL – Inflation for Blue Collar Workers and Employees–Excluding Tobacco Consumer Price Index**” means the “Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI) senza tabacchi”, or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.21.4 “**ITL – Inflation for Blue Collar Workers and Employees–Including Tobacco Consumer Price Index**” means the “Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI) con tabacchi”, or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.21.5 “**ITL – Non-revised Harmonised Consumer Price Index (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Italy, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.22 Japan

“**JPY – Non-revised Consumer Price Index Nationwide General Excluding Fresh Food (CPI)**” means the “Non-revised Consumer Price Index Nationwide General Excluding Fresh Food”, or relevant Successor Index, measuring the rate of inflation excluding fresh food in Japan, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.23 Luxembourg

2.23.1 “**LUX – Non-revised Consumer Price Index (CPI)**” means the “**Non-revised Consumer Price Index**”, or relevant Successor Index, measuring the rate of inflation in Luxembourg, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.23.2 “**LUX – Harmonised-Non-revised Consumer Price Index (HICP)**” means the “**Non-revised Harmonised Index of Consumer Prices**”, or relevant Successor Index, measuring the rate of inflation in Luxembourg, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.24 Malaysia

“**MYR – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Malaysia, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.25 Mexico

2.25.1 “**MXN – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Mexico, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.25.2 “**MXN – Unidad de Inversion Index (UDI)**” means the “Unidad de Inversion Index”, or relevant Successor Index, reporting the daily peso value of an Unidad de Inversion (an “UDI”), expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.26 Netherlands

2.26.1 “**NLG – Harmonised-Non-revised Consumer Price Index (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in the Netherlands, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.26.2 “**NLG – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in the Netherlands, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.27 New Zealand

“**NZD – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in New Zealand, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.28 Norway

“**NOK – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index – All Items”, or relevant Successor Index, measuring the rate of inflation in Norway, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.29 Peru

“**PER – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Peru, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.30 Poland

“**PLN – Non-Revised Consumer Price Index (CPI)**” means the “Non-revised Price Indices of Consumer Goods and Services”, or relevant Successor Index, measuring the rate of inflation in Poland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.31 Portugal

2.31.1 “**POR – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Portugal,

expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.31.2 **“POR – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Portugal, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

### 2.32 Russia

**“RUB – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Russia, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

### 2.33 Singapore

**“SGD – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Singapore, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

### 2.34 South Africa

2.34.1 **“ZAR – Non-revised Consumer Price Index Excluding Mortgages (CPIX)”** means the “Non-revised Index of Consumer Prices excluding Mortgage”, or relevant Successor Index, measuring the rate of inflation excluding mortgages in South Africa, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.34.2 **“ZAR – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in South Africa, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

### 2.35 South Korea

**“KRW – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in South Korea, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of

a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.36 Spain

2.36.1 “**ESP – National-Revised Consumer Price Index (CPI)**” means the “Year on Year Revised Index of Consumer Prices”, or the relevant Successor Index, measuring the rate of inflation in Spain, expressed as an annual percentage and published by the Index Sponsor. The Index Level shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.36.2 “**ESP – National-Non-revised Consumer Price Index (CPI)**” means the “Non-revised Index of Consumer Prices including Tobacco”, or relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.36.3 “**ESP – Harmonised-Revised Consumer Price Index (HICP)**” means the “Harmonised Index of Consumer Prices including Tobacco”, or the relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the Index Sponsor. The Index Level shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.36.4 “**ESP – Harmonised-Non-revised Consumer Price Index (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices including Tobacco”, or relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.37 Sweden

“**SEK – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Sweden, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.38 Switzerland

“**SWF – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Switzerland, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## 2.39 Taiwan

“**TWD – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Taiwan, expressed as an

index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations

#### 2.40 Turkey

**“TRY – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Turkey, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

#### 2.41 United Kingdom

2.41.1 **“GBP – Non-revised Retail Price Index (UKRPI)”** means the “Non-revised Retail Price Index All Items in the United Kingdom”, or relevant Successor Index, measuring the all items rate of inflation in the United Kingdom expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.41.2 **“GBP – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in the United Kingdom, expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

2.41.3 **“GBP – Non-revised Retail Price Index Excluding Mortgage Interest Payments (UKRPIX)”** means the “Non-revised Retail Price Index Excluding Mortgage Interest Payments in the United Kingdom”, or relevant Successor Index, measuring the all items rate of inflation in the United Kingdom expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for a Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

#### 2.42 United States

**“USA – Non-revised Consumer Price Index – Urban (CPI-U)”** means the “Non-revised index of Consumer Prices for All Urban Consumers (CPI-U) before seasonal adjustment”, or relevant Successor Index, measuring the rate of inflation in the United States expressed as an index and published by the relevant Index Sponsor. The first publication or announcement of a level of such index for such Reference Month shall be final and conclusive and later revisions to the level for such Reference Month will not be used in any calculations.

## **FUND LINKED ANNEX**

### **Table of Contents**

#### **PART A – DESCRIPTION AND RISK FACTORS**

1. Brief Description of Fund Linked Securities
2. Risk Factors Relating to Fund Linked Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR FUND LINKED SECURITIES**

1. Fund Events
2. Consequences of a Fund Event
3. Potential Adjustment of Payment Events
4. Consequences of a Potential Adjustment of Payment Event
5. Physical Settlement

#### **PART C – DEFINITIONS APPLICABLE TO FUND LINKED SECURITIES**

1. Definitions Relating to Fund Linked Securities

**PART A**  
**DESCRIPTION AND RISK FACTORS**

**1 Brief Description of Fund Linked Securities**

Fund Linked Securities are Securities where the repayment of principal and/or amount deliverable on redemption and/or the exercise of any Put Option or Call Option or any other amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of the shares, interests or units in one or more funds. Unless otherwise specified, the term “fund” as used in this Annex refers to any form of open or closed ended investment company, including mutual funds, exchange traded funds and hedge funds. Unless otherwise specified in the Final Terms, Fund Linked Securities are not interest bearing.

**2 Risk Factors Relating to Fund Linked Securities**

Fund Linked Securities have a different risk profile to ordinary unsecured debt securities.

This section describes additional factors to which prospective investors should have regard when considering an investment in Fund Linked Securities. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus.

**2.1 Risks Relating to Securities Generally**

- **Market Disruption.** Markets may become disrupted. Local market disruptions can have a global effect. Market disruption can adversely affect the performance of the Securities.
- **Volatility.** These Securities may be volatile. The level of change in value of the Securities is their “volatility”. The Securities’ volatility may be affected by the performance of the Reference Assets, along with financial, political, and economic events and other market conditions.
- **Structured Products.** This is a structured product. Its return may differ from that of the Reference Asset.
- **Adjustment Factor.** The calculation of the Settlement Amount may include an adjustment factor which may reduce the exposure of the Securities to the Fund(s) and thereby reduce any potential gains.
- **No Government Protection.** The Securities are not protected by the Financial Services Compensation Scheme or similar government protection scheme.
- **Determination Agent Discretion.** The Determination Agent is not required to and shall not take into account the interests of any party (including that of any investors or prospective investors in the Securities), save as required by applicable laws and regulations. Certain factual circumstances could be Fund Events and/or Additional Disruption Events, depending on whether the Determination Agent determines that such factual circumstances have a material adverse effect on the Securities and/or the Issuer (as applicable).

- **No Fiduciary Duty.** Neither the Issuer nor the Determination Agent assumes any fiduciary duty or responsibility to, or has any relationship of agency or trust with, any party, including any investors or prospective investors in the Securities. Each of the Issuer and the Determination Agent is acting solely as principal and not as a fiduciary or agent for, or as an adviser to, any party in respect of its duties contained in this document and any document prepared in connection with the Securities. Consequently, the Issuer and/or the Determination Agent are not required to and shall not take into account the interests of any party (including that of any investors or prospective investors in the Securities), save as required by applicable laws and regulations.
- **Not Investment Advice.** This document is not, nor does it purport to be, investment advice. Neither the Issuer nor the Determination Agent is acting as an investment adviser nor providing advice of any other nature to any party, including investors or prospective investors in the Securities. Neither the Issuer nor the Determination Agent provides, and have not provided, any investment advice or recommendation to any party in relation to the Securities. No party may rely on any communication (written or oral) from either the Issuer or the Determination Agent, as the case may be, as investment advice or as a recommendation to enter into any transaction. Accordingly, neither the Issuer nor the Determination Agent is under any obligation to, and shall not, determine the suitability for any party of any transaction or the Securities. Prospective investors in the Securities must determine, on their own behalf (or through independent professional advice) the merits, terms, conditions and risks of the Securities. Prospective investors must also satisfy themselves that they are capable of assuming, and do assume, the risks of the Securities. Neither the Issuer nor the Determination Agent accept any liability whatsoever for any consequential losses arising from the use of this document or reliance on the information contained herein.
- **Indicative Valuations.** Valuations are indicative only. Valuations provided by the Issuer in connection with the Securities are not binding, may differ from third-party valuations and may not reflect actually realised early redemption values. Valuations are not advice. The Issuer specifically disclaims liability for any use which an investor in the Securities may make of any valuation, including, without limitation, use of such valuation in preparation of its own financial books and records. If valuations are provided to an investor in the Securities, they are provided solely for such investor's information and should not be disclosed to any third party. The Issuer is not obliged to inform any investor in the Securities of a change to any valuation.
- **Fund Documents.** The Issuer does not take any responsibility for the Fund Documents. The Fund Documents may include more complete descriptions of the risks associated with investments that the Fund Manager intends to make.
- **Due Diligence Performed by the Issuer or Determination Agent is for their Benefit Only.** No representations or warranties have been or are given by either the Issuer or the Determination Agent in respect of any Fund, any Fund Manager, any Fund Custodian, Fund Administrator and/or any other Fund Services Provider. Investors should place no reliance on either the Issuer or the Determination Agent having conducted any investigations, due diligence, searches or other enquiries; any such investigations, due

diligence, searches or other enquiries made thereby would be made by such party for its own benefit and for its own purposes in accordance with its own criteria and neither party assumes any responsibility to conduct any such investigations, due diligence, searches or other enquiries, or if it does conduct any such investigations, due diligence, searches or other enquiries, to notify investors of the content or results thereof of any such due diligence.

- ***No Control, Sponsorship, Endorsement or Promotion of Any Fund.*** No Fund is in any way controlled, sponsored, endorsed or promoted by the Issuer. The Issuer does not take responsibility for the management or administration of any Fund or for monitoring the activities of any Fund and makes no warranty, express or implied, as to how any Fund, any Fund Manager, any Fund Custodian, any Fund Administrator and/or any other Fund Services Provider, as the case may be, will manage or administer any Fund or the results of any Fund.
- ***No Assurances that any Fund or Other Party Will Not Act in a Manner which is Damaging to Such Fund.*** Neither the Issuer nor the Determination Agent gives any assurance that the activities and operations of any Fund, any Fund Manager, any Fund Custodian, any Fund Administrator and/or any other Fund Services Provider are free from fraud or other conduct that could be damaging to the performance of any Fund. The Issuer shall not be liable, in negligence or otherwise, to any party for any costs or losses arising either directly or indirectly from any acts and/or omissions (including, but not limited to, fraud, negligence or wilful default) of any Fund, any Fund Manager, any Fund Custodian, any Fund Administrator and/or any other Fund Services Provider or any of their delegates or assignees.
- ***Fund Manager Action.*** No Fund and no Fund Manager is involved in the Securities. They may take actions that adversely affect the value and performance of the Securities.
- ***Leverage.*** The Securities may be leveraged, depending on the financial instruments which may be embedded in the Securities. Leverage increases volatility and amplifies losses and gains.
- ***Small Holdings.*** Small holdings may not be transferable. Where Securities have a minimum specified denomination or settlement amount and an investor holds less than that minimum, the investor will not be able to transfer such Securities unless it increases its holding to at least that minimum amount.
- ***No Collateral.*** The Securities are not secured and there is no obligation on the Issuer to hedge its exposure under the Securities by the purchase of shares in the Fund or the entry into derivatives providing a synthetic or proxy hedge to its exposure under the Securities.
- ***Other Risks.*** This document cannot disclose all possible risks in relation to a purchase of the Securities. Before investing, a prospective investor must satisfy itself that it fully understand the risks of investment in the Securities.

## 2.2 General Risks relating to Fund Linked Securities

The Securities involve a degree of risk, which include corporate, market, foreign exchange, time value and/or political risks, as well as other risks arising from fluctuations in the value or performance of, or events impacting, the Funds to which the return on the Securities is linked, and general risks applicable to the stock market (or markets) and capital markets.

The Securities have a different risk profile from ordinary unsecured debt securities. The return on the Securities is linked to the performance of the Funds underlying the Securities. Investing in a Security is not equivalent to investing directly in the Funds or the assets held by the Funds, although an investment in Fund Linked Securities may bear similar market risks to a direct fund investment and prospective investors should take advice accordingly.

Unless otherwise specified in the applicable Final Terms, Securityholders will not receive any periodic interest payments on the Securities. Securityholders will not have rights that investors in the underlying Funds may have. Unless otherwise specified in the Final Terms, the Securities will be redeemed in cash and Securityholders will have no right to receive delivery of the Funds.

In order to realise a return upon an investment in a Security linked to the Funds, an investor must have correctly anticipated the direction, timing and magnitude of an anticipated change in the value of the Funds relative to the Issue Price. Depending on the performance of the underlying Fund(s), upon redemption an investor may receive less than its original investment in the Securities, unless the principal is protected and, if it is protected, an investor may only receive an amount to the extent of such protection.

The only means through which a Securityholder can realise value from a Security prior to its Redemption Date is to sell it at its then market price in an available secondary market. See “Risk Factors – Possible Illiquidity of the Secondary Market” in the Base Prospectus. There can be no assurance that a Securityholder will be able to sell any Securities prior to their Redemption Date, at a price equal to or greater than the market value of the Securities on the Issue Date and such holder may only be able to sell Securities at a discount, which may be substantial, to the Issue Price. Furthermore, if any Securityholder sells its Securities, the purchaser will likely be charged a commission for secondary market transactions, or the price will likely reflect a dealer discount.

Where the Fund Linked Securities reference one or more Funds, the purchasers of such Fund Linked Securities are exposed to the performance of such Fund(s). The purchasers will bear the risk that such performance cannot be predicted and purchasers should be aware that the limited availability of last sale information and quotations for such Fund(s) may make it difficult for many purchasers to obtain timely, accurate data for the price or yield of such Fund(s).

If the participation is set below 100% (as specified in the applicable Final Terms), the notional exposure to the Fund(s) and the participation in the performance of the Fund Shares will be limited to such lower percentage, thereby reducing any gains (or where applicable, losses).

## 2.3 General Risks associated with Funds

The valuation of a fund is generally controlled by the relevant fund manager or the investment adviser (as the case may be) and the fund administrator. Valuations are performed in accordance with the terms and conditions governing the fund and are subject to applicable

laws and regulations. Such valuations may be based upon the unaudited financial records of the fund and any accounts pertaining thereto. Such valuations may be preliminary calculations of the net asset values of the fund and accounts. A fund may hold a significant number of investments which are illiquid or otherwise not actively traded and in respect of which reliable prices may be difficult to obtain. In consequence, the relevant fund manager or the investment adviser may vary certain quotations for such investments held by the fund in order to reflect its judgement as to the fair value thereof. Therefore, valuations may be subject to subsequent adjustments upward or downward. Uncertainties as to the valuation of the fund's underlying assets and/or accounts may have an adverse effect on the net asset value of the fund where such judgements regarding valuations prove to be incorrect.

A fund, and any underlying assets in which it may invest, may utilise (*inter alia*) strategies such as short selling, leverage, securities lending and borrowing, investment in sub-investment grade or non-readily realisable investments, uncovered options transactions, options and futures transactions and foreign exchange transactions and the use of concentrated portfolios, each of which could, in certain circumstances, magnify adverse market developments and losses. Funds, and any underlying fund components in which it may invest, may make investments in markets that are volatile and/or illiquid and it may be difficult or costly for positions therein to be opened or liquidated. No assurance can be given relating to the present or future performance of any fund and any underlying fund component in which it may invest. The performance of each fund and any underlying fund component in which it may invest is dependent on the performance of the fund manager in selecting underlying fund components and the management of the relevant underlying fund component. No assurance can be given that such managers will succeed in meeting the investment objectives of the fund, that any analytical model used thereby will prove to be correct or that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which a fund has or may invest will prove accurate.

#### 2.4 General Risks associated with Funds as Reference Assets

Funds may be subject not only to market price fluctuations, but also to numerous other factors that may trigger a Fund Event (as described below), the consequences of which will be set out in the relevant Final Terms, but which may include the substitution of any relevant fund by other constituents (which may, or may not, be another fund). Such substitution would change the profile and composition of the Fund Linked Securities. If so specified in the applicable Final Terms, in the event of certain occurrences in respect of a Fund(s), including, but not limited to, a change in the Fund Manager, Investment Guidelines, strategy, policy or risk profile of a Fund or merger event, an insolvency, or a substitution event (the “**Original Funds**”), the Determination Agent may replace such Original Fund with an alternative investment fund (a “**Replacement Fund**”), but if it is unable to select a Replacement Fund and/or a date for such substitution on the terms described herein, the Determination Agent may replace an Original Fund or a Replacement Fund, as applicable, with an index or a basket of indices (if such replacement is specified and provided for in the applicable Final Terms), therefore changing the profile and composition of the Fund Linked Securities.

Investors should review the related Fund Documents, including the description of risk factors contained therein, prior to making an investment decision regarding any Fund Linked Securities.

However, neither the Issuer nor any of its Affiliates takes any responsibility for the Fund Documents. Such Fund Documents will include more complete descriptions of the risks associated with investments that the relevant Fund intends to make. Any investment decision must be based solely on information in the Fund Documents, this Base Prospectus, and such investigations as the investor deems necessary, and consultation with the investor's own legal, regulatory, tax, accounting and investment advisers in order to make an independent determination of the suitability and consequences of an investment in the Fund Linked Securities. Any information provided by the Issuer upon request shall not form the primary basis of any investment decision. Listed below is a summary description of certain risks to which an investor may be subject:

- 2.4.1 ***Exposure to a Fund's Underlying Assets.*** Investor returns will depend on the performance of the Fund(s) to which the Fund Linked Securities are linked. There can be no assurance that the Fund will generate returns or revenues sufficient to ensure timely payment of all or any amounts due on such investments, if at all. Prospective investors should, together with their professional advisers, carefully consider, in general, the risks related to investments in fund(s).
- 2.4.2 ***Trading Limitations and Frequency.*** Suspensions or limits for securities listed on a public exchange could render certain strategies followed by a Fund difficult to complete or continue. The frequency of a Fund's trading may result in portfolio turnover and brokerage commissions that are greater than other investment entities of similar size.
- 2.4.3 ***Fund Leverage.*** Each Fund Manager may employ leverage separate and in addition to any leverage employed by an issuer of any product or security referred to herein. The leverage used by any Fund may include the use of borrowed funds, repurchase agreements, swaps and options, as well as other derivative transactions. While such strategies and techniques may increase the opportunity to achieve higher returns on the amounts invested, they may also increase the risk of loss.
- 2.4.4 ***Reliance on Trading Models.*** Some of the strategies and techniques used by the relevant Fund Manager may employ a high degree of reliance on statistical trading models developed from historical analysis of the performance or correlations of certain companies, securities, industries, countries, or markets. There can be no assurance that historical performance that is used to determine such statistical trading models will be a good indication of future performance of the Fund(s). If future performance or such correlations vary significantly from the assumptions in such statistical models, then the relevant Fund Manager may not achieve its intended results or investment performance.
- 2.4.5 ***Diversification.*** Certain funds, and/or Securities may provide diversification through investments in a variety of funds. This is intended to reduce the exposure to adverse events associated with specific companies, securities, markets, countries or strategies. However, the number of investments held by each Fund may be limited. Furthermore, each of the Funds may hold similar investments or follow similar investment strategies.
- 2.4.6 ***Illiquidity of Fund Investments.*** The net asset value of a fund(s) will fluctuate with, among other changes, changes in market rates of interest, general economic conditions, economic conditions in particular industries, the condition of financial markets and the

performance of a fund's underlying. Investments by a fund in certain underlying assets will provide limited liquidity. Interests in fund(s) are generally not freely transferable and in many cases are not registered under the Securities Act of 1933, and, therefore, may not be sold or transferred unless they are subsequently registered under the Securities Act of 1933 or an exemption from registration is available. Additionally, funds may be subject to certain transfer restrictions, including, without limitation, the requirement to obtain the Fund Manager's consent (which may be given or withheld in its discretion). Furthermore, the relevant Fund Documents typically provide that interests therein may be voluntarily redeemed only on specific dates of certain calendar months, quarters or years and only if an investor has given the requisite number of days' prior notice to the Fund Manager. Many funds also reserve the right to suspend redemption rights or make in kind distributions in the event of market disruptions. A fund is likely to retain a portion of the redemption proceeds pending the completion of the annual audit of the financial statements of such fund, resulting in considerable delay before the full redemption proceeds are received. Such illiquidity may adversely affect the price and timing of any liquidation of a fund investment entered into by the Issuer for the purposes of hedging that is necessary to meet the requirements of any investment guidelines or tests that the Issuer may have requested. Also, limited liquidity increases the risk that the Issuer may be unable to meet its current obligations during periods of adverse general economic conditions, and insufficient liquidity during the final liquidation of assets of the fund may cause purchasers of Fund Linked Securities to receive any final distribution after the relevant Redemption Date.

- 2.4.7 ***Fund Underlying Assets and Fund Managers.*** Except to the extent expressly agreed to in any Fund Documents, if at all, neither the Issuer nor any of its Affiliates will have any obligation to monitor the performance of a Fund or Fund Basket or the actions of any Fund Managers.
- 2.4.8 ***Roles of Issuer.*** If the Issuer acts as a hedge counterparty or leverage provider to any Fund, it will have no obligation to consider the interests of any investor in that Fund nor any purchaser of Fund Linked Securities in connection with the actions that the Issuer may take in such capacities.
- 2.4.9 ***No Performance Assurance.*** None of the Issuer, nor any of its Affiliates, makes any representation, assurance, or guarantee whatsoever as to any expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) to prospective investors, and no investor may rely on any such party for a determination of expected or projected success, profitability, return, performance result, effect, consequences, or benefit to such prospective investor.
- 2.4.10 ***Past Performance may not be Indicative of Future Performance.*** The past performance of any Fund, portfolio or investment vehicle may not be indicative of any future results, investment performance or trends.
- 2.4.11 ***Dependence on the Expertise of Key Personnel.*** The performance of any Fund will depend greatly on the experience of the investment professionals associated with the relevant Fund Manager, none of whom may be under any contractual obligation to

continue to be associated with such Fund or Fund Manager for any length of time. The loss of one or more of such individuals could have a material adverse effect on the performance of such Fund.

- 2.4.12 **Fund Event.** The occurrence of Fund Events may give rise to an adjustment or early redemption of the Fund Linked Securities. Such Fund Event may result in investors receiving less than their original investment amount or, if a substitution is provided for, may result in a change in the profile and composition of the Fund Linked Securities.
- 2.4.13 **Correlation between Fund Linked Securities and Fund Shares.** No assurance is or can be given that the value of the Fund Linked Securities will correlate with movements in the value of the Fund Shares. Prior to the Redemption Date, it may not be possible to sell the Fund Linked Securities at a price which correlates with the value of Fund Shares.
- 2.4.14 **Hedging Provider.** The Issuer and its Affiliates may but are not obliged to hedge any Fund Linked Securities. The decision to hedge is in the sole discretion of the Issuer and its Affiliates and the Issuer may commence, or, once commenced, suspend or cease to hedge, at any time as it may solely determine. If the Issuer decides to hedge its position through a derivative with a counterparty (a “**Hedging Provider**”) and such Hedging Provider holds any shares, interests or units of the Fund, the Issuer may exercise its rights with respect to such shares, interests or units (including, without limitation, any voting rights) without considering and, in certain circumstances, contrary to the interests of investors of any Securities linked to such Fund. The holder of a Fund Linked Security does not have any rights or claims with respect to the Fund Shares. The Issuer, any Hedging Provider or their Affiliates may have banking or other commercial relationships with the Fund or a Fund Services Provider and may engage in proprietary trading in the Fund Shares or any securities or other assets underlying such Fund Shares or options, futures, derivatives or other instruments relating to the Fund Shares or the Reference Assets and securities (as applicable). Such trading and relationships may adversely affect the price of the Fund Shares and, consequently, the amounts payable or deliverable under the Fund Linked Securities. Such trading may be effected at any time, including or near any Valuation Date.

**PART B**  
**ADDITIONAL TERMS AND CONDITIONS FOR**  
**FUND LINKED SECURITIES**

*The terms and conditions applicable to Fund Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Fund Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Fund Linked Conditions set out below, the Fund Linked Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Fund Linked Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail. This Fund Linked Annex is a Product Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Fund Linked Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

These Fund Linked Conditions apply to Fund Linked Securities linked to a single Fund or a Fund Basket.

**1 Fund Events**

The occurrence of any one or more of the events listed below (unless specified not to be applicable in the applicable Final Terms) or any applicable Additional Fund Event, in respect of any Fund (and in the case of a Fund Basket, in respect of one or more Funds), at any time after the Trade Date, shall constitute a “Fund Event” if, as determined by the Determination Agent, such event or combination of events has had, or can be expected to have, a material adverse effect on the Securities or on the Issuer (including, without limitation, any adverse change to the Issuer’s hedging risk profile or ability to effectively hedge its liability under the Securities):

**1.1 Risks on Fund Services Providers/Corporate Governance**

- (a) The Fund or any Fund Services Provider ceases to exist or is subject to an Insolvency Event;
- (b) There is any variation to, or breach of, the terms of any Fund Documents at any time following the Trade Date and such breach is not cured to the satisfaction of the Determination Agent within 10 Business Days of the occurrence of such breach;
- (c) There is any change in the operation, organisation or management of the Fund or the Fund Manager at any time following the Trade Date;
- (d) The Fund Manager ceases to act in such capacity in relation to the Fund;
- (e) The Fund Administrator or the Fund Custodian ceases to act in such capacity in relation to the Fund and no replacement satisfactory to the Determination Agent is appointed on the occurrence of such event;
- (f) The long-term unsecured, unsubordinated and unguaranteed debt rating assigned to the Fund Custodian or any prime broker of the Fund by Moody’s Investors Service Ltd., or any successor thereto (“**Moody’s**”), and/or Standard and Poor’s Rating Group (a division

of McGraw-Hill, Inc.), or any successor thereto (“S&P”), is downgraded below A (S&P) or A2 (Moody’s) and/or the short-term unsecured, unsubordinated and unguaranteed debt rating assigned to the Fund Custodian or any prime broker of the Fund by Moody’s or S&P is downgraded below A-1 (S&P) or P-2 (Moody’s).

## 1.2 Risks on Strategy Profile/Hedging Implementation/Valuation/Information

### 1.2.1 Risk Profile

- (a) There is any change to the: (i) type of assets in which the Fund invests or is invested, (ii) risk profile of the Fund, notwithstanding that such change is not a breach of or deviation from the Investment Guidelines (including, without limitation, the manner by which the Fund gains exposure to underlying assets), or (iii) leverage of the Fund, at any time following the Trade Date;
- (b) There is any variation to, or deviation from, the Investment Guidelines of the Fund at any time following the Trade Date;
- (c) A breach of the Investment Guidelines occurs and such breach is not cured to the satisfaction of the Determination Agent within 10 Business Days of the occurrence of such breach;
- (d) Any security, financing arrangement, derivative, collateral, credit support arrangement or other trading, dealing or comparable arrangement entered into by or on behalf of the Fund is, as applicable, (i) created, (ii) changed, (iii) enforced or terminated early or becomes capable of being enforced or terminated early by reason of any event of default (howsoever described);
- (e) Any new arrangement is entered into or established which the Determination Agent considers may have an adverse effect on the existing segregation of assets within the Fund.

### 1.2.2 Dealing Terms

- (a) There is any change to the dealing or investment terms of the Fund or the Fund Shares;
- (b) The ability of an investor to subscribe for, redeem or transfer Fund Shares is suspended, restricted or made subject to limitations;
- (c) The Fund settles or attempts to settle any redemption of Fund Shares by effecting an *in specie* transfer of assets;
- (d) The subscription, redemption or transfer of Fund Shares is subject to any form of charge, fee or levy, howsoever described;
- (e) There is a delay of five Business Days or longer (as calculated from the expected settlement date for any redemption proceeds as of the redemption date) in the payment of the proceeds of any redemption of Fund Shares;
- (f) The Fund exercises any right to hold back any part or the whole of the proceeds of any redemption of Fund Shares;

- (g) The Fund Shares are the subject of a compulsory redemption;
- (h) The Fund exercises or seeks to exercise any right to require the return of redemption proceeds;
- (i) The realisable value at which any subscription, redemption or transfer order is executed by the Fund differs from the relevant Net Asset Value published by the Fund Administrator.

### 1.2.3 Valuation

- (a) A Market Disruption Event has occurred and is ongoing for more than five Business Days;
- (b) There is a modification of the method of calculating the Net Asset Value, including, but not limited to, a change in the base currency of the Fund, the denomination or currency of the Fund Shares, or the implementation of “series accounting” or “equalisation”, howsoever described;
- (c) There occurs any suspension or limitation on the trading of the relevant currencies in which the Fund Shares are denominated;
- (d) The calculation or publication of the Net Asset Value is suspended;
- (e) There is a change in the frequency or timing of the calculation or publication of the Net Asset Value;
- (f) The Fund establishes a Side Pocket. “**Side Pocket**” means any procedure whereby certain assets of the Fund, being assets that were previously accounted for in the same manner as the remaining underlying assets of the Fund (or a portion thereof) (the “**Remaining Fund Assets**”), are identified as being assets to be accounted for separately from, or in a different manner to, the Remaining Fund Assets;
- (g) The time delay between (i) the Dealing Date and (ii) the publication date of the Net Asset Value (or any estimate thereof) is extended by more than five Business Days from any previously observed schedule;
- (h) Any information relating to the Fund that was specified to be published in accordance with the Fund Documents as they prevailed on the Trade Date is not published in accordance with the timetable set out therein;
- (i) The Fund Administrator uses asset prices provided by the Fund Manager to calculate the net asset value of the Fund when such asset prices could have been obtained from independent sources and the asset prices from independent sources diverge from the asset prices provided by the Fund Manager;
- (j) The audited net asset value of the Fund is different from the net asset value communicated by the Fund Administrator in respect of the same date, or the most recently published audit of the Fund is qualified in any material respect.

#### **1.2.4 Information on the underlying assets of the Fund/Fund Manager**

- (a) The Determination Agent does not obtain within five Business Days (or a longer period as may be set out in the applicable Final Terms) of request any information from the Fund Manager, the Fund Administrator or the Fund Custodian which the Determination Agent (acting reasonably) deems necessary for its determinations (including, without limitation, whether a Fund Event has occurred hereunder) and in the execution of its duties and obligations with respect to the Securities;
- (b) The Issuer does not receive such information relating to the underlying investments of the Fund (and/or any investments of such underlying investments) from the relevant Fund Services Provider as the Issuer requires to ensure the compliance of the Barclays Group with its reporting obligations pursuant to the United States Bank Holding Company Act of 1956 (as amended), the United States Federal Reserve Act or any analogous State or Federal laws or regulations of the United States of America.

#### **1.2.5 Performance/AUM Stability**

- (a) The total net asset value of the Fund falls below either EUR 50,000,000 (or the equivalent amount in the relevant currency) or 50 per cent. of its total net asset value in the immediately preceding 12-month period;
- (b) If, on any day, the total value of the assets managed by the Fund Manager (including the Fund) has decreased by 50 per cent. or more from its highest total value during the immediately preceding 12-month period.

### **1.3 Legal/Tax/Regulatory Risks on the Overall Transaction or Hedge Implementation**

- (a) There is any change in the legal, tax, accounting or regulatory treatment of the Fund or any Fund Services Provider that is reasonably likely to have an adverse impact on the value of the Fund Shares or on the rights or remedies of any investor therein;
- (b) There is an introduction or change of law, regulation or accounting practice or the application or interpretation of any law, regulation or accounting practice, to such extent that the continued performance of its obligations hereunder would have an effect on the Issuer and/or any affiliate (including, but not limited to, the Issuer's and/or any affiliate's balance sheet usage or the maintenance of regulatory capital in relation to the issuance of the Securities) or the Determination Agent or the Securities;
- (c) The Issuer and/or any affiliate would have to redeem all or a portion of the Fund Shares which may be held by it in order to comply with or remain within any applicable internal, legal and/or regulatory limits;
- (d) The Fund or any Fund Services Provider becomes party to any litigation, dispute or legal proceedings which may have an adverse impact on the value of the Fund Shares or on the rights or remedies of any holder of Fund Shares;
- (e) It becomes unlawful in any applicable jurisdiction for the Issuer or the Determination Agent to perform any of its obligations in respect of the Securities.

#### **1.4 Reputational Risk**

- (a) The activities of the Fund, the Fund Manager, any key person (as may be specified in the applicable Final Terms), the Fund Administrator or the Fund Custodian becomes subject to any investigation, review, proceeding or litigation by any governmental, legal, administrative or regulatory authority for reasons of any alleged wrongdoing, breach of any rule or regulation or other similar reason;
- (b) The Fund, the Fund Manager, the Fund Administrator or the Fund Custodian has any relevant regulatory licence, authorisation, registration or approval cancelled, suspended, revoked, removed or made subject to new conditions;
- (c) Any representation or statement made or deemed to be made by the Fund Manager or the Fund (and/or any of its directors) within the Fund Documents is or proves to have been incorrect or misleading in any respect when made or deemed to have been made;
- (d) The directors of the Fund or any Fund Service Provider are adjudged to have been guilty of fraud, wilful default or gross negligence by any governmental, legal, administrative or regulatory authority to whose rules they are subject.

#### **1.5 Miscellaneous**

- (a) Any key person (as may be specified in the applicable Final Terms) for any reason ceases to be significantly and regularly involved in the investment decisions of the Fund Manager in principally the same capacity as that held as of the Trade Date;
- (b) Either the Fund or the Fund Manager fails to comply with any terms set out in any liquidity side letter agreement or fee rebate agreement (as the case may be) which may be entered into by the Issuer or any Affiliate in connection with the hedging of the Securities, or terminates such agreement;
- (c) Either the Fund or the Fund Manager ceases to comply with the Determination Agent's ongoing due diligence process or is deemed not acceptable as an underlying of structured products by the Determination Agent for internal policy reasons, including, without limitation, operational, credit, legal, reputational, accounting, tax, regulatory or regulatory capital reasons.

The determination as to the occurrence of a Fund Event shall be at the sole discretion of the Determination Agent. If an event or factual circumstance is capable of constituting any of a Fund Event, a Potential Adjustment of Payment Event or an Additional Disruption Event, the Determination Agent, acting in its sole discretion, will determine whether such event or circumstance shall constitute a Fund Event, a Potential Adjustment of Payment Event or an Additional Disruption Event.

## **2 Consequences of a Fund Event**

- 2.1 Following the occurrence of any Fund Event applicable to the Fund Linked Securities, the Determination Agent shall notify the Issuer and the Securityholders of the occurrence of such Fund Event and the Issuer shall, as specified in the applicable Final Terms:

- 2.1.1 redeem the Fund Linked Securities in whole but not in part at their Early Cash Settlement Amount, determined by the Determination Agent in its sole discretion, and taking into account any fees, premiums and charges as may be specified in the applicable Final Terms; or
  - 2.1.2 substitute the Fund Shares for the shares of another Fund or another underlying asset, the details of which, including the terms and procedure, will be set out in the applicable Final Terms; or
  - 2.1.3 take such other action as is specified in the Final Terms; or
  - 2.1.4 treat the relevant Fund Event as if an Additional Disruption Event had occurred in respect of the Fund Linked Security for the purposes of exercising any applicable rights under the Base Conditions (including, without limitation, exercising the cancellation or adjustment rights in Conditions 5.4 or 6.2 of the Base Conditions.
- 2.2 Upon determining the occurrence of a Fund Event, the Issuer shall give notice as soon as practicable to the Securityholders in accordance with Condition 16 of the Base Conditions, giving details of the Fund Event and the action to be taken in respect thereof.
- 2.3 The Fund Events are intended to preserve the risk profile of the Issuer in respect of the Securities hedging arrangements (if any) entered into by the Issuer in respect of the Securities, but are not intended to protect any performance of the Securities. The Determination Agent has no obligation to actively monitor whether or not any of the Fund Events has occurred or is likely to occur and accepts no liability therefor.

### 3 Potential Adjustment of Payment Events

The occurrence of any one or more of the events listed below (unless specified not to be applicable in the applicable Final Terms) or any applicable Additional Adjustment Event, in respect of any Fund (and in the case of a Basket of Funds, in respect of one or more Funds), at any time after the Trade Date, shall constitute a “**Potential Adjustment of Payment Event**”:

- (a) the Determination Agent determines that the realisable value actually received by a Hypothetical Investor seeking to redeem any holding of Fund Shares (such redemption targeted to be effected on the Final Redemption Dealing Date or Averaging Dates, as the case may be) differs from the Net Asset Value per Fund Share in respect of the Final Redemption Dealing Date or Averaging Dates, as the case may be; or
- (b) at any time following the Trade Date, there is a change to the terms of any arrangements relating to rebates receivable by the Issuer in respect of any physical or synthetic holdings of Fund Shares held (or to which a synthetic exposure has been obtained) in connection with the Securities.

The determination as to the occurrence of a Potential Adjustment of Payment Event shall be at the sole discretion of the Determination Agent. If an event or factual circumstance is capable of constituting any of a Fund Event, a Potential Adjustment of Payment Event or an Additional Disruption Event, the Determination Agent, acting in its sole discretion, will determine whether such event or circumstance shall constitute a Fund Event, a Potential Adjustment of Payment Event or an Additional Disruption Event.

#### **4 Consequences of a Potential Adjustment of Payment Event**

Following the occurrence of a Potential Adjustment of Payment Event, the Determination Agent may make such adjustment to the Settlement Amount or other parameters (including, without limitation, the NAV, the adjustment factor and/or the participation) as it considers appropriate to preserve the risk profile of the Issuer in respect of the Securities hedging arrangements (if any) entered into by the Issuer in respect of the Securities. Any such adjustment to the Settlement Amount, Net Asset Value, or other parameter shall be determined on any Calculation Date by the Determination Agent in its sole discretion to reflect the economic impact of such event on the Securities. The Determination Agent has no obligation to actively monitor whether or not any of the Potential Adjustment of Payment Events has occurred or is likely to occur and accepts no liability therefor.

#### **5 Physical Settlement**

Unless otherwise specified in the applicable Final Terms, the Securities will be redeemed in cash and the Securityholder will have no right to receive delivery of the Fund Shares. Where it is specified in the applicable Final Terms that Physical Settlement shall apply to the Fund Linked Securities, the provisions relating to Physical Settlement of the Fund Linked Securities shall be as set out in the applicable Final Terms.

**PART C**  
**DEFINITIONS APPLICABLE TO FUND LINKED SECURITIES**

**1 Definitions Relating To Fund Linked Securities**

“**Additional Adjustment Event**” has the meaning given to it in the applicable Final Terms.

“**Additional Fund Event**” has the meaning given to it in the applicable Final Terms.

“**Adjusted Redemption Date**” means the Business Day falling three Business Days (unless the number of Business Days is otherwise set out in the applicable Final Terms) after the Proceeds Receipt Date, provided that, where a Hypothetical Investor would not have received payment in full in respect of a redemption of Fund Shares by the Receipt Deadline, then the Business Day falling three Business Days (unless the number of Business Days is otherwise set out in the applicable Final Terms) after the Receipt Deadline shall be deemed to be the Adjusted Redemption Date.

“**Averaging Dates**” means, with respect to the Fund Shares, the relevant dates specified as such in the applicable Final Terms, the first of which shall be the “**First Averaging Date**” and the last of which shall be the “**Final Averaging Date**”, provided that, if a specified Averaging Date is not a Dealing Date with respect to the Fund Shares, such Averaging Date shall be deemed to be the immediately following Dealing Date.

“**Basket Calculation Date**” means, in respect of a Fund Basket, each Business Day that is also a Basket Component Calculation Date in respect of each of the Funds in the Fund Basket.

“**Basket Component Calculation Date**” means the Strike Date and:

- (i) in respect of each Fund in the Fund Basket and each Dealing Date after the Strike Date other than the Final Redemption Dealing Date, means the earlier of (a) the Business Day on which the relevant Fund Administrator has published the Net Asset Value in respect of such Dealing Date; and (b) the Business Day on which an estimate of the Net Asset Value of such Fund in respect of such Dealing Date is determined by the Determination Agent in accordance with the definition of Net Asset Value below;
- (ii) the Valuation Date; and
- (iii) any other date the Determination Agent determines to be a Basket Component Calculation Date.

For the purpose of determining the Basket Component Calculation Date in respect of any Dealing Date for the relevant Fund, the Net Asset Value shall be deemed to have been “published” on a Business Day if such Net Asset Value has been received by the Determination Agent from the relevant Fund Administrator by 4:00pm, London time on such Business Day. If, for any reason, such Net Asset Value is received by the Determination Agent from the relevant Fund Administrator after 4:00pm, London time or on a day that is not a Business Day, it will be deemed to have been “published” on the following Business Day. The Term “publication” shall be construed accordingly.

“**Calculation Date**” means the Strike Date and:

- (i) in respect of each Dealing Date after the Strike Date other than the Final Redemption Dealing Date, means the earlier of (a) the Business Day on which the Fund Administrator has published

the Net Asset Value (each as defined below) in respect of such Dealing Date; and (b) the Business Day on which an estimate of the Net Asset Value in respect of such Dealing Date is determined by the Determination Agent in accordance with the definition of Net Asset Value below;

- (ii) the Valuation Date; and
- (iii) any other date the Determination Agent determines to be a Calculation Date.

For the purpose of determining the Calculation Date in respect of any Dealing Date, the Net Asset Value shall be deemed to have been “published” on a Business Day if such Net Asset Value has been received by the Determination Agent from the Fund Administrator by 4:00 p.m, London time on such Business Day. If, for any reason, such Net Asset Value is received by the Determination Agent from the Fund Administrator after 4:00 p.m, London time or on a day that is not a Business Day, it will be deemed to have been “published” on the following Business Day. The term “publication” shall be construed accordingly.

“**Dealing Date**” means, in respect of a Fund, any date on which subscriptions and/or redemptions in the Fund Shares of the relevant Fund can be effected in accordance with the provisions of the Fund Documents.

“**Early Cash Redemption Date**” means, unless otherwise specified in the applicable Final Terms, either (i) the date on which the Fund Linked Securities are redeemed early pursuant to Condition 5.2 of the Base Conditions (if applicable); or (ii) the earlier of (a) the Business Day falling three Business Days (unless the number of Business Days is otherwise set out in the applicable Final Terms) after the Proceeds Receipt Date, or (b) where a Hypothetical Investor would not have received payment in full in respect of such redemption of Fund Shares by the Receipt Deadline, the Business Day falling three Business Days (unless the number of Business Days is otherwise set out in the applicable Final Terms) after the Receipt Deadline.

“**Early Cash Settlement Amount**” means, unless otherwise specified in the applicable Final Terms, an amount per Security payable on the Early Cash Redemption Date, calculated by the Determination Agent, acting in a commercially reasonable manner, by reference to the embedded financial instruments in respect of the Securities and taking into account the following factors as may be applicable:

- (i) the realisable value per Fund Share at which the Determination Agent determines that a Hypothetical Investor would have been able to sell or otherwise realise its holding of Fund Shares in respect of a redemption of such Fund Shares effected as soon as reasonably practicable after the relevant Early Redemption Notice Date;
- (ii) market factors, including (but not limited to) the prevailing level of volatility, interest rates and credit spreads; and
- (iii) any Early Redemption Costs (which, for the avoidance of doubt, will reduce the Early Cash Settlement Amount),

and provided further that, if the Determination Agent determines that a Hypothetical Investor would not have received some or all of such proceeds of realisation by the Receipt Deadline (the “**Late**

**Receipts**”), then, in determining the Early Cash Settlement Amount, the Determination Agent shall attribute a zero value to all such Late Receipts.

**“Early Redemption Costs”** means an amount per Security equal to the pro rata share of the total amount of any and all costs associated or incurred (or expected to be incurred) by (or on behalf of) the Issuer in connection with such early redemption, including, without limitation, any costs associated with liquidating or amending any financial instruments or transactions entered into by the Issuer in connection with the Securities (including, but not limited to, hedge termination costs (if any) or funding breakage costs (if any), whether actual or notional), together with costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions and any costs associated with any Market Disruption Event, all as determined by the Determination Agent.

**“Expected Redemption Date”** means the date as specified in the applicable Final Terms, subject to adjustment in accordance with the Business Day Convention.

**“Early Redemption Notice Date”** means, following the date on which the Determination Agent determines that a Fund Event or an Additional Disruption Event has occurred, the first date in respect of which a valid redemption notice could have been given for redemption of the Fund Shares by a Hypothetical Investor.

**“Final Cash Settlement Amount”** means, subject to the Potential Adjustment of Payment Events and unless otherwise specified in the applicable Final Terms, an amount per Security, calculated by the Determination Agent as set out in the Final Terms.

**“Final Redemption Dealing Date”** shall be the date specified as such in the applicable Final Terms.

**“Fund”** means the fund(s), as set out in the applicable Final Terms.

**“Fund Administrator”** means the administrator of the Fund, as specified in the applicable Final Terms.

**“Fund Basket”** means a basket comprised of each of the funds specified as a Fund as set out in the applicable Final Terms, which, for the avoidance of doubt shall also comprise the basket of Reference Assets for the purposes of the Terms and Conditions of the Securities.

**“Fund Custodian”** means the custodian of a Fund, as specified in the applicable Final Terms.

**“Fund Documents”** means, in relation to a Fund and any class, series or compartment within such Fund, the by laws and/or memorandum and articles of association and any trust deed, segregated account documentation or other constitutive, governing or documents of or relating to the Fund and all other agreements (whether of general application or otherwise), rules or applicable laws governing and relating to the Fund or any class, series or compartment within the Fund, including, without limitation, the version of the Fund’s offering memorandum, investment management agreement, custody agreement or administration agreement and any agreements relating to subscriptions for or redemptions of any Fund Shares or proceeds of redemption thereof and any terms relating to a secondary market in the Fund Shares, all as in force at the Trade Date.

**“Fund Linked Security”** means a Security where the repayment of principal and/or amount deliverable on redemption or any other amounts payable or deliverable in respect of such Securities, as indicated in the applicable Final Terms, will be calculated by reference to and/or contingent upon the performance of the shares, interests or units in one or more funds.

**“Fund Manager”** means the investment manager of the Fund, as specified in the applicable Final Terms.

**“Fund Services Provider”** means, in respect of a Fund, any person who is appointed to provide services, directly or indirectly, to such Fund, whether or not specified in the Fund Documents, including the Fund Manager, Fund Administrator, Fund Custodian, operator, management company, depository, sub-custodian, prime broker, trustee, registrar and transfer agent, domiciliary agent and any other person specified as such in the applicable Final Terms.

**“Fund Share”** means an interest issued to or held by an investor in a fund, pooled investment vehicle or any other interest specified as such in the applicable Final Terms, including, but not limited to, units and shares and in respect of Securities referencing a Fund Basket includes the Fund Shares in respect of all Funds in the Fund Basket.

**“Hypothetical Investor”** means a hypothetical investor in Fund Shares located in the jurisdiction of the Issuer deemed to have the benefits and obligations, as provided under the Fund Documents, of an investor holding or subscribing for the number of Fund Shares that would reflect the exposure to Fund Shares granted by the Securities.

**“Insolvency Event”** with respect to an entity, means that such entity (i) is dissolved or has a resolution passed for its dissolution, winding-up or official liquidation; (ii) 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; (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) institutes, or has instituted against it, a proceeding seeking a judgement of insolvency or bankruptcy or any other relief, or a petition is presented for its winding-up or liquidation; (v) 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 its assets; (vi) has a secured party take possession of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against its assets and such secured party maintains possession; or (vii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in (i) to (vi) above.

**“Investment Guidelines”** means the investment objectives, investment guidelines, investment policy or investment process set out in the Fund Documents or which are otherwise in effect on the Trade Date, in respect of a Fund.

**“Market Disruption Event”** means, notwithstanding the Base Conditions, in respect of Fund Linked Securities, if the relevant Fund Administrator fails to calculate and publish the Net Asset Value in respect of any Dealing Date and in respect of each Fund, prior to the corresponding NAV Deadline Date. Such Market Disruption Event shall be ongoing until the relevant Fund Administrator calculates and publishes a Net Asset Value with respect to such Dealing Date or any subsequent Dealing Date.

**“NAV Deadline Date”** means the expected date of publication of the net asset value by the Fund Administrator and, unless otherwise specified in the applicable Final Terms, such NAV Deadline Date shall be no later than the first Business Day following the relevant Dealing Date.

**“Net Asset Value”** or **“NAV”** means, in respect of each Dealing Date and each Fund, the net asset value per Fund Share in respect of such Dealing Date and each Fund as calculated and published by

the relevant Fund Administrator in accordance with the provisions of the Fund Documents, provided that, unless otherwise specified in the applicable Final Terms, if the relevant Fund Administrator has not calculated and published the net asset value per Fund Share in relation to the relevant Dealing Date prior to the relevant NAV Deadline Date, then the Determination Agent may estimate, in a commercially reasonable manner, the net asset value per Fund Share based on the then available information; such estimate, if any, shall be the “Net Asset Value” or “NAV”.

“**Proceeds Receipt Date**” means the date on which a Hypothetical Investor would have received in full the proceeds of a redemption of Fund Shares following either (i) an Early Redemption Notice Date or the Final Redemption Dealing Date; or (ii) following receipt of a notice from the Fund or the relevant Fund Services Provider that the Fund or the relevant Fund Services Provider, as the case may be, will be paying redemption amounts in respect of Fund Shares.

“**Receipt Deadline**” means, unless otherwise specified in the applicable Final Terms, the Business Day falling 180 calendar days (or such other number of calendar days as is specified in the Final Terms) after the earlier of (i) the Final Redemption Dealing Date and (ii) the Early Redemption Notice Date, in each case subject to adjustment in accordance with the Business Day Convention.

“**Redemption Date**” means the later of the Expected Redemption Date and the Adjusted Redemption Date.

“**Settlement Method**” shall be cash settlement unless otherwise specified in the applicable Final Terms.

“**Strike**” shall, if applicable, be as is specified in the applicable Final Terms.

“**Strike Date**” means, unless otherwise specified in the applicable Final Terms, the first Dealing Date after the Issue Date in respect of which a Hypothetical Investor could have subscribed to the Fund Shares, having placed a duly completed notice requesting subscription to the Fund Shares as soon as reasonably practicable following the Issue Date, as determined by the Determination Agent.

“**Valuation Date**” means the Proceeds Receipt Date, provided that, where a Hypothetical Investor would not have received payment in full in respect of redemption of Fund Shares by the Receipt Deadline, the Valuation Date shall be deemed to be the Receipt Deadline.

## **BARCLAYS CAPITAL INDEX ANNEX**

### **Table of Contents**

#### **SECTION 1 – DESCRIPTION AND RISK FACTORS FOR BARCLAYS CAPITAL INDEX LINKED SECURITIES**

1. Brief Description of Barclays Capital Index Linked Securities
2. Risk Factors Relating to Barclays Capital Index Linked Securities
3. Disclaimer
4. Barclays Capital Commodity Index Linked Securities
5. Barclays Capital Equity Index Linked Securities
6. Barclays Capital FX Index Linked Securities
7. Barclays Capital Interest Rate Index Linked Securities
8. Barclays Capital Emerging Market Index Linked Securities

#### **SECTION 2 – ADDITIONAL PROVISIONS FOR BARCLAYS CAPITAL COMMODITY INDEX LINKED SECURITIES**

##### Part A – General Information Relating to Barclays Capital Commodity Indices

1. Barclays Capital Pure Beta Indices
2. Barclays Capital Single Commodity Indices
3. Barclays Capital Roll Yield Indices
4. Barclays Capital Momentum Alpha Indices
5. Barclays Capital ComBATS Indices

#### **SECTION 3 – ADDITIONAL PROVISIONS FOR BARCLAYS CAPITAL EQUITY INDEX LINKED SECURITIES**

##### Part A – General Information Relating to Barclays Capital Equity Indices

1. Barclays Capital ARMOUR Indices
2. Barclays Capital CEEMA Indices
3. Barclays Capital Q-GSP Indices
4. Barclays Capital Turn of the Month (TOM) Indices
5. Barclays Capital ASTRO Indices
6. Barclays Capital Tracker Indices
7. Barclays Capital LBAR Indices

8. Barclays Capital SBAR Indices
9. Barclays Capital Advanced Emerging Market Indices
10. Barclays Capital Chips Indices
11. Barclays Capital Emerging 7 Indices
12. Barclays Capital Q-MA Index
13. Barclays Capital Diversified Multi-Asset CHF 7% ER Index
14. Barclays Capital Q-TrueValue Index Family
15. Barclays Capital VOLTAS Index Family
16. Barclays Capital Q-Voltas Index Family
17. Barclays Capital ERA Index Family
18. Indices constituting Barclays Capital Multi-Alpha ERA Index Family
19. Barclays Capital Equity Inflation Response Indices

Part B – General Terms and Conditions for Securities Linked to Barclays Capital Equity Indices

1. Definitions

Part C – Component Fallback Terms and Conditions for Securities Linked to Barclays Capital Equity Indices

1. Risk Factors
2. Component Disruption and Application of the Relevant Annex
3. Consequence of an Index Disrupted Day
4. Components Comprising Bonds or Cash
5. Commodity Business Day Convention
6. Consequence of a Barclays Capital Index Disruption
7. Definitions

**SECTION 4 – ADDITIONAL PROVISIONS FOR BARCLAYS CAPITAL FX INDEX LINKED SECURITIES**

Part A – General Information Relating to Barclays Capital FX Indices

1. Barclays Intelligent Carry Index
2. Barclays Adaptive FX Trend Index
3. Barclays FX Value Convergence Index
4. Barclays FX Switch Index
5. Barclays Capital Trade-Weighted Dollar Diversification Index
6. Barclays Capital Trade-Weighted Dollar Bull Index

7. Barclays Commodity Producers Currency Index-6 (Delta-1 version)
8. Barclays Commodity Producers Currency Index-6 (Volatility controlled version)

Part B – Risk Factors Relating to Barclays Capital FX Index Linked Securities

Part C – Additional Terms and Conditions for Securities Linked to Barclays Capital FX Indices

1. Interest
2. Redemption
3. Barclays Capital FX Index Adjustment Events and Disruption

Part D – Definitions Applicable to Barclays Capital FX Index Linked Securities

## **SECTION 5 – ADDITIONAL PROVISIONS FOR BARCLAYS CAPITAL INTEREST RATE INDEX LINKED SECURITIES**

Part A – General Information Relating to Barclays Capital Interest Rate Indices

1. Barclays Capital Exceed Indices
2. Barclays Capital Bond Futures Indices
3. Barclays Capital Government Bond Futures Targeted Exposure Indices
4. Barclays Capital SGD Exceed Index
5. Barclays Capital Korean Rates Term Premium Index
6. Barclays Capital CRYSTAL Indices
7. Barclays Capital TrendStar+ Index

Part B – Terms and Conditions for Barclays Capital Interest Rate Index Linked Securities

1. Interest
2. Redemption
3. Barclays Capital Interest Rate Index Adjustment Events

Part C – Definitions Applicable to Barclays Capital Interest Rate Index Linked Securities

## **SECTION 6 – ADDITIONAL PROVISIONS FOR BARCLAYS CAPITAL EMERGING MARKET INDEX LINKED SECURITIES**

Part A – General Information Relating to Barclays Capital Emerging Market Indices

1. Barclays Capital GEMS Indices
2. Emerging Markets Tradable Government Inflation-Linked Bond (EMTIL) Index
3. USD Sovereign Bond Index
4. Middle East Hard Currency Bonds Index
5. Emerging Markets Tradable External Debt (EMTED) Index

Part B – Risk Factors Relating to Barclays Capital Emerging Market Index Linked Securities

Part C – Additional Terms and Conditions for Securities Linked to Barclays Capital Emerging Market Indices

1. Interest
2. Redemption
3. Barclays Capital Emerging Market Index Adjustment Events and Disruption
4. Notice of Adjustment or Cancellation

Part D – Definitions Applicable to Barclays Capital Emerging Market Index Linked Securities

**SECTION 1**  
**DESCRIPTION AND RISK FACTORS FOR**  
**BARCLAYS CAPITAL INDEX LINKED SECURITIES**

**1 Brief Description of Barclays Capital Index Linked Securities**

“**Barclays Capital Index Linked Securities**” are Securities where the repayment of principal and/or payment of interest will be calculated by reference to and/or contingent upon the performance of an index as specified in the relevant Final Terms (each a “**Barclays Capital Index**”) over a period of time or on certain dates. The performance of the Barclays Capital Index may be based on, *inter alia*, an asset dependent strategy which by operation of an algorithm dynamically adapts allocations to various components, which may be a share, an equity index, a commodity index, inflation-linked securities, a bond, foreign exchange rate and/or cash (as the case may be) and each as described in the Section herein relating to such index.

**2 Risk Factors Relating to Barclays Capital Index Linked Securities**

**General Considerations**

The Barclays Capital Index Linked Securities involve a degree of risk, which include corporate, market, foreign exchange, time value and/or political risks, as well as other risks arising from fluctuations in the value or performance of, or events impacting, the Barclays Capital Index to which the return on the Securities is linked, and general risks applicable to the stock market (or markets) and capital markets.

The Barclays Capital Index Linked Securities have a different risk profile from ordinary unsecured debt securities. The return on the Barclays Capital Index Linked Securities is linked to the performance of the components of the Barclays Capital Index. Investing in a Barclays Capital Index Linked Security is not equivalent to investing directly in the Barclays Capital Index or the components of the Barclays Capital Index.

Securityholders may, depending on the terms of the relevant Securities, not receive any periodic interest payments on the Barclays Capital Index Linked Securities. Securityholders will not have rights that investors in the Barclays Capital Index may have. The Barclays Capital Index Linked Securities will be redeemed in cash and Securityholders will have no right to receive delivery of any components of the Barclays Capital Index.

In order to realise a return upon an investment in a Barclays Capital Index Linked Security linked to a Barclays Capital Index, an Investor must have correctly anticipated the direction, timing and magnitude of any change in the value of the Barclays Capital Index relative to the Issue Price. If the value of the Barclays Capital Index does not increase, or decreases, as the case may be, an Investor may, upon such redemption, fail to receive any further return in addition to its original investment in such Barclays Capital Index Linked Security or receive less than its original investment.

One of the only means through which a Securityholder can realise value from a Barclays Capital Index Linked Security prior to its scheduled redemption date is to sell it at its then market price in an available secondary market. See “Possible Illiquidity of the Securities in the Secondary Market” below. There can be no assurance that a Securityholder will be able to sell any Barclays Capital Index Linked Securities prior to their scheduled redemption date, at a price equal to or greater than the market

value of the Barclays Capital Index Linked Securities on the Issue Date and such holder may only be able to sell Barclays Capital Index Linked Securities at a discount, which may be substantial, to the Issue Price. Furthermore, if any Securityholder sells its Barclays Capital Index Linked Securities, the purchaser will likely be charged a commission for secondary market transactions, or the price will likely reflect a dealer discount.

### **The Barclays Capital Index Linked Securities may not be a Suitable Investment for all Investors**

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

- (i) have sufficient knowledge and experience to evaluate the Barclays Capital Index Linked Securities, the merits and risks of investing in the Barclays Capital Index Linked Securities and the information contained or incorporated by reference in the Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Barclays Capital Index Linked Securities and the impact the Barclays Capital Index Linked Securities will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Barclays Capital Index Linked Securities;
- (iv) understand thoroughly the terms of the Barclays Capital Index Linked Securities, and be familiar with the Barclays Capital Index and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

### **Certain Factors Affecting the Value and Trading Price of the Barclays Capital Index Linked Securities**

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

- (i) market interest rates;
- (ii) fluctuations in currency exchange rates;

- (iii) fluctuations in equity prices;
- (iv) fluctuations in commodity prices;
- (v) inflation;
- (vi) the liquidity of the Barclays Capital Index Linked Securities in the secondary market;
- (vii) the time remaining to any redemption date; and
- (viii) economic, financial, regulatory, political, terrorist, military or other events in one or more jurisdictions, including factors affecting capital markets generally or the stock exchanges on which any Barclays Capital Index Linked Securities may be traded.

In addition to the factors above, the interim value of the Barclays Capital Index Linked Securities will also vary with the value of the Barclays Capital Index and is affected by a number of other factors, including, but not limited to, the value and volatility of the Barclays Capital Index.

Due to the additional risk characteristics of the Barclays Capital Index Linked Securities, prospective investors in the Barclays Capital Index Linked Securities should understand the risks of transactions involving the Barclays Capital Index Linked Securities and should reach an investment decision only after careful consideration, with their advisers when appropriate, of the suitability of the Barclays Capital Index Linked Securities in light of their particular financial circumstances, the information set forth herein and the information regarding the Barclays Capital Index Linked Securities and the Barclays Capital Index.

Before selling Barclays Capital Index Linked Securities, holders of the Barclays Capital Index Linked Securities should carefully consider, among other things, (a) the trading price of the Barclays Capital Index Linked Securities, (b) the value and volatility of the Barclays Capital Index, (c) the time remaining to redemption, (d) any change(s) in interim interest rates and dividend yields, if applicable, (e) any change(s) in currency exchange rates, (f) any related transaction costs and (g) any correlation between the Barclays Capital Index and the Barclays Capital Index Linked Securities.

#### **Securityholders Will Have No Claim Against any Sponsor of any Barclays Capital Index**

A Barclays Capital Index Linked Security will not represent a claim in respect of any sponsor or other connected person in respect of such Barclays Capital Index. A holder will not have recourse under such Barclays Capital Index Linked Security to any sponsor, or other connected person, in respect of such Barclays Capital Index. The Barclays Capital Index Linked Securities are not in any way sponsored, endorsed or promoted by any sponsor or other connected person in respect of any Barclays Capital Index and such entities have no obligation to take into account the consequences of their actions on any Securityholder.

#### **The Barclays Capital Index Linked Securities may be Redeemed Prior to their Scheduled Redemption Date**

The Issuer may redeem the Barclays Capital Index Linked Securities prior to their Redemption Date if an Additional Disruption Event occurs. The redemption amount received by Securityholders in such circumstances may be lower than the Issue Price for the Barclays Capital Index Linked Securities paid by the Securityholder and may be zero. As a consequence, upon such redemption, the Securityholder may not receive the total amount of the capital invested and there can be no assurance that

Securityholders will receive back at least 100 per cent. of the principal amount of the Barclays Capital Index Linked Securities and, in certain circumstances, Securityholders could receive zero. In addition, investors that choose to reinvest monies they receive through an early redemption may be able to do so only in securities with a lower yield than the redeemed Barclays Capital Index Linked Securities. Such early redemption may affect the return on, and value of, the Barclays Capital Index Linked Securities.

#### **Adjustment to or Early Redemption or Cancellation of the Barclays Capital Index Linked Securities and Reinvestment Risk following an Additional Disruption Event**

If an Additional Disruption Event occurs, the Issuer will either (i) request the Determination Agent to adjust the terms and conditions of the Barclays Capital Index Linked Securities (without the consent of the Securityholders) or (ii) procure the early redemption or cancellation of the Barclays Capital Index Linked Securities, in each case, in accordance with the Conditions. An investor in the Barclays Capital Index Linked Securities should be aware that the relevant redemption amount may be less than the Securityholder's initial investment and there can be no assurance that Securityholders will receive back at least 100 per cent. of the principal amount of the Barclays Capital Index Linked Securities. Investors in Barclays Capital Index Linked Securities should consider reinvestment risk in light of other investments available at that time.

#### **Early Redemption or Cancellation of Barclays Capital Index Linked Securities**

If the Barclays Capital Index Linked Securities are redeemed or cancelled prior to their Redemption Date, the Issuer will take into account when determining the relevant redemption amount, and deduct therefrom, an amount in respect of all costs, losses and expenses (if any) incurred (or expected to be incurred) by or on behalf of the Issuer in connection with the redemption or cancellation of the Barclays Capital Index Linked Securities, including, without duplication or limitation, hedging unwind and funding breakage costs and Local Market Expenses (if any). Such costs, losses and expenses will reduce the amount received by Securityholders on redemption or cancellation and may reduce the relevant redemption amount to zero. The Issuer is not under any duty to hedge itself at all or in any particular manner, and is not required to hedge itself in a manner that would (or may be expected to) result in the lowest costs, losses and expenses.

#### **Index Disruption in relation to the Barclays Capital Index**

Where the Determination Agent has determined that a day on which a valuation or determination is to be made in respect of any Barclays Capital Index is a Disputed Day or an Index Disrupted Day or a Market Disruption Event, an Index Adjustment Event, an FX Disruption Event or a Commodity Market Disruption Event (as the case may be) has occurred, the relevant Index Sponsor has failed to publish the level of the Barclays Capital Index or a Related Exchange has failed to open on an Observation Date, Averaging Date, or Valuation Date (as the case may be), any such determination may have an effect on the timing of valuation and, consequently, may adversely affect the value of the Barclays Capital Index, the Final Cash Settlement Amount and the value of the Barclays Capital Index Linked Securities. Prospective investors should review the Conditions of the Barclays Capital Index Linked Securities to ascertain how such provisions apply to the Barclays Capital Index Linked Securities.

#### **Adjustments, Suspension and Termination of the Barclays Capital Index**

While the Index Sponsor currently employs the methodology ascribed to the Barclays Capital Index (and application of such methodology shall be conclusive and binding), no assurance can be given

that market, regulatory, juridical, financial, fiscal or other circumstances (including, but not limited to, any changes to or any suspension or termination of or any other events affecting any constituent within the Barclays Capital Index) will not arise that would, in the view of the Index Sponsor, necessitate an adjustment, modification or change of such methodology. The Index Sponsor may also, in its sole and absolute discretion, at any time and without notice, adjust, suspend or terminate the Barclays Capital Index. The Index Sponsor is also under no obligation to continue the calculation, publication and dissemination of the Barclays Capital Index. Any such adjustment, suspension, termination or non-publication may have a negative impact on the Barclays Capital Index Linked Securities.

#### **Valuation of the Barclays Capital Index Linked Securities: Commissions and/or Fees**

Prospective investors in the Barclays Capital Index Linked Securities should be aware that the Issue Price will include commissions and/or other fees paid by the Issuer as part of the distribution of the Barclays Capital Index Linked Securities. This can cause a difference between the theoretical value of the Barclays Capital Index Linked Securities and any bid and offer prices quoted by the Issuer, any Group affiliate or any third party.

#### **Hedging**

Prospective purchasers intending to purchase Barclays Capital Index Linked Securities to hedge against the market risk associated with investing in the Barclays Capital Index or any of the components of the Barclays Capital Index should recognise the complexities of utilising Barclays Capital Index Linked Securities in this manner. For example, among other things, the value of the Barclays Capital Index Linked Securities may not exactly correlate with the current value of the Barclays Capital Index before the Redemption Date due to fluctuating supply and demand for the Barclays Capital Index Linked Securities. For these reasons, among others, it may not be possible to purchase or liquidate Barclays Capital Index Linked Securities at the prices used to calculate the value of any Barclays Capital Index or any component thereof.

#### **Certain Additional Risk Factors Associated with the Barclays Capital Index**

Fluctuations in the value of the Barclays Capital Index (including the prices of any component of the Barclays Capital Index) will affect the value of the Barclays Capital Index Linked Securities.

The return on the Barclays Capital Index Linked Securities is dependent upon the level of the Barclays Capital Index as compared to a specified level of the Barclays Capital Index at the Trade Date. Investors will not benefit from any increase in the value of the Barclays Capital Index if such increase is not reflected in the value of the Barclays Capital Index on the applicable Valuation Date.

Prospective investors in the Barclays Capital Index Linked Securities should not take the past performance of the Barclays Capital Index as an indication of the future performance of the Barclays Capital Index during the term of the Barclays Capital Index Linked Securities. The actual performance of the Barclays Capital Index or any of its components over the term of the Barclays Capital Index Linked Securities, as well as the amount payable upon redemption, may bear little relation to the historical values of the Barclays Capital Index or the Components of it, which in most cases have been highly volatile.

An investment in the Barclays Capital Index Linked Securities should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the Barclays Capital Index,

and/or the composition and method of calculation of the Barclays Capital Index, as the return of any such investment will be dependent upon such changes. More than one risk factor may have simultaneous effect with regard to the Barclays Capital Index Linked Securities such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Barclays Capital Index Linked Securities.

### **A Credit Rating Reduction may Result in a Reduction in the Trading Value of the Barclays Capital Index Linked Securities**

The value of the Barclays Capital Index Linked Securities may be expected to be affected, in part, by investors' general appraisal of the creditworthiness of the Issuer and/or the Group. Such perceptions are generally influenced by the ratings accorded to the outstanding securities of the Issuer by standard statistical rating services, such as Moody's, Standard & Poor's and Fitch. A reduction in the rating, if any, accorded to outstanding debt securities of the Issuer by one of these or other rating agencies could result in a reduction in the trading value of the Barclays Capital Index Linked Securities.

### **Risks relating to Securities Generally**

- (i) **Market Disruption.** Markets may become disrupted. Local market disruptions can have a global effect. Market disruption can adversely affect the performance of the Barclays Capital Index Linked Securities.
- (ii) **Credit Risk.** The product bears the Issuer's credit risk. A decline in the Issuer's creditworthiness may reduce the market value of the Barclays Capital Index Linked Securities. If the Issuer becomes insolvent it will not be able to meet its payment obligations under the Barclays Capital Index Linked Securities.
- (iii) **Credit Ratings.** Credit ratings may be lowered or withdrawn without notice. A rating is not a recommendation as to the Issuer's creditworthiness or the risks, returns or suitability of the Barclays Capital Index Linked Securities.
- (iv) **Volatility.** These Securities may be volatile. The level of change in value of the Barclays Capital Index Linked Securities is their "volatility". The Barclays Capital Index Linked Securities' volatility may be affected by the performance of the components of the Barclays Capital Index, along with financial, political and economic events and other market conditions.
- (v) **Structured Products.** This is a structured product. Its return may differ from those of the underlying financial assets it references.
- (vi) **Interest Rate Risk.** The Barclays Capital Index Linked Securities carry interest rate risk. Changes in interest rates will impact the performance of the Barclays Capital Index Linked Securities. Interest rates tend to change suddenly and unpredictably.
- (vii) **No Direct Claim in Components.** You have no claim to the components of the Barclays Capital Index. Buying the Barclays Capital Index Linked Securities is not the same as a direct investment in the components of the Barclays Capital Index. The market value of the Barclays Capital Index Linked Securities may not reflect movements in the price of the components of the Barclays Capital Index.

- (viii) **Principal Protection.** If Barclays Capital Index Linked Securities are specified in the applicable Final Terms to be principal protected, such Securities are principal protected only at maturity. If such Barclays Capital Index Linked Securities redeem before their scheduled maturity, they may return less than the principal protected amount or even zero.
- (ix) **Interaction Risk.** The Barclays Capital Index Linked Securities combine investment types. Different types of financial risk may interact unpredictably, particularly in times of market stress.
- (x) **Other Risks.** This document cannot disclose all possible risks of the product. Before investing, you must satisfy yourself that you fully understand the risks of investment.
- (xi) **No Government Protection.** This product is not protected by the Financial Services Compensation Scheme or similar government protection scheme.
- (xii) **No Fiduciary Duty.** Neither the Issuer nor the Determination Agent assumes any fiduciary duty or responsibility to, or has any relationship of agency or trust with, any party, including any investors or prospective investors in the Barclays Capital Index Linked Securities described in this Barclays Capital Index Annex. Each of the Issuer and the Determination Agent is acting solely as principal and not as a fiduciary or agent for, or as an adviser to, any party in respect of its duties contained in this document and any document prepared in connection with the Barclays Capital Index Linked Securities.

This document is not, nor does it purport to be, investment advice. Neither the Issuer nor the Determination Agent is acting as an investment adviser nor providing advice of any other nature to any party, including Investors or prospective Investors in the Barclays Capital Index Linked Securities. Neither the Issuer nor the Determination Agent provides and have not provided any investment advice or recommendation to any party in relation to the Barclays Capital Index Linked Securities. No party may rely on any communication (written or oral) from either the Issuer or the Determination Agent, as the case may be, as investment advice or as a recommendation to enter into any transaction. Accordingly, neither the Issuer nor the Determination Agent is under any obligation to, and shall not, determine the suitability for any party of any transaction or the Barclays Capital Index Linked Securities. Prospective Investors in the Barclays Capital Index Linked Securities must determine, on their own behalf (or through independent professional advice), the merits, terms, conditions and risks of the Barclays Capital Index Linked Securities. Prospective Investors must also satisfy themselves that they are capable of assuming, and do assume, the risks of the Barclays Capital Index Linked Securities. Neither the Issuer nor the Determination Agent accept any liability whatsoever for any consequential losses arising from the use of this document or reliance on the information contained herein.

- (a) **Indicative Valuations.** Valuations are indicative only. Valuations provided by the Issuer in connection with the Barclays Capital Index Linked Securities are not binding, may differ from third party valuations and may not reflect actually realised early redemption values. Valuations are not advice. The Issuer specifically disclaims liability for any use which an investor in the Barclays Capital Index Linked Securities may make of any valuation, including, without limitation, use of such valuation in preparation of its own financial books and records. If valuations are provided to an investor in the Barclays Capital Index Linked Securities, they are provided solely for such investor's information and should not be disclosed to any third party. The Issuer is not obliged to inform any Investor in the Barclays Capital Index Linked Securities of a change to any valuation.

- (b) **Index Information.** The Issuer does not take any responsibility for the index information. The index information may include more complete descriptions of the risks associated with the Barclays Capital Index.
- (c) **Due Diligence Performed by the Issuer or Determination Agent is for their Benefit Only.** No representations or warranties have been or are given by either the Issuer or the Determination Agent in respect of the Barclays Capital Index and/or any Index Sponsor. You should place no reliance on either the Issuer or the Determination Agent having conducted any investigations, due diligence, searches or other enquiries, any such investigations, due diligence, searches or other enquiries made thereby would be made by such party for its own benefit and for its own purposes in accordance with its own criteria and neither party assumes any responsibility to conduct any such investigations, due diligence, searches or other enquiries or if it does conduct any such investigations, due diligence, searches or other enquiries to notify Investors of the content or results thereof of any such due diligence.
- (d) **Index Sponsor Action.** The Index Sponsor is involved in the Barclays Capital Index Linked Securities. They may take actions that adversely affect the value and performance of the Barclays Capital Index Linked Securities.
- (e) **Leverage.** If the participation is set above 100 per cent., then the Barclays Capital Index Linked Securities shall be leveraged. Leverage increases volatility and amplifies losses and gains.
- (f) **Limited Participation in the Performance of the Barclays Capital Index.** If the participation is set below 100 per cent., the participation in the performance of the Barclays Capital Index will be limited. Such participation is limited by a notional exposure to the Barclays Capital Index of less than 100 per cent.
- (g) **Foreign Exchange Risk.** This product may carry foreign exchange risk. Foreign exchange (FX) rates tend to change suddenly and unpredictably. Changes in FX rates relative to the home currency of an Investor will impact the value of the Barclays Capital Index Linked Securities to such Investor.
- (h) **Small Holdings.** Small holdings may not be transferable. Where Barclays Capital Index Linked Securities have a minimum specified denomination or settlement amount and a Securityholder holds less than that minimum, that Securityholder will not be able to transfer such Barclays Capital Index Linked Securities unless it increases its holding to at least that minimum amount.
- (i) **No Collateral.** The Barclays Capital Index Linked Securities are not secured.

#### **Possible Illiquidity of the Secondary Market**

There can be no assurance as to how Barclays Capital Index Linked Securities will trade in the secondary market or whether such market will be liquid or illiquid, which may adversely affect the value of the Securities and/or the ability of a Securityholder to dispose of them.

If additional and competing products are introduced in the markets, this may adversely affect the value of the Barclays Capital Index Linked Securities. Furthermore, to the extent that Barclays Capital Index Linked Securities are redeemed or purchased or cancelled in part, the number of Barclays Capital Index Linked Securities outstanding will decrease, resulting in diminished liquidity for the remaining Barclays Capital Index Linked Securities. A decrease in the liquidity of Barclays Capital Index

Linked Securities may cause, in turn, an increase in the volatility associated with the price of the Barclays Capital Index Linked Securities.

### **Issuer and Conflicts of Interest**

The Issuer and its Affiliates may engage in trading and market-making activities and may hold long or short positions in the Barclays Capital Index, its components and other instruments or derivative products based on or related to the Barclays Capital Index for their proprietary accounts or for other accounts under their management. The Issuer and its Affiliates may also issue other securities in respect of the Barclays Capital Index or issue derivative instruments in respect thereof. To the extent that the Issuer, directly or through its Affiliates, serves as issuer, agent, manager, sponsor or underwriter of such securities or other instruments, its interests with respect to such products may be adverse to those of the Securityholders. The Issuer or its Affiliates may also act as underwriter in connection with future offerings of securities which are linked to the Barclays Capital Index. Such activities could present certain conflicts of interest, could influence the prices of such Barclays Capital Index and could adversely affect the value of the Barclays Capital Index Linked Securities.

During the course of normal business operations, the Index Sponsor (Barclays Capital, a division of the Issuer) of the Barclays Capital Index may determine, calculate and publish the Barclays Capital Index, and may issue, enter into, promote, offer or sell transactions or investments linked, in whole or in part, to the Barclays Capital Index. In addition, Barclays Capital may have, or may have had, interests or positions, or may buy, sell or otherwise trade positions in or relating to the components of the Barclays Capital Index. Such activities may or may not have an impact on the level of the Barclays Capital Index. In view of the different roles performed by Barclays Capital, Barclays Capital as an entity is subject to potential conflicts of interests.

The Index Sponsor and/or its Affiliates may have banking or other commercial relationships with third parties in relation to the Barclays Capital Index, and may engage in proprietary trading in the Barclays Capital Index or options, futures, derivatives or other instruments relating to the Barclays Capital Index (including such trading as the Index Sponsor and/or its Affiliates deem appropriate in their sole and absolute discretion to hedge their market risk on any such other transactions that may relate to any Barclays Capital Index between the Index Sponsor and/or its Affiliates and third parties), and such trading may adversely affect the level of such Barclays Capital Index, which could in turn affect the return on and value of the Barclays Capital Index Linked Securities. The role played by the Index Sponsor whereby it can exercise the kinds of discretion described above and its proprietary trading or other relationships described above could present it with a conflict of interest and such conflict may have an impact, positive or negative, on the value of the Barclays Capital Index Linked Securities.

The Issuer, the Determination Agent and their respective subsidiaries or Affiliates may from time to time engage in purchase, sale or other transactions involving assets that are components of the Barclays Capital Index for their proprietary accounts and/or for accounts under their management and/or clients. Such transactions may have a negative effect on the value of such assets and consequently on the value of the Barclays Capital Index Linked Securities.

In addition, the Issuer, the Determination Agent and their respective subsidiaries or Affiliates may from time to time act in other capacities with regard to components of the Barclays Capital Index (such as in an agency capacity and/or as the determination agent) and may issue other competing financial

instruments in respect of the components and the introduction of such competing financial instruments may affect the value of the Barclays Capital Index Linked Securities.

The Issuer, the Determination Agent and their subsidiaries or Affiliates may also (i) act as underwriter or financial adviser in connection with future offerings of shares or other securities of the issuers of any securities comprising the components, their respective subsidiaries or Affiliates and/or (ii) act in a commercial banking capacity for the issuer in relation to any other related security.

Certain Affiliates of the Issuer may from time to time, by virtue of their status as underwriter, adviser or otherwise, possess or have access to information relating to the Barclays Capital Index Linked Securities, the Barclays Capital Index and any derivative instruments referencing them. Such Affiliates will not be obliged to, and will not, disclose any such information to a purchaser of the Barclays Capital Index Linked Securities.

In connection with the offering of the Barclays Capital Index Linked Securities, the Issuer, the Determination Agent and/or any of their respective subsidiaries or Affiliates may enter into one or more hedging transactions with respect to the Barclays Capital Index, its components or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities, the Issuer, the Determination Agent and/or any of their respective subsidiaries or Affiliates may enter into transactions referencing the Barclays Capital Index, its components or related derivatives which may, but are not intended to, affect the market price, liquidity or value of the Barclays Capital Index Linked Securities and which could be deemed to be adverse to the interest of the relevant Securityholders.

Such activities could be conducted in circumstances where the interests of Securityholders may be in conflict with the interests of the Issuer, the Determination Agent or those of any of their subsidiaries or Affiliates and such transactions and activities may adversely affect the value of the Barclays Capital Index Linked Securities. The Issuer, the Determination Agent and their respective subsidiaries and Affiliates owe no duty or responsibility to any Securityholder (or any other party) to avoid such conflicts.

The Issuer and any of its Affiliates may effect transactions for its own account or for the account of its customers. Such activity may or may not have an impact on the value of the Barclays Capital Index Linked Securities but all persons reading this document should be aware that a conflict of interest could arise where anyone is acting in more than one capacity, and such conflict may have an impact, positive or negative, on the value of the Barclays Capital Index Linked Securities. Any hedge or Barclays Capital Index positions the Issuer holds are the proprietary trading positions of the Issuer and shall not be accountable to the investors of the Barclays Capital Index Linked Securities or any other party. The Issuer and its Affiliates have no duty to consider the circumstances of any person when participating in such transactions or to conduct themselves in a manner that is favourable to anyone with exposure to the Barclays Capital Index Linked Securities. For reasons of client confidentiality and the management of its own business, the Issuer and its Affiliates will not disclose any such activities or information.

### **Determination Agent and Conflicts of Interest**

As the Determination Agent is the same legal entity as the Issuer, potential conflicts of interest may exist between the Determination Agent and the Securityholders, including with respect to the exercise of the very broad discretionary powers of the Determination Agent. The Determination Agent has the

authority (i) to determine whether certain specified events and/or matters so specified in the conditions relating to the Barclays Capital Index Linked Securities have occurred, and (ii) to determine any resulting adjustments and calculations as described in such conditions, subject to any applicable laws or regulations. Prospective investors should be aware that any determination made by the Determination Agent may have an impact on the value and financial return of the Barclays Capital Index Linked Securities. Any such discretion exercised by, or any calculation made by, the Determination Agent (in the absence of manifest or proven error) shall be binding on the Issuer and all Securityholders.

### **Status of the Barclays Capital Index Linked Securities**

The Barclays Capital Index Linked Securities are unsecured and unsubordinated obligations of the Issuer and will rank equally among themselves and, with the exception of certain obligations given priority by applicable law, will rank *pari passu* with all other present and future outstanding unsecured and unsubordinated obligations of the Issuer.

### **Nominee Arrangements**

Where the distributor and/or a nominee service provider is used by an Investor to invest in the Barclays Capital Index Linked Securities, such Investor will only receive payments on the basis of arrangements entered into by the Investors with the distributor or nominee service provider as the case may be. Such Investors must look exclusively to the distributor or nominee service provider for all payments in respect of the Barclays Capital Index Linked Securities. Neither the Issuer nor the Determination Agent nor any other person will be responsible for the acts or omissions of the distributor or nominee service provider, nor makes any representation or warranty, express or implied, as to the services provided by the distributor or nominee service provider.

### **Taxation**

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

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

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

Prospective Investors in Barclays Capital Index Linked Securities should consult their own independent tax advisers. In addition, potential purchasers should be aware that tax regulations and their

application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

### **Non-registration under the Securities Act and Restrictions on Transfer**

The Barclays Capital Index Linked Securities have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The Barclays Capital Index Linked Securities are being issued and sold in reliance upon exemptions from registration provided by such laws. Consequently, the transfer of the Barclays Capital Index Linked Securities will be subject to satisfaction of legal requirements applicable to transfers that do not require registration under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. In addition, the Barclays Capital Index Linked Securities are subject to certain transfer restrictions as set out in the section headed “Purchase and Sale” in the Base Prospectus, which may further limit the liquidity of the Barclays Capital Index Linked Securities.

### **Substitution of Issuer**

The Issuer is entitled to substitute any other entity in place of the Issuer to act as issuer (the “**New Bank Issuer**”) in respect of the Barclays Capital Index Linked Securities, provided that the New Bank Issuer’s long-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least the same as those of Barclays Bank PLC at the date on which the substitution is to take effect or the New Bank Issuer has an equivalent long-term rating from another internationally recognised rating agency. Following any substitution of a New Bank Issuer, the Securityholders will be exposed to such New Bank Issuer’s credit risk and not that of the Issuer.

## **3 Disclaimer**

Barclays Bank PLC (for the purpose of this disclaimer, “**Barclays**”) makes no representation or warranty, express or implied, to the Securityholders or any member of the public regarding the advisability of investing in securities generally or other instruments or related derivatives or in the Barclays Capital Index Linked Securities particularly or the ability of the Barclays Capital Indices described in this Base Prospectus and the Final Terms, to track the performance of any market. Barclays has no obligation to take the needs of any Securityholder or any member of the public into consideration in determining, composing or calculating the Barclays Capital Indices. Barclays, as Index Sponsor of the Barclays Capital Indices, is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of the Barclays Capital Index Linked Securities to be issued or in the determination or calculation of the equation by which the Barclays Capital Index Linked Securities are to be converted into cash. Barclays, as Index Sponsor of the Barclays Capital Indices, has no obligation or liability in connection with the administration, marketing or trading of the Barclays Capital Index Linked Securities.

BARCLAYS DOES NOT GUARANTEE AND SHALL HAVE NO LIABILITY TO THE SECURITYHOLDERS OR TO THIRD PARTIES FOR THE QUALITY, ACCURACY AND/OR COMPLETENESS OF THE BARCLAYS CAPITAL INDICES, OR ANY DATA INCLUDED THEREIN OR FOR INTERRUPTIONS IN THE DELIVERY OF THE BARCLAYS CAPITAL INDICES. BARCLAYS MAKES NO EXPRESS OR IMPLIED WARRANTIES AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE BARCLAYS CAPITAL INDICES OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL BARCLAYS

HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

#### **4 Barclays Capital Commodity Index Linked Securities**

*Where Section 2 of the Barclays Capital Index Annex is specified in the applicable Final Terms for any Barclays Capital Commodity Index Linked Securities, paragraphs 1 to 3 of this Section 1 shall together with Section 2 of the Barclays Capital Index Annex apply to such Barclays Capital Commodity Index Linked Securities in accordance with the provisions herein. Accordingly, paragraphs 1 to 3 of this Section 1 should be read in conjunction with Section 2 of the Barclays Capital Index Annex.*

#### **5 Barclays Capital Equity Index Linked Securities**

*Where Section 3 of the Barclays Capital Index Annex is specified in the applicable Final Terms for any Barclays Capital Equity Index Linked Securities, paragraphs 1 to 3 of this Section 1 shall together with Section 3 of the Barclays Capital Index Annex apply to such Barclays Capital Equity Index Linked Securities in accordance with the provisions herein. Accordingly, paragraphs 1 to 3 of this Section 1 should be read in conjunction with Section 3 of the Barclays Capital Index Annex.*

#### **6 Barclays Capital FX Index Linked Securities**

*Where Section 4 of the Barclays Capital Index Annex is specified in the applicable Final Terms for any Barclays Capital FX Index Linked Securities, paragraphs 1 to 3 of this Section 1 shall together with Section 4 of the Barclays Capital Index Annex apply to such Barclays Capital FX Index Linked Securities in accordance with the provisions herein. Accordingly, paragraphs 1 to 3 of this Section 1 should be read in conjunction with Section 4 of the Barclays Capital Index Annex.*

#### **7 Barclays Capital Interest Rate Index Linked Securities**

*Where Section 5 of the Barclays Capital Index Annex is specified in the applicable Final Terms for any Barclays Capital Interest Rate Index Linked Securities, paragraphs 1 to 3 of this Section 1 shall together with Section 5 of the Barclays Capital Index Annex apply to such Barclays Capital Interest Rate Index Linked Securities in accordance with the provisions herein. Accordingly, paragraphs 1 to 3 of this Section 1 should be read in conjunction with Section 5 of the Barclays Capital Index Annex.*

#### **8 Barclays Capital Emerging Market Index Linked Securities**

*Where Section 6 of the Barclays Capital Index Annex is specified in the applicable Final Terms for any Barclays Capital Emerging Market Index Linked Securities, paragraphs 1 to 3 of this Section 1 shall together with Section 6 of the Barclays Capital Index Annex apply to such Barclays Capital Emerging Market Index Linked Securities in accordance with the provisions herein. Accordingly, paragraphs 1 to 3 of this Section 1 should be read in conjunction with Section 6 of the Barclays Capital Index Annex.*

**SECTION 2**  
**ADDITIONAL PROVISIONS FOR BARCLAYS**  
**CAPITAL COMMODITY INDEX LINKED SECURITIES**

*Where this Section 2 is specified in the applicable Final Terms for any Barclays Capital Commodity Index Linked Securities, paragraphs 1 to 3 of Section 1 of the Barclays Capital Index Annex shall together with this Section 2 apply to such Barclays Capital Commodity Index Linked Securities in accordance with the provisions herein. Accordingly, paragraphs 1 to 3 of Section 1 of the Barclays Capital Index Annex should be read in conjunction with this Section 2.*

*The Commodity Linked Annex shall also be incorporated by reference into this Section 2, subject to amendments and provisions below. Accordingly, this Section 2 should be read in conjunction with the Commodity Linked Annex. All references to Condition numbers below are to such Conditions in the Commodity Linked Annex.*

*Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Commodity Linked Annex.*

**Part A**  
**General Information Relating to Barclays Capital Commodity Indices**

**1 Barclays Capital Pure Beta Indices**

The Barclays Capital Pure Beta Indices (the “**Indices**” and each an “**Index**”) have been constructed to offer investors long-only exposure to the commodities underlying certain reference indices (the “**Reference Indices**”). The objective of the Indices is to provide a more representative measure of commodity market returns. In doing so, this may result in minimising the effects of distortions in the commodity markets and mitigating negative Roll Yield (as defined below). The Reference Indices can be single, sector and broad-based commodity indices based on the Dow Jones-UBS Commodity Index<sup>SM</sup>, the S&P GSCI® Index or the Barclays Capital Single Commodity Indices (further details of the Barclays Capital Single Commodity Indices are set out below). The indices have the same composition of Futures Contracts as the Reference Indices (which may be amended from time to time) and are sponsored by Barclays Capital, the investment banking division of Barclays Bank PLC (the “**Index Sponsor**”).

A commodity “**Futures Contract**” is an exchange traded derivative instrument through which the holder of the Futures Contract takes exposure to the price of an underlying commodity for future delivery (the “**Delivery Date**”). The seller of the contract is described as being short the Futures Contract and the buyer of the Futures Contract is described as being long the Futures Contract. If an investor in a commodity Futures Contract wishes to maintain a long Futures position in the commodity, past the expiry date of the Futures Contract they hold, they must sell it prior to its expiry date and purchase a Futures Contract with a Delivery Date further in the future. This process is known as “**Rolling**” a futures position.

Usually the price of a commodity Futures Contract will not be the same as the current market price of the physical commodity (the spot price). However, over time, as the Delivery Date approaches, the

price of that Futures Contract will converge to the spot price such that on the Delivery Date the Futures Contract price will equal the spot price. Thus an investor will experience either a profit or a loss due to the roll, even if the spot price of the commodity has remained unchanged. The return generated by the rolling of the Futures Contract is known as the “Roll Yield”.

The Reference Indices provide exposure to the front part of the futures curves, where the prices of Futures Contracts vary according to the time to expiry/delivery of such Futures Contracts. The Relevant Indices are *de facto* considered to be benchmarks for commodity market performance. However, return from the Reference Indices may not always be representative of all the factors that drive value in the commodities futures markets, such as:

- (i) short-term supply, demand factors typically affect front-month contracts disproportionately; and
- (ii) longer-term views that drive the longer tenors of the futures curves are not always captured.

The Indices have been designed to provide a more representative measure of commodity market returns while retaining the ‘tradability’ of the Relevant Indices.

The Pure Beta Methodology can be applied to a range of single, sector and broad-based commodity indices based on the Reference Indices which in turn are based on the Dow Jones-UBS Commodity Index<sup>SM</sup>, the S&P GSCI® Index or the Barclays Capital Commodity Indices. Each month the Pure Beta Methodology uses a four-step selection process to determine the representative Futures Contract for each commodity in the Index. The process selects a single Futures Contract out of all the available Futures Contracts for each commodity in the Index out to one year (the “Futures Curve”) rather than using a static schedule. The Indices are constructed to replicate the price return of the front year average price for each commodity while attempting to minimise the effects of distortions in the commodity markets and mitigate negative Roll Yield. The front year average price for each commodity looks at the price and open interest of the first 12 Futures Contracts along the Futures Curve. Where the open interest is the number of futures contracts currently traded that have not yet been liquidated.

By combining information on the price and volume traded of the Futures Contract on the relevant Futures Curve, front year average price can create a better measure of a commodity’s economic value. The Pure Beta Methodology uses filters on liquidity and curve distortion to select the representative Futures Contract while minimising deviation from the front year average price.

The weight of each Futures Contract in each Index is also adjusted each month to match, as closely as possible, the weight of the respective commodity in the Reference Index. A daily level for the Indices (for this purpose the “Index Value”) will be calculated by the Index Sponsor. The Index Value will be published by the Index Sponsor as soon as reasonably practicable on each business day (which is a day on which the level of that Index is calculated).

#### **Dow Jones-UBS Commodity Index<sup>SM</sup>**

The Dow Jones-UBS Commodity Index<sup>SM</sup> is designed to be a highly liquid and diversified commodity index, providing a broad-based exposure to commodities as an asset class. Dow Jones-UBS Commodity Index<sup>SM</sup> currently includes 19 commodities in 5 Sectors, namely WTI Crude Oil, Natural Gas, Heating Oil and RBOB Gasoline in the Energy Sector; Aluminium, Copper, Nickel and Zinc in the Industrial Metals Sector; Gold and Silver in the Precious Metals Sector; Wheat, Corn, Cotton, Soybeans,

Coffee, Soybean Oil and Sugar in the Agriculture Sector; and Live Cattle and Lean Hogs in the Livestock Sector. The composition of the Index is rebalanced on an annual basis.

### **S&P GSCI® Index**

The S&P GSCI® Index is designed to be a liquid and tradable commodity index that measures the general commodity price movements and inflation in the world economy. Its composition is determined on a world production weighted basis which is intended to reflect the relative significance of each of the constituent commodities in the world economy. S&P GSCI® Index currently includes 24 commodities in 5 Sectors, namely WTI Crude Oil, Brent Crude Oil, Natural Gas, Heating Oil, RBOB Gasoline and Gas Oil in the Energy Sector; Aluminium, Copper, Nickel, Lead and Zinc in the Industrial Metals Sector; Gold and Silver in the Precious Metals Sector; Wheat, Red Wheat, Corn, Cotton, Soybeans, Coffee, Cocoa and Sugar in the Agriculture Sector; and Live Cattle, Lean Hogs and Feeder Cattle in the Livestock Sector. The composition of the Index is rebalanced on an annual basis.

## **2 Barclays Capital Single Commodity Indices**

The Barclays Capital Single Commodity Indices (the “**Indices**” and each an “**Index**”) have been constructed to offer investors investable indices that track the performance of a strategy of buying, holding and subsequently rolling the specified Futures Contracts (as defined below) of the relevant commodities. The Indices are sponsored by Barclays Capital, the investment banking division of Barclays Bank PLC (the “**Index Sponsor**”).

A commodity “**Futures Contract**” is an exchange traded derivative instrument through which the holder of the Futures Contract takes exposure to the price of an underlying commodity for future delivery (the “**Delivery Date**”). The seller of the contract is described as being short the Futures Contract and the buyer of the Futures Contract is described as being long the Futures Contract.

The Indices are available both in Excess Return and Total Return versions. Each of which is described below:

- (i) “**Excess Return**” Indices – measure the return accrued from holding and rolling commodity Futures Contracts. Each Excess Return Index comprises the sum of the price return of the Futures Contract and the accumulation of “**Roll Yield**” (as defined below); and
- (ii) “**Total Return**” Indices – measure the collateralised return accrued from holding and rolling commodity Futures Contracts. Each Total Return Index comprises the sum of the corresponding Excess Return Index and the Collateral Return. The “**Collateral Return**” is the interest earned on the value of the Index and is based on the return of three-month US Treasury Bills.

If an investor in a commodity Futures Contract wishes to maintain a long Futures position in the commodity, past the expiry date of the Futures Contract they hold, they must sell it prior to its expiry date and purchase a Futures Contract with a Delivery Date further in the future. This process is known as “**Rolling**” a futures position.

The Rolling of the Futures Contract underlying each Index is implemented over a pre-defined period (the “**Roll Period**”) which is specified for each relevant Index. During each such Roll Period, we shift the weighting of the “**current**” Futures Contract to the “**new**” Futures Contract. For example, if the Roll

Period is a five Index Business Day period (where an “**Index Business Day**” is a day on which the level of that Index is calculated) the Roll Period will start on the fifth Index Business Day of each calendar month and completes on the ninth Index Business Day of such month, the weight of the “new” Futures Contract is increased for such Index on each Index Business Day from 0 per cent. to 20 per cent., to 40 per cent., to 60 per cent., to 80 per cent. and finally to 100 per cent. (and, correspondingly, the weight of the “current” Futures Contract is decreased on each Index Business Day from 100 per cent. to 80 per cent., to 60 per cent., to 40 per cent., to 20 per cent. and finally to 0 per cent.), subject to any adjustment of the Roll Period. An adjustment of the Roll Period occurs where a market disruption event takes place during the Roll Period. Examples of market disruption events are the failure to publish a closing price by an exchange or when the closing price for a Futures Contract is a limit price.

During the Roll Period, each Index will track the performance of the two Futures Contracts (the “new” and the “current” Futures Contract with varying weights as described in the paragraph above. However, the price of the “new” Futures Contract will typically be different from that of the “current” Futures Contract and therefore the equivalent number of Futures Contracts which each Index represents will change over each Roll Period. It is important to note that outside the Roll Period, the Index will only track the performance of the “current” Futures Contract.

Usually the price of a commodity Futures Contract will not be the same as the current market price of the physical commodity (the spot price). However, over time, as the Delivery Date approaches, the price of that Futures Contract will converge to the spot price such that on the Delivery Date the Futures Contract price will equal the spot price. Thus an investor will experience either a profit or a loss due to the roll, even if the spot price of the commodity has remained unchanged. The return generated by the rolling of the Futures Contract is known as the “**Roll Yield**” and is an important component of the Excess Return Index and the Total Return Index. In the Total Return version of each Barclays Capital Single Commodity Index, the Collateral Return is reinvested in the current Futures Contract on a daily basis, thus incrementally increasing the Index’s exposure to the equivalent number of underlying Futures Contracts. As a result, a Total Return Index will give a higher return than its corresponding Excess Return Index over time.

The Barclays Capital Single Commodity Indices are available in four broad categories. Each of which is described below:

- (a) **Nearby Indices** buy, hold and subsequently roll the front-month Futures Contract of the relevant commodity;
- (b) **Deferred Indices** employ a specific deferred allocation along the futures curve and roll that position to mitigate negative Roll Yields, higher volatility and congestion associated with the front-month contract;
- (c) **Specialised Indices** employ a modification to the standard index methodology or futures schedule, including, but not limited to, modifying the frequency of the contract roll; and
- (d) **Modified Roll Indices** are calculated using the methodology for either a Nearby, Deferred or Specialised Index, as applicable, with the exception that they vary the Roll Period for each of these.

The Futures Contracts referenced by the Indices generally roll every month. Each Index has a defined futures schedule that sets out the Futures Contract that it references at any time.

A daily level for the Indices (for this purpose the “**Index Value**”) will be calculated by the Index Sponsor. The Index Value will be published by the Index Sponsor as soon as reasonably possible for each Index Business Day.

### 3 Barclays Capital Roll Yield Indices

The Barclays Capital Roll Yield Indices (the “**Indices**” and each an “**Index**”) have been constructed to offer investors investable indices which dynamically adjust the exposure of certain reference indices (the “**Reference Indices**”) across the commodity term structure. The objective of the Indices is to locate the position on the Futures Curve with the most favourable implied Roll Yield (as defined below). The “**Futures Curve**” represents how, given current market conditions, the prices of futures contracts vary with the time to expiry/delivery of such contracts.

The Reference Indices can be single, sector and broad-based commodity indices based on the Dow Jones-UBS Commodity Index<sup>SM</sup>, the S&P GSCI® Index or the Barclays Capital Single Commodity Indices (further details of the Barclays Capital Single Commodity Indices are set out below). The Indices have the same composition of Futures Contracts as the Reference Indices (which may be amended from time to time) and are sponsored by Barclays Capital, the investment banking division of Barclays Bank PLC (the “**Index Sponsor**”).

A commodity “**Futures Contract**” is an exchange traded derivative instrument through which the holder of the Futures Contract takes exposure to the price of an underlying commodity for future delivery (the “**Delivery Date**”). The seller of the contract is described as being short the Futures Contract and the buyer of the Futures Contract is described as being long the Futures Contract. If an investor in a commodity Futures Contract wishes to maintain a long Futures position in the commodity, past the expiry date of the Futures Contract they hold, they must sell it prior to its expiry date and purchase a Futures Contract with a Delivery Date further in the future. This process is known as “**Rolling**” a futures position.

The Rolling of the Futures Contract underlying each Index is implemented over a pre-defined period (the “**Roll Period**”) which is specified for each relevant Index. During each such Roll Period, we shift the weighting of the “current” Futures Contract to the “new” Futures Contract. For example, if the Roll Period is a five Index Business Day period (where an “**Index Business Day**” is a day on which the level of that Index is calculated) the Roll Period will start on the fifth Index Business Day of each calendar month and complete on the ninth Index Business Day of such month, the weight of the “new” Futures Contract is increased for such Index on each Index Business Day from 0 per cent to 20 per cent, to 40 per cent, to 60 per cent to 80 per cent and finally to 100 per cent (and correspondingly the weight of the “current” Futures Contract is decreased on each such Index Business Day from 100 per cent to 80 per cent, to 60 per cent, to 40 per cent, to 20 per cent and finally to 0 per cent) subject to any adjustment of the Roll Period. An adjustment of the Roll Period occurs where a market disruption event takes place during the Roll Period. Examples of market disruption events are the failure to publish a closing price by an exchange or when the closing price for a Futures Contract is a limit price.

During the Roll Period, each Index will track the performance of the two Futures Contracts (the “new” and the “current” Futures Contract with varying weights as described in the paragraph above.

However, the price of the “new” Futures Contract will typically be different from that of the “current” Futures Contract and therefore the equivalent number of Futures Contracts which each Index represents will change over each Roll Period. It is important to note that outside the Roll Period, the Index will only track the performance of the “current” Futures Contract.

Usually the price of a commodity Futures Contract will not be the same as the current market price of the physical commodity (the spot price). However, over time, as the Delivery Date approaches, the price of that Futures Contract will converge to the spot price such that on the Delivery Date the Futures Contract price will equal the spot price. Thus an investor will experience either a profit or a loss due to the roll, even if the spot price of the commodity has remained unchanged. The return generated by the rolling of the Futures Contract is known as the “Roll Yield”. The Roll Yield Methodology, looks at potential “new” Futures Contracts which expire in the next nine months and determines which “new” Futures contract has the most favourable Roll Yield return. The Index will then be rolled from the “current” to the selected “new” Futures Contract.

The weight of each Futures Contract, in each Index, is also adjusted each month to match, as closely as possible, the weight of the respective commodity in the Reference Index. A daily level for the Indices (for this purpose the “Index Value”) will be calculated by the Index Sponsor. The Index Value will be published by the Index Sponsor as soon as reasonably practicable on each business day (which is a day on which the level of that Index is calculated).

#### 4 Barclays Capital Momentum Alpha Indices

The Barclays Capital Momentum Alpha Indices (the “Indices” and each an “Index”) have been constructed to offer investors investable indices which dynamically adjust the exposure of certain reference indices (the “Reference Indices”) across the commodity term structure. The objective of the Indices is to locate the position on the Futures Curve with the highest historical outperformance, or alpha, compared to the current month of expiration of the futures contract (the “Nearby Position”), by applying a proprietary methodology (the “Momentum Alpha Methodology”). The “Futures Curve” represents how, given current market conditions, the prices of futures contracts vary with the time to expiry/delivery of such contracts.

The Reference Indices can be single, sector and broad-based commodity indices based on the Dow Jones-UBS Commodity Index<sup>SM</sup>, the S&P GSCI® Index or the Barclays Capital Single Commodity Indices (further details of the Barclays Capital Single Commodity Indices are set out below). The Indices have the same composition of Futures Contracts as the Reference Indices (which may be amended from time to time) and are sponsored by Barclays Capital, the investment banking division of Barclays Bank PLC (the “Index Sponsor”).

A commodity “Futures Contract” is an exchange traded derivative instrument through which the holder of the Futures Contract takes exposure to the price of an underlying commodity for future delivery (the “Delivery Date”). The seller of the contract is described as being short the Futures Contract and the buyer of the Futures Contract is described as being long the Futures Contract. If an investor in a commodity Futures Contract wishes to maintain a long Futures position in the commodity, past the expiry date of the Futures Contract they hold, they must sell it prior to its expiry date and purchase a Futures Contract with a Delivery Date further in the future. This process is known as “Rolling” a futures position.

Usually the price of a commodity Futures Contract will not be the same as the current market price of the physical commodity (the spot price). However, over time, as the Delivery Date approaches, the price of that Futures Contract will converge to the spot price such that on the Delivery Date the Futures Contract price will equal the spot price. Thus an investor will experience either a profit or a loss due to the roll, even if the spot price of the commodity has remained unchanged. The return generated by the rolling of the Futures Contract is known as the “Roll Yield”.

The Momentum Alpha Methodology can be applied to a range of single, sector and broad-based commodity indices based on the Reference Indices which in turn are based on the Dow Jones-UBS Commodity Index<sup>SM</sup>, the S&P GSCI® Index or the Barclays Capital Commodity Indices.

The performance of the different parts of the Futures Curve for a commodity is measured using certain Deferred Indices. A “Deferred Index” is calculated in the same manner as the relevant Nearby Index, with the exception that the Deferred Index tracks the performance of holding and Rolling the commodity Futures Contract that would be in the corresponding Nearby Index a specified number of calendar months in the future. The “Nearby Index” buys, holds and subsequently rolls the front-month Futures Contract, which will have the Delivery Date closest to the current date, of the relevant commodity.

Each month the Momentum Alpha Methodology uses a three-step selection process, which takes into account the data obtained from the Deferred Indices, to determine the representative Futures Contract for each commodity in the Index. As a result of this selection process, at any given time, for each commodity enhanced by the Momentum Alpha Methodology, the Index will reference a hypothetical long Futures Contract position for that commodity that corresponds to the Nearby, one-month, two-month or five-month Deferred Index, which has exhibited the highest historical outperformance.

The weight of each Futures Contract, in each Index, is also adjusted each month to match, as closely as possible, the weight of the respective commodity in the Reference Index. A daily level for the Indices (for this purpose the “Index Value”) will be calculated by the Index Sponsor. The Index Value will be published by the Index Sponsor as soon as reasonably practicable on each business day (which is a day on which the level of that Index is calculated).

#### **Dow Jones-UBS Commodity Index<sup>SM</sup>**

The Dow Jones-UBS Commodity Index<sup>SM</sup> is designed to be a highly liquid and diversified commodity index, providing a broad-based exposure to commodities as an asset class. Dow Jones-UBS Commodity Index<sup>SM</sup> currently includes 19 commodities in 5 Sectors, namely WTI Crude Oil, Natural Gas, Heating Oil and RBOB Gasoline in the Energy Sector; Aluminium, Copper, Nickel and Zinc in the Industrial Metals Sector; Gold and Silver in the Precious Metals Sector; Wheat, Corn, Cotton, Soybeans, Coffee, Soybean Oil and Sugar in the Agriculture Sector; and Live Cattle and Lean Hogs in the Livestock Sector. The composition of the Index is rebalanced on an annual basis.

#### **S&P GSCI® Index**

The S&P GSCI® Index is designed to be a liquid and tradable commodity index that measures the general commodity price movements and inflation in the world economy. Its composition is determined on a world production weighted basis which is intended to reflect the relative significance of each of the constituent commodities in the world economy. S&P GSCI® Index currently includes 24 commodities in 5 Sectors, namely WTI Crude Oil, Brent Crude Oil, Natural Gas, Heating Oil, RBOB

Gasoline and Gas Oil in the Energy Sector; Aluminium, Copper, Nickel, Lead and Zinc in the Industrial Metals Sector; Gold and Silver in the Precious Metals Sector; Wheat, Red Wheat, Corn, Cotton, Soybeans, Coffee, Cocoa and Sugar in the Agriculture Sector; and Live Cattle, Lean Hogs and Feeder Cattle in the Livestock Sector. The composition of the Index is rebalanced on an annual basis.

## 5 Barclays Capital ComBATS Indices

The Barclays Capital ComBATS Indices (the “**Indices**” and each an “**Index**”) have been constructed to offer investors investable indices which reflect the performance of a market neutral alpha strategy that aims to exploit the commodity Futures Curve shape using Barclays Capital proprietary methodologies such as the Momentum Alpha, Roll Yield and Pure Beta Methodologies (the “**Methodologies**” further details on each are set out above). The “**Futures Curve**” represents how, given current market conditions, the prices of Futures Contracts vary with the time to expiry/delivery of such contracts.

A commodity “**Futures Contract**” is an exchange traded derivative instrument through which the holder of the Futures Contract takes exposure to the price of an underlying commodity for future delivery (the “**Delivery Date**”). The seller of the contract is described as being short the Futures Contract and the buyer of the Futures Contract is described as being long the Futures Contract.

The Indices seek to capture the potential relative outperformance of a long position in the index which is calculated by reference to the relevant Methodology (the “**Methodology Index**”), and an equivalent short positions in corresponding Barclays Capital Single Commodity Index (the “**Single Commodity Index**”) (further details of the Barclays Capital Single Commodity Indices are set out above).

Each Index will be comprised of a basket of single commodity index short-long pairs, each consisting of a long Methodology Index and a short Single Commodity Index. The exposure to each, the Methodology Index and the Single Commodity Index, will vary throughout each calendar month, but will be reset to the weights which are specified for the Index each month.

The Indices are sponsored by Barclays Capital, the investment banking division of Barclays Bank PLC (the “**Index Sponsor**”).

**SECTION 3**  
**ADDITIONAL PROVISIONS FOR BARCLAYS**  
**CAPITAL EQUITY INDEX LINKED SECURITIES**

*Where this Section 3 is specified in the applicable Final Terms for any Barclays Capital Equity Index Linked Securities, paragraphs 1 to 3 of Section 1 of the Barclays Capital Index Annex shall together with this Section 3 apply to such Barclays Capital Equity Index Linked Securities in accordance with the provisions herein. Accordingly, paragraphs 1 to 3 of Section 1 of the Barclays Capital Index Annex should be read in conjunction with this Section 3.*

**Part A**  
**General Information Relating to Barclays Capital Equity Indices**

**Index construction**

Equity indices can be formed of three major types:

- (i) “Price Return Type”, where the index tracks movements in price of the constituents of the index. When exposed to a Price Return Type index, Securityholders lose the benefit of any dividends paid by the constituents of the index and hence would underperform a position where they invested directly in the constituents of the index and received the dividends or where they invested in a Total Return Type version of the index.
- (ii) “Total Return Type”, where the index tracks movements in price of the constituents of the indices and reinvests any dividends that would be earned by investing directly in the constituents of the index.
- (iii) “Excess Return Type”, where the index tracks the Total Return Type less a cash return. Each day, the Total Return Type index is reduced by a cash rate determined based on the currency of the index and an applicable rate for the cost to borrow cash in that currency of the index. In the event of high interest rates, these types of indices may substantially underperform both Total Return Type and Price Return Type versions of the same index.

In general, there are a number of differently constructed indices:

- (i) Long only, where the index tracks the relevant return on a basket of stocks.
- (ii) Long-short, where the index tracks the long return of a portfolio less the short return of another portfolio. This would naturally give an Excess Return Type, so a cash return would be added in order to make the index Total Return Type.
- (iii) Rolling futures indices, where the investment is one or a collection of futures with a rolling mechanism. This would naturally give an Excess Return Type, so a cash return would be added in order to make the index Total Return Type.

Furthermore, a volatility control mechanism may be added as an additional feature whereby the exposure to the index may be substantially decreased in the event of volatile index performance and increased in the event of less volatile index performance (“**Volatility Control**”). A version of an index with a Volatility Control may substantially underperform the non-Volatility Control version particularly

in the case of volatile and rising markets where the lower exposure of the Volatility Control version of the index may lead to less participation in any upside.

Some indices may be calculated net of applicable costs and fees. Please contact the relevant Issuer for further details.

The following is a general description of the proprietary indices in this Part A. Where this Section 3 of the Barclays Capital Index Annex is specified in the applicable Final Terms for any Barclays Capital Index Linked Securities linked to any proprietary indices below, the relevant description for such proprietary indices in this Part A shall apply to such Barclays Capital Index Linked Securities.

Investors should note that the content described below is not the full index rules of the proprietary indices. They are only summaries of the proprietary indices. Investors may, on request, subject to appropriate non-disclosure agreement, for the index rules of the below proprietary indices.

## 1 Barclays Capital ARMOUR Indices

The performance of the ARMOUR indices (each an “**Index**”) is linked to the performance of the index components selected by the index methodology as further described below.

The Barclays Capital ARMOUR indices consist of:

Name	Index currency	Target vol	Bloomberg ticker
Barclays Capital ARMOUR EUR 10 per cent. Index	EUR	10 per cent.	BXIIA10E
Barclays Capital ARMOUR EUR 7 per cent. Index	EUR	7 per cent.	BXIIAR7E
Barclays Capital ARMOUR EUR Index	EUR	No vol	BXIIARME
Barclays Capital ARMOUR CHF 10 per cent. Index	CHF	10 per cent.	BXIIA10C
Barclays Capital ARMOUR CHF 7 per cent. Index	CHF	7 per cent.	BXIIAR7C
Barclays Capital ARMOUR CHF Index	CHF	No vol	BXIIARMC
Barclays Capital ARMOUR USD 10 per cent. Index	USD	10 per cent.	BXIIA10U
Barclays Capital ARMOUR USD 7 per cent. Index	USD	7 per cent.	BXIIAR7U

Name	Index currency	Target vol	Bloomberg ticker
Barclays Capital ARMOUR USD Index	USD	No vol	BXIIARMU

The ARMOUR Index is an excess return index based on a multi-asset strategy which by operation of an algorithm dynamically adapts allocations based on a quantitative model. The strategy is applied to a set of assets linked to six different asset class underlyings.

	Asset class	Index component	Bloomberg ticker	ARMOUR index
1)	Developed Equities	DJ Euro STOXX 50 Total Return Index	SX5T Index	ARMOUR EUR
		S&P 500 Total Return Index	SPTR Index	ARMOUR USD
		Swiss Market Total Return Index	SMIC Index	ARMOUR CHF
2)	Bonds	Barclays Nominal Swap 10 Year EUR TR Index	FSWNCE10 Index	ARMOUR EUR
		Barclays Nominal Swap 10 Year USD TR Index	FSWNCU10 Index	ARMOUR USD
		Barclays Nominal Swap 10 Year EUR TR Index	FSWNCE10 Index	ARMOUR CHF
3)	Emerging Markets	iShares MSCI Emerging Markets (net dividends reinvested)	EEM UP Equity	All ARMOUR Indices
4)	Commodities	S&P GSCI TR Index	SPGSCITR Index	All ARMOUR Indices
5)	Gold	SPDR Gold Trust	GLD UP Equity	All ARMOUR Indices
		Cash Index EUR	Linked to Euribor one Month	ARMOUR EUR
		Cash Index USD	Linked to BBA Libor USD one Month	ARMOUR USD
6)	Cash	Cash Index CHF	Linked to BBA Libor CHF one Month	ARMOUR CHF

The value of an index component (other than cash) is its published value in respect of such date (subject to adjustments).

For each index component, an excess return and currency adjusted version in the index currency is calculated. The selection pool component return of an index component is calculated as the excess return of the index component over its local currency rate, adjusted for the change in FX rate (where

the FX rate is the relevant rate for converting from the index component currency to the index currency). This helps to limit the FX exposure only to the excess return of each index component (and not to the notional invested). This aims to reduce the fluctuations in the value of the strategy due to currency movements.

Each month, the Index ranks the selection pool components based on their performance in the previous month. The Index then allocates 60 per cent. to the best performing and 40 per cent. to the second-best performing selection pool components for the next month. The strategy adapts its allocations on a monthly basis as it tries to capture changing trends.

The Index also attempts to manage the risk (measured by 20 day historic realised volatility) below a specified fixed target level (Target Vol): if the observed risk in the market increases above this threshold, the exposure to assets is reduced. This should help to reduce the exposure in uncertain volatile markets, empirically observed during downturns.

The Index is net of costs and fees linked to the strategy.

The sponsor of the Index is Barclays Capital.

## 2 Barclays Capital CEEMA Indices

The Barclays Capital CEEMEA Sector indices (each an “**Index**”) are designed to provide exposure to specific equity sectors in the CEEMEA region, which includes the following countries: Greece, Hungary, Poland, Czech Republic, Morocco, Egypt, Israel, Turkey, Russia and South Africa. The CEEMEA Sectors are: Banks, Telecom, Energy, Material and Consumers.

The Barclays Capital CEEMA indices consist of:

<b>Barclays Capital CEEMA Indices</b>	<b>Index currency</b>	<b>Bloomberg ticker</b>
Barclays Capital Bank Sector Index	USD	BXIICEMB
Barclays Capital Consumers Sector Index	USD	BXIICEMC
Barclays Capital Energy Sector Index	USD	BXIICEME
Barclays Capital Materials Sector Index	USD	BXIICEMM
Barclays Capital Telecom Sector Index	USD	BXIICEMT

The constituents of each Index are common stocks, GDRs and ADRs listed on the relevant Exchanges and which have passed a screening based on market capitalisation and liquidity.

The constituents of each Index are weighted with respect to their market capitalisation and its weighting to such Index is capped at 20 per cent.

For each Index only the price return version is calculated, i.e. ordinary dividends paid by the index constituents are not reinvested into the Index.

Each index rebalances twice a year, being in February and August.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index.

A daily value for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The Index will be calculated in USD.

### 3 Barclays Capital Q-GSP Indices

The Barclays Capital Q-GSP Indices (each an “**Index**”) reflect the performance of a strategy (the “**Strategy**”) designed to capture the outperformance of growth stocks exhibiting value characteristics determined by the GARP model (Growth at Reasonable Price). The Strategy runs the stock selection on a monthly basis to capture the most recent market information for a portfolio of stocks filtered through a number of metrics.

The Barclays Capital Q-GSP Indices consist of the Total Return and Excess Return versions of the US Large Cap, US Small Cap and Europe Large Cap and Europe Small Cap Indices as detailed in the table below:

Index Name	Index Currency	Universe	Benchmark	Shorting Cost	Cash Rate (for Total Return)	Excess Return	Total Return
Barclays Capital Q-GSP US Large Cap Index	USD	S&P 500 (SPX Index)	S&P 500 TR (SPTR Index)	0.15 per cent.	BBA Libor USD one Month (US0001M) – 0.20 per cent.	BXIIGUER	BXIIGUTR
Barclays Capital Q-GSP US Small Cap Index	USD	S&P 1500 (SPR Index)	S&P 500 TR (SPTR Index)	0.15 per cent.	BBA Libor USD one Month (US0001M) – 0.20 per cent.	BXIIGSPE	BXIIGSPT
Barclays Capital Q-GSP Large Cap Europe Index	EUR	DJ STOXX 600 (SXXP Index)	DJ STOXX 50 Net Return (SX5R Index)	0.50 per cent.	BBA Libor ECU one Month (EU0001M) – 0.20 per cent.	BXIIGELE	BXIIGELT
Barclays Capital Q-GSP Small Cap Europe Index	EUR	DJ STOXX 600 (SXXP Index)	DJ STOXX 50 Net Return (SX5R Index)	0.50 per cent.	BBA Libor ECU one Month (EU0001M) – 0.20 per cent.	BXIIGESE	BXIIGEST

Each month a basket of up to 25 stocks (the “**Reference Basket**”) is obtained by filtering an initial universe of stocks (the “**Universe**”) based on market-cap and liquidity criteria and growth metrics

(Historical Annual Growth Rate and Expected Growth Rate). The final and key metric of the Strategy is the PEG or Price/Earnings to Growth Ratio. This enables the Strategy to invest in growth stocks at a reasonable price. The stocks in the Reference Basket are equally weighted with a cap of 5 per cent. The Strategy takes a long position in the Reference Basket and a short position on the benchmark index (the “**Benchmark**”) with the same notional.

The “Excess Return” version of the Index is calculated by taking the movements of the stocks in the Reference Basket and re-investing any dividends earned (net of with-holding tax) and subtracting the returns of the Benchmark. The “Total Return” version of the Index is calculated by adding the returns of the Index Currency rates (the “**Cash Rate**”) to the return of Excess Return Index.

The Index is calculated net of management fees of 1 per cent. per annum and costs (Shorting Cost as given in table plus 0.18 per cent. of rebalancing cost per annum).

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

#### 4 Barclays Capital Turn of the Month (TOM) Indices

The Barclays Capital Turn of the Month indices (TOM™ Index) (each an “**Index**”) have been constructed to enable investors to access equity indices in a more efficient way than a traditional buy-and-hold approach. The Barclays Capital TOM™ Index family is based on the TOM™ Strategies that provide a transparent and easy to understand mechanism which hypothesises that the performance of the stock market depends on the trading day during the month.

The Barclays Capital Turn of the Month (TOM) indices consist of:

Index Name	Index Currency	Cash Index	Type of Return	Underlying	Long/Long-Short	Benchmark/Tradable	Bloomberg Ticker
Barclays Capital TOM US Index	USD	Barclays Capital Benchmark Overnight USD Cash Index (BXIIBUS0)	Price Return	S&P 500 (SPX Index)	Long	Benchmark	BXIIUSLP
			Excess Return	S&P 500 Total Return (SPTR)	Long/Short	Benchmark	BXIIUSSP
			Total Return	S&P 500 Total Return (SPTR)	Long	Benchmark	BXIIUSLE
					Long/Short	Benchmark	BXIIUSSE
					Long	Benchmark	BXIIUSLT
					Long/Short	Benchmark	BXIIUSST
Barclays Capital TOM EU Index	EUR	Barclays Capital Benchmark Overnight EUR Cash Index (BXIIBEU0)	Price Return	EuroStoxx 50 Price (SX5E)	Long	Benchmark	BXIIEULP
			Excess Return	EuroStoxx 50 Net TR	Long/Short	Tradable	BXIIETLP
					Long/Short	Benchmark	BXIIEUSP
						Tradable	BXIIETSP
					Long	Benchmark	BXIIEULE
						Tradable	BXIIETLE

Index Name	Index Currency	Cash Index	Type of Return	Underlying	Long/Long-Short	Benchmark/Tradable	Bloomberg Ticker
				(SX5T)	Long/Short	Benchmark	BXIIAUSE
						Tradable	BXIIETSE
			Total Return	EuroStoxx 50 Net TR (SX5T)	Long	Benchmark	BXIIEULT
						Tradable	BXIIETLT
					Long/Short	Benchmark	BXIIEUST
						Tradable	BXIIETST
Barclays Capital TOM UK Index	GBP	Barclays Capital Benchmark Overnight GBP Cash Index (BXIIBGB0)	Price Return	FTSE 100 (UKX)	Long	Benchmark	BXIIUKLP
					Long/Short	Benchmark	BXIIUKSP
			Excess Return	FTSE 100 TR (TUKXG)	Long	Benchmark	BXIIUKLE
					Long/Short	Benchmark	BXIIUKSE
			Total Return	FTSE 100 TR (TUKXG)	Long	Benchmark	BXIIUKLT
					Long/Short	Benchmark	BXIIUKST
Barclays Capital TOM Germany Index	EUR	Barclays Capital Benchmark Overnight EUR Cash Index (BXIIBEU0)	Excess Return	DAX Index (DAX)	Long	Tradable	BXIIDALE
					Long/Short	Tradable	BXIIDASE
			Total Return	DAX Index (DAX)	Long	Tradable	BXIIDALT
					Long/Short	Tradable	BXIIDAST
Barclays Capital TOM South Africa	ZAR	Barclays Capital Benchmark Overnight ZAR Cash Index (BXIIBZA0)	Price Return	FTSE/JSE Africa TOP 40 (TOP40)	Long	Benchmark	BXIIISALP
					Long/Short	Benchmark	BXIIISASP
			Excess Return	FTSE/JSE Africa TOP 40 TR (TOP40TR)	Long	Benchmark	BXIIISALE
					Long/Short	Benchmark	BXIIISASE
			Total Return	FTSE/JSE Africa TOP 40 TR (TOP40TR)	Long	Benchmark	BXIIISALT
					Long/Short	Benchmark	BXIIISAST

The Barclays Capital TOM™ Long Index invests in the relevant underlying equity benchmark Index (the “**Underlying**”) on the close of the fourth business day before the end of each month and closes this position three business days after the end of the same month. The Long Index is not invested during the rest of the month. The TOM™ Long index is available in “Price Return”, “Excess Return” and “Total Return” versions. The Price Return version tracks the Underlying during the invested period. The Total Return version tracks the Underlying during the invested period, and grows at the Barclays Capital Benchmark Overnight Cash Index (the “**Cash Index**”) of the Index Currency during the rest of the month. The Excess Return version is calculated by subtracting the return of the Cash Index from the total return version. The Barclays Capital TOM™ Benchmark Long Indices are available for Europe, the United States, United Kingdom and South Africa. The Barclays Capital TOM™ Tradable Long Indices are available for Europe and Germany.

The Barclays Capital TOM™ Long/Short Index takes a short position on the Underlying on the close of the 11th last business day before each month-end and closes this position on the fifth last business day before month-end. It then takes a long position on the Underlying on the close of the fourth last business day before each month-end and closes this position three business days after the same month-end. The long/short index is not invested during the rest of the month. The Barclays Capital TOM™ Long/Short index is available in Price Return, Excess Return and Total Return versions. The Price Return version tracks the Underlying return during the long investment period and tracks negative return of the Underlying during the short investment period. The Total Return version tracks the Underlying return during the long investment period and tracks negative return of the Underlying plus twice the return of the Cash Index during the short investment period and grows at the Cash Index during the rest of the month. The Excess Return version is calculated by subtracting the return of the Cash Index from the total return version. The Barclays Capital TOM™ Long/Short Indices are available for Europe, the United States, Japan, Germany and the United Kingdom. The Barclays Capital TOM™ Benchmark Long/Short Indices are available for Europe, the United States, United Kingdom and South Africa. The Barclays Capital TOM™ Tradable Long/Short Indices are available for Europe and Germany.

The Tradable versions of the Index are calculated net of management fees of 1 per cent. p.a. The Benchmark version is calculated gross of fees.

The Excess Return and Total Return versions of the Long/Short Index are net of 0.5 per cent. p.a. shorting cost. The Price Return version of the Long/Short Index is gross of costs.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

## 5 Barclays Capital ASTRO Indices

The Barclays Capital ASTRO Strategy (the “**Strategy**”) is an algorithmic strategy which attempts to provide access to the historically observed equity market mean reversion over short-term periods by taking advantage of the difference between the daily and weekly variance.

Mean reversion in equity market is a historically observed tendency of the daily equity returns to be followed by the daily returns in the opposite direction, a process commonly referred as negative serial correlation. The equity market displaying mean reverting cyclical over a short-term period would typically experience higher volatility of the daily returns in comparison to the volatility of weekly returns. Negative serial correlation of daily equity returns has often been observed historically during markets with increased volatility.

Mean reversion can be accessed by systematically buying daily variance and selling weekly variance, thus capturing the spread between the two. The ASTRO Strategy aims to capture the same payoff by a delta hedging approach by going long or short the underlying equity index with positions rebalanced on a daily basis. The strategy seeks to replicate a leveraged equal weighted position in five variance

spreads, starting on each consecutive weekday from Monday to Friday. Thus, the ASTRO Strategy has a positive performance if the Index Constituent is mean reverting in the sense that the daily returns are more volatile than the weekly returns.

In order to limit the risk, the maximum delta position that the Strategy can have on any day is (+/-)150 per cent. There is also a cap of (+/-)150 per cent. on the maximum amount of delta that can be rebalanced on a daily basis.

The Barclays Capital ASTRO Index Family is a set of investable indices reflecting the performance of the ASTRO Strategy when applied to different underlying equity markets and when expressed in different currencies.

The Barclays Capital ASTRO indices consist of:

Name	Index currency	Bloomberg ticker	Cash Rate	Underlying
Barclays Capital ASTRO US TR Index	USD	BXIIASUT	BBA Libor USD Overnight (US000/N)	S&P 500 Total Return (SPTR Index)
Barclays Capital ASTRO US ER Index	USD	BXIIASUE	BBA Libor USD Overnight (US000/N)	S&P 500 Total Return (SPTR Index)
Barclays Capital ASTRO Europe TR Index	USD	BXIIASET	EONIA	Barclays Capital EUROPE Tracker Index (BXIIETTR Index)
Barclays Capital ASTRO Europe ER Index	USD	BXIIASEE	EONIA	Barclays Capital EUROPE Tracker Index (BXIIETTR Index)

The Barclays Capital ASTRO Index Family reflects the performance of the ASTRO strategy when applied to different underlying equity indices (the “**Underlying**”). The Index rebalances the net resulting delta using closing level of underlying index on every index business day.

The ASTRO index is available in “Excess Return” and “Total Return” versions. The Excess Return version is calculated by multiplying the excess return of the Underlying by the Delta calculated each day. The excess return of the Underlying is obtained by subtracting the Index Currency risk-free rate (the “**Cash Rate**”) from the return of the Underlying. The “Total Return” version is based on the “Excess Return” performance of the index plus the Cash Rate.

The Index is calculated net of execution costs (0.03 per cent. of the delta rebalanced everyday) and management fee of 1.5 per cent. p.a.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

## 6 Barclays Capital Tracker Indices

Barclays Capital Equity Tracker Index Family is a set of indices with the objective of tracking the performance of various equity markets (“Underlying Asset”). Each index refers to a specific market and reflects the performance of a strategy holding and rolling the first nearby futures contract in respect of an equity benchmark representative of that market. Both benchmark and tradable versions are available for each Equity Tracker Index.

The Barclays Capital Tracker indices provide exposure to the following markets: Europe, United Kingdom, United States, France, Germany, US Technology, and Switzerland.

The Barclays Capital Tracker indices consist of:

Index Name	Underlying	Underlying Asset	Currency	Benchmark ER tickers	Benchmark TR tickers	Tradable ER Tickers	Tradable TR Tickers
	1st Generic Future						
Barclays Capital EUROPE Tracker Index	VG1 Index	Euro STOXX 50	EUR	BXIIETER	BXIIETTR	BXIIEIER	BXIIETR
			USD	BXIIETUE	BXIIETUT	BXIIEIUE	BXIIEIUT
			GBP	BXIIETGE	BXIIETGT	BXIIEIGE	BXIIEIGT
			JPY	BXIIETJE	BXIIETJT	BXIIEIJE	BXIIEIJT
Barclays Capital UK Tracker Index	Z 1 Index	FTSE 100	EUR	BXIIUTEE	BXIIUTET	BXIIIGIEE	BXIIIGIET
			USD	BXIIUTUE	BXIIUTUT	BXIIIGIUE	BXIIIGIUT
			GBP	BXIIUTER	BXIIUTTR	BXIIIGIER	BXIIIGITR
			JPY	BXIIUTJE	BXIIUTJT	BXIIIGIJE	BXIIIGIJT
Barclays Capital US Tracker Index	SP1 Index	S&P 500	EUR	BXIIUSEE	BXIIUSET	BXIIUIEE	BXIIUIET
			USD	BXIIUSER	BXIIUSTR	BXIIUIER	BXIIUITR
			GBP	BXIIUSGE	BXIIUSGT	BXIIUIGE	BXIIUIGT
			JPY	BXIIUSJE	BXIIUSJT	BXIIUIJE	BXIIUIJT
Barclays Capital FRANCE Tracker Index	CF1 Index	CAC 40	EUR	BXIIFTER	BXIIFTTR	BXIIFIER	BXIIFITR
			USD	BXIIFTUE	BXIIFTUT	BXIIFIUE	BXIIFIUT
			GBP	BXIIFTGE	BXIIFTGT	BXIIFIGE	BXIIFIGT
			JPY	BXIIFTJE	BXIIFTJT	BXIIFIJE	BXIIFIJT
Barclays Capital GERMANY Tracker Index	GX1 Index	DAX	EUR	BXIICTER	BXIICTTR	BXIIDIER	BXIIDITR
			USD	BXIICTUE	BXIICTUT	BXIIDIUE	BXIIDIUT
			GBP	BXIICTGE	BXIICTGT	BXIIDIGE	BXIIDIGT
			JPY	BXIICTJE	BXIICTJT	BXIIDIJE	BXIIDIJT
Barclays Capital US Tech Tracker Index	NQ1 Index	NASDAQ 100 E-MINI	EUR	BXIIITTEE	BXIIITTET	BXIIITIEE	BXIIITIET
			USD	BXIIITTER	BXIIITTR	BXIIITIER	BXIIITITR
			GBP	BXIIITTGE	BXIIITTGT	BXIIITIGE	BXIIITIGT
			JPY	BXIIITTJE	BXIIITTJT	BXIIITIJE	BXIIITIJT
Barclays	SM1 Index	Swiss Market	CHF	BXIIISTER	BXIIISTTR	BXIIISIER	BXIIISITR

Index Name	Underlying	Underlying Asset	Currency	Benchmark ER tickers	Benchmark TR tickers	Tradable ER Tickers	Tradable TR Tickers
	1st Generic Future						
Capital SWISS Tracker Index		Index	USD	BXIISTUE	BXIISTUT	BXIISIE	BXIISIUT
			GBP	BXIISTGE	BXIISTGT	BXIISIGE	BXIISIGT
			EUR	BXIISTEE	BXIISTET	BXIISIEE	BXIISIET

Each Barclays Capital Equity Tracker index, for both benchmark and tradable versions, is available in “Excess Return” and “Total Return” versions, in various currencies. For the benchmark version, The “Excess Return” version tracks the daily price movements of the future contracts, converted into the Index Currency. Futures prices used in the indices are determined by end-of-day fixings at the relevant exchanges. The “Total Return” version is based on the “Excess Return” performance of the index plus the return of the Barclays Capital Benchmark Overnight Cash Index of the Index Currency (the “Cash Index”) (as mentioned in the table below). For the tradable version, the calculation of the “Excess Return” and “Total Return” versions is the same as described above but index costs are deducted to take into account execution costs. Index costs are equal to 0.5 per cent. per annum. The tradable version of the index family is calculated and published net of index costs.

Index Currency	Cash Index
EUR	BXIIBEU0
USD	BXIIBUS0
CHF	BXIIBC00
GBP	BXIIBGB0
JPY	BXIIBJP0

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day as described herein.

## 7 Barclays Capital LBAR Indices

The Long Barclays Alternatives Replicator (LBAR) indices (each an “Index”) are designed to provide investors with a long exposure to the global hedge funds industry. The composition of the index is a dynamic basket of investable market instruments that rebalances on a monthly basis with the aim of delivering returns close to the benchmark performance of the global hedge fund Industry.

The Barclays Capital LBAR indices consist of:

Name	Index currency	Bloomberg ticker
Barclays Capital LBAR USD TR Index	USD	BXILBAR
Barclays Capital LBAR USD ER Index	USD	BXILARE
Barclays Capital LBAR EUR TR Index	EUR	BXILBTE
Barclays Capital LBAR Alternative USD TR Index	USD	BXILBTR
Barclays Capital LBAR Alternative USD ER Index	USD	BXILBER

LBAR has an ongoing allocation via a proprietary replication engine developed by Barclays Capital QPS research team. Allocations are rebalanced monthly over a wide universe of underlying instruments, covering multiple asset classes and payoff profiles.

The weights of the underlying investment instruments, calibrated to capture the most recent market information, are derived from a rule based, discretion-free optimisation algorithm. The algorithm seeks to explain the excess return of the global hedge fund industry over USD LIBOR as a weighted sum of the underlying factors. LBAR total return and excess return versions are available.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day.

## 8 Barclays Capital SBAR Indices

The Shortable Barclays Alternatives Replicator (SBAR) indices (each an “**Index**”) are designed to provide investors with a short exposure to the global hedge funds industry returns. The composition of the index is a dynamic basket of investable market instruments that rebalances on a monthly basis with the aim of delivering returns close to the benchmark performance of the global hedge fund Industry.

The Barclays Capital SBAR indices consist of:

Barclays Capital SBAR Indices	Index currency	Bloomberg ticker
Barclays Capital SBAR USD TR Index	EUR	BXIISBAR
Barclays Capital SBAR USD ER Index	EUR	BXIISARE

The weights of the underlying investment instruments, calibrated to capture the most recent market information, are derived from a rule based, discretion-free optimisation algorithm. The algorithm seeks to explain the excess return of the global hedge fund industry over USD LIBOR as a weighted sum of the underlying factors. SBAR total return and excess return versions are available.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day.

## 9 Barclays Capital Advanced Emerging Market Indices

The Barclays Capital Advanced Emerging Market Indices (each an “Index”) are designed to provide exposure to Advanced Emerging Market countries that may achieve solid, stable and sustainable economic growth in the view of Barclays Capital Research. Barclays Capital Research selects the Advanced Emerging Market countries using factors such as the growth Sharpe ratio and the tail risk during periods of economic stress.

As of January 2011, the Advanced Emerging Market countries are Singapore, Chile, Korea, Taiwan, Israel, China, Brazil, South Africa, Poland, and Czech Republic. This list is subject to change as and when the selection is updated by Barclays Capital Research. The new selection is taken into account on the next rebalancing date.

The Barclays Capital Advanced Emerging Market indices consist of:

Index Name	Index Currency	Cash Rate (for excess return)	Excess Return	Total Return
Barclays Capital Advanced Emerging Markets USD Equity Index	USD	US Fed Fund Effective Rate (FEDL01)	BXIIAMEU	BXIIAMTU
Barclays Capital Advanced Emerging Markets EUR Equity Index	EUR	EONIA Overnight Rate (EONIA)	BXIIAMEE	BXIIAMTE
Barclays Capital Advanced Emerging Markets GBP Equity Index	GBP	GBP SONIA Overnight Rate (SONIO/N)	BXIIAMEG	BXIIAMTG

Stocks from each Advanced Emerging Market are filtered based on market capitalisation and liquidity criteria. Of the filtered stocks, the five most liquid from each country are selected. The Index rebalances semi-annually, every March and September. The constituents of each Index are weighted with respect to their average daily value traded and its weighting to such Index is capped at 7.5 per cent.

The constituents of the Index are common stocks, GDR’s and ADR listed on the relevant exchanges. The constituents of each Index are weighted with respect to their liquidity and its weighting to such Index is capped to ensure diversification.

The total return version of the Index is calculated by taking the movement of the stock prices converted into the Index Currency and reinvesting any dividends net of withholding tax. The excess

return version of the Index is calculated by subtracting the Index Currency risk-free rate (the “Cash Rate”) from the total return version.

The Index is calculated net of Execution Costs of 0.40 per cent. p.a.

There are Risk Controlled Indices (each one a “Risk Controlled Index”) based on the Index. Risk Controlled Indices are dynamic indices which are intended to target a specified level of risk on a chosen underlying Index.

Each Risk Controlled Index allocates varying exposure to the Index depending on the realised risk in the market. The risk is measured by using the realised volatility.

Based on the ratio of the target volatility to the realised volatility, a factor is calculated which is then used to determine the exposure the Risk Controlled Index takes to the Index. A dynamic mechanism is in place to systematically adjust the exposure. Risk Controlled Indices increase the exposure when the Index exhibits low realised volatility and decreases the exposure when the Index exhibits high realised volatility. There are various Risk Controlled Indices with different target volatilities and different currencies. The Barclays Capital Advanced Emerging Markets Risk Controlled Index consist of:

Index Name	Index Currency	Target Vol 10 per cent.	Target Vol 15 per cent.	Target Vol 18 per cent.
Barclays Capital Advanced Emerging Markets Risk Controlled EUR ER Index	EUR	BXIIM10E	BXIIM15E	BXIIM18E
Barclays Capital Advanced Emerging Markets Risk Controlled USD ER Index	USD	BXIIM10U	BXIIM15U	BXIIM18U
Barclays Capital Advanced Emerging Markets Risk Controlled GBP ER Index	GBP	BXIIM10G	BXIIM15G	BXIIM18G

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index constituents in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

## 10 Barclays Capital Chips Indices

The Barclays Capital Chips indices (each an “Index”) are long only indices designed to provide exposure to quality equity stocks on various countries’ and sectors’ themes. Each Index screens stocks based on specific factors such as a country factor, an exchange factor, a sector factor or an accounting metric. The Index then filters the remaining stocks for market cap and liquidity criteria and quality based on two key metrics, namely the Price Earnings Ratio and the Return on Common Equity Ratio. The top remaining stocks are selected based on liquidity as measured by daily turnover for inclusion into the Index.

The Barclays Capital Chips indices consist of:

Index Name	Execution Cost (p.a)	Weight Capping Factor	Index Currency	Price Return	Excess Return	Total Return
Barclays Capital China Chips Index	0.48 per cent.	10 per cent.	HKD EUR	BXIIICPH BXIIICPE	BXIIICHEH BXIIICHEE	BXIIICHTH BXIIICHTE
Barclays Capital UK Chips Index	0.16 per cent.	10 per cent.	GBP EUR	BXIIICUPG BXIIICUPE	BXIIICUEG BXIIICUEE	BXIIICUTG BXIIICUTE
Barclays Capital US Chips Index	0.16 per cent.	4.5 per cent.	USD EUR	BXIIICAPU BXIIICAPE	BXIIICAEU BXIIICAE E	BXIIICATU BXIIICATE
Barclays Capital European Chips Index	0.32 per cent.	10 per cent.	EUR USD	BXIIICEPE BXIIICEPU	BXIIICEEE BXIIICEEU	BXIIICETE BXIIICETU
Barclays Capital Green Chips Index	0.48 per cent.	10 per cent.	EUR USD	BXIIICNPE BXIIICNPU	BXIIICNEE BXIIICNEU	BXIIICNTE BXIIICNTU
Barclays Capital Black Chips Index	0.48 per cent.	10 per cent.	EUR USD	BXIIICBPE BXIIICBPU	BXIIICBEE BXIIICBEU	BXIIICBTE BXIIICBTU
Barclays Capital Grey Chips Index	0.48 per cent.	10 per cent.	EUR USD	BXIIICYPE BXIIICYPU	BXIIICYEE BXIIICYEU	BXIIICYTE BXIIICYTU

The Barclays Capital Chips Index range consists of the following Indices:

- (a) The Barclays Capital European Chips Index consists of leading names in the Western Europe region (except the top one-third most liquid) with positive growth and high earnings growth expectations.
- (b) The Barclays Capital US Chips Index consists of quality American stocks with a strong focus on Research and Development as measured by the average annual R&D expenditure growth.
- (c) The Barclays Capital UK Chips Index consists of quality UK stocks which are founded in the UK with the high earnings growth expectations.
- (d) The Barclays Capital Green Chips Index consists of quality stocks involved in the environmentally friendly energy generation and green sectors.
- (e) The Barclays Capital Black Chips Index consists of quality stocks that are profitable with high dividends and low debt ratios.
- (f) The Barclays Capital Grey Chips Index consists of quality stocks involved in senior health care, senior lifestyle and senior financial support.
- (g) The Barclays Capital China Chips Index consists of quality Chinese stocks.

The constituents of each Index are common stocks, listed on the relevant exchanges specific for each Index and which have passed a screening based on market capitalisation and liquidity criteria as measured by the daily turnover.

The constituents of each Index are weighted with respect to their free float adjusted market capitalisation and its weighting to such Index is capped at the Weight Capping Factor (as detailed in the table above). For each Index, the total, price and excess return versions are calculated. Each Index is rebalanced on a quarterly basis and is calculated in various currencies, where applicable.

The total return version of the Index is calculated by taking the movement of the stock prices converted into the Index Currency and reinvesting any dividends net of withholding tax. If the exposure of the Index is below 100 per cent., then the rest earns the return of Barclays Capital Benchmark Cash Index (the “**Benchmark Cash Index**”). The excess return version of the Index is calculated by subtracting the Libor Cash Rate from the total return version. The price return version of the index is calculated by taking the movement of the stock prices converted into the Index Currency. The price return version does not pass on the benefit of the dividends paid by the stocks. The Benchmark Cash Index and the Libor Cash for each Index Currency are:

Index Currency	Benchmark Cash Index	Libor Cash Rate
USD	BXIIBUS0	US000/N
EUR	BXIIBEU0	EE000/N
GBP	BXII BGB0	BP000/N
HKD	Barclays HKD Overnight Benchmark Index	HIHDO/N

The Index is calculated net of Execution Costs, as mentioned in the table above.

There are Risk Controlled Indices (each one a “**Risk Controlled Index**”) based on the Index. Risk Controlled Indices are dynamic indices which are intended to target a specified level of risk on a chosen underlying Index.

Each Risk Controlled Index allocates varying exposure to the Index depending on the realised risk in the market. The risk is measured by using the realised volatility.

Based on the ratio of the target volatility to the realised volatility, a factor is calculated which is then used to determine the exposure the Risk Controlled Index takes to the Index. A dynamic mechanism is in place to systematically adjust the exposure. Risk Controlled Indices increase the exposure when the Index exhibits low realised volatility and decreases the exposure when the Index exhibits high realised volatility. There are various Risk Controlled Indices with different target volatilities and different currencies.

The Barclays Capital Chips Risk-Controlled Indices consist of:

Index Name	Index Currency	Target Vol 10 per cent.	Target Vol 15 per cent.	Target Vol 18 per cent.
Barclays Capital China	HKD	Not Applicable	BXIIC15H	BXIIC18H

Index Name	Index Currency	Target Vol 10 per cent.	Target Vol 15 per cent.	Target Vol 18 per cent.
Chips Risk Controlled ER Index	EUR	Not Applicable	BXIIC15E	BXIIC18E
Barclays Capital UK Chips Risk Controlled ER Index	GBP	BXIIU10G	BXIIU15G	Not Applicable
	EUR	BXIIU10E	BXIIU15E	Not Applicable
Barclays Capital US Chips Risk Controlled Index	USD	BXIIAU10	BXIIAU15	Not Applicable
	EUR	BXIIAE10	BXIIAE15	Not Applicable
Barclays Capital European Chips Risk Controlled ER Index	EUR	BXIIE10E	BXIIE15E	Not Applicable
Barclays Capital Green Chips Risk Controlled ER Index	EUR	BXIIN10E	BXIIN15E	Not Applicable
	USD	BXIIN10U	BXIIN15U	Not Applicable
Barclays Capital Black Chips Risk Controlled ER Index	EUR	BXIIB10E	BXIIB15E	Not Applicable
	USD	BXIIB10U	BXIIB15U	Not Applicable
Barclays Capital Grey Chips Risk Controlled ER Index	EUR	BXIY10E	BXIY15E	Not Applicable
	USD	BXIY10U	BXIY15U	Not Applicable

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily value for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

## 11 Barclays Capital Emerging 7 Indices

The Barclays Capital Emerging 7 Indices (each an “Index”) are designed to provide exposure to the largest emerging market countries. The countries that constitute the Index are Brazil, Russia, India, China, Indonesia, Mexico and Turkey.

The Barclays Capital Emerging 7 indices consist of:

Index Name	Index Currency	Price Return	Excess Return	Total Return
Barclays Capital Emerging 7 USD Index	USD	BXII7PU	BXII7EU	BXII7TU
Barclays Capital Emerging 7 EUR Index	EUR	BXII7PE	BXII7EE	BXII7TE
Barclays Capital Emerging 7 GBP Index	GBP	BXII7PG	BXII7EG	BXII7TG

Index Name	Index Currency	Price Return	Excess Return	Total Return
7 GBP Index				

Stocks from each country are filtered based on market capitalisation and liquidity criteria. Of the filtered stocks, the five most liquid from each country are selected. The Index rebalances semi-annually, every March and September. The constituents of each Index are weighted with respect to their average daily value traded and its weighting to such Index is capped at 7.5 per cent.

The constituents of the Index are common stocks, GDR's and ADR listed on the relevant exchanges. The constituents of each Index are weighted with respect to their liquidity and its weighting to such Index is capped to ensure diversification.

The total return version of the Index is calculated by taking the movement of the stock prices converted into the Index Currency and reinvesting any dividends net of withholding tax. The excess return version of the Index is calculated by subtraction the Index Currency risk-free rate from the total return version. The price return version of the index is calculated by taking the movement of the stock prices converted into the Index Currency. The price return version does not pass on the benefit of the dividends paid by the stocks.

The Index is calculated net of Execution Costs of 0.40 per cent. p.a.

There are Risk Controlled Indices (each one a “Risk Controlled Index”) based on the Index. Risk Controlled Indices are dynamic indices which are intended to target a specified level of risk on a chosen underlying Index.

Each Risk Controlled Index allocates varying exposure to the Index depending on the realised risk in the market. The risk is measured by using the realised volatility. Based on the ratio of the target volatility to the realised volatility, a factor is calculated which is then used to determine the exposure the Risk Controlled Index takes to the Index. A dynamic mechanism is in place to systematically adjust the exposure. Risk Controlled Indices increase the exposure when the Index exhibits low realised volatility and decreases the exposure when the Index exhibits high realised volatility. There are various Risk Controlled Indices with different target volatilities and different currencies. The Barclays Capital Emerging 7 Risk Controlled Indices consist of:

Index Name	Index Currency	Target Vol 10 per cent.	Target Vol 15 per cent.	Target Vol 18 per cent.
Barclays Capital E7 Risk Controlled EUR ER Index	EUR	BXII710E	BXII715E	BXII718E
Barclays Capital E7 Risk Controlled USD ER Index	USD	BXII710U	BXII715U	BXII718U
Barclays Capital E7 Risk Controlled GBP ER Index	GBP	BXII710G	BXII715G	BXII718G

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

## 12 Barclays Capital Q-MA Index

The Barclays Capital US Q-MA Indices (each an “Index”) is a rules based, systematic index which aims to provide investors with exposure to potential arbitrage opportunities arising from US mergers and acquisitions. The Index invests in US merger and acquisition deals larger than \$500 million, which meet certain other specified criteria. The Index buys Target Shares after a deal is announced and holds them until completion or termination of the deal. The long portfolio of Target Shares is hedged with the S&P 500 Total Return Index.

The deals are selected from the universe of announced merger and acquisition corporate actions that are provided by the data source, based on the following criteria:

- (i) The target company for the deal is a public company, listed on either the New York Stock Exchange, NASDAQ Stock Market or American Stock Exchange
- (ii) The target country is United States of America
- (iii) announced value of the deal is no less than 500 million USD
- (iv) The sum of percent owned and percent sought in the deal is equal to 100 per cent.
- (v) The payment type is either Cash, Cash and Stock, Cash or Stock or Stock
- (vi) The deal type is either company takeover, tender offer, cross border, private equity, management buyout, squeeze out, going private, reverse merger, competing bid or leveraged buyout
- (vii) The deal does not include any contingent payment or more than one type of security as consideration
- (viii) There are no restrictions prohibiting Barclays Capital from trading the target shares or any shares received as consideration in a deal.

Strong risk management is applied through intelligent sizing and dynamic market hedging. Exposure to Target Shares is driven by liquidity constraints, potential downside in the deal and the size of the target and acquirer. The Index attempts to limit the losses on each deal to 2 per cent. of the portfolio for a cash deal, scaled down to 1 per cent. for a stock deal. The maximum portfolio leverage is 150 per cent., and no new deals are included if the portfolio leverage exceeds the limit. As the number of deals in the portfolio increases, new deals are given a lower weight.

Whenever a new deal is announced, the Index buys the target shares after deal announcement. These shares are held till the deal is either completed or terminated. If the deal is completed, the deal consideration, consisting of cash or stock, or both, is received. Any stock received is sold. If the deal is terminated, the target shares are sold.

All execution is done at VWAP of the shares and the Index is marked to the closing price. The prices of the stocks constituting the Barclays Capital Q-MA US Excess Return Index are converted into USD currency from their local currencies (when necessary) using the relevant FX rate.

The Index has a short position on the S&P 500 Total Return Index (Bloomberg Ticker: SPXT) to make the Index beta neutral. The beta hedging helps to hedge out the stock portion of the deal consideration as well as any excess beta for cash deals. On a daily basis, the beta of the long portfolio of target stocks to the S&P 500 Total Return Index over the last 15 Index Business Days is calculated. The short position is rebalanced everyday to the calculated beta.

To calculate the excess return version of the USD Index, USD overnight Libor rate (US000/N) is subtracted from the return of the long portfolio to finance the long position in the target share, and USD overnight Libid rate (LIUSON) is added to the negative return of the S&P 500 Total Return Index. The return of the long portfolio is calculated by taking the movements of the stocks in the Long Basket converted into USD and re-investing any dividends earned (net of with-holding tax). The excess return of the EUR Index is calculated by converting the monthly returns of the USD excess return Index into EUR. The total return versions of the Index are calculated by adding the return of the Barclays Capital Benchmark Overnight Cash Index of the Index Currency (BXIIBUS0 for the USD Total Return Index and BXIIBEU0 for the EUR Total Return Index) to the excess return version.

Indices are net of the index management fees and execution costs. The costs included in the index calculation are:

- 1.5 per cent. p.a. management fees
- 0.10 per cent. p.a. on the long position
- 0.10 per cent. p.a. on the short position
- 2 cents per share to match VWAP of stocks

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

<b>Name</b>	<b>Index currency</b>	<b>Bloomberg ticker</b>
Barclays Capital Q-MA US Excess Return Index USD	USD	BXIIQMUE
Barclays Capital Q-MA US Total Return Index USD	USD	BXIIQMUT
Barclays Capital Q-MA US Excess Return Index EUR	EUR	BXIIQMEE
Barclays Capital Q-MA US Total Return Index EUR	EUR	BXIIQMET

### 13 Barclays Capital Diversified Multi-Asset CHF 7 % ER Index

The Barclays Capital Diversified Multi Asset CHF 7 % ER Index is an Excess Return Index based on a multi-asset strategy which dynamically adapts allocations based on a quantitative model. The strategy is applied to a set of assets from eight different asset class underlyings (the “**Index Constituent**”):

Asset Class	Underlying	Exchange	Related Exchange	Bloomberg ticker
Equities	SMI Total Return Index	EUREX	All Exchanges	SMIC Index
Equity Renewable	Barclays Green Chips	All Exchanges	All Exchanges	BXICNTU Index
Equity Emerging Markets	S&P BRIC 40 Net TR	All Exchanges	All Exchanges	SPTRBRIC Index
Property	iShares Dow Jones U.S. Real Estate Index Fund	New York Stock Exchange	All Exchanges	IYR UP Equity
Gold	SPDR Gold Trust	New York Stock Exchange	All Exchanges	GLD UP Equity
Agriculture Commodities	Power Shares DB Agriculture Fund	New York Stock Exchange	All Exchanges	DBA UP Equity
Industrial Metals	S&P GSCI Industrial Metals Index	Chicago Mercantile Exchange	All Exchanges	SPGCINTR Index
Inflation	Barclays Euro Govt Inflation Linked Bond Index	All Exchanges	All Exchanges	BEIG1T Index

For each Underlying, an excess return and currency adjusted version in CHF (“**Adjusted Index Constituent**”) is calculated. The Adjusted Index Constituent return of an Underlying is calculated as the excess return of the Underlying over its local currency rate, adjusted for the change in FX rate (where the FX rate is the relevant rate for converting from the Underlying currency to CHF). This makes the Barclays Capital Diversified Multi Asset CHF 7 per cent. ER Index an Excess Return Index. This also helps to limit the FX exposure to only the excess return of each Underlying (and not to the notional invested), aiming to reduce the fluctuations in the value of the strategy due to currency movements.

Each month, the Index evaluates the trend for each Adjusted Index Constituent based on its current value compared to its Short Term Moving Average value and compared to its Long Term Moving Average value. If the current value of the Adjusted Index Constituent is above both the Moving Averages, it is said to be in Uptrend, otherwise in a Downtrend. The Index then allocates equally among the Adjusted Index Constituents in Uptrend for the next month, with a cap of 33 per cent. for each Adjusted Index Constituent. If no Adjusted Index Constituent is in Uptrend, there is no allocation

for the next month. The Index adapts its allocations on a monthly basis as it tries to capture changing trends.

The Index also attempts to manage the risk below a specified fixed target level (7 per cent.): if the observed risk in the market increases above this threshold, the exposure to assets is reduced. This should help to reduce the exposure when volatility in the market increases.

The Index is net of costs and fees linked to the strategy.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The Index will be calculated in CHF, and the relevant provisions shall be read *mutatis mutandis*.

Name	Index currency	Bloomberg ticker
Barclays Capital Diversified Multi-Asset CHF ER 7 per cent. Index	CHF	BXIIMA7C

#### 14 Barclays Capital Q-TrueValue Index Family

The Barclays Capital Q-TrueValue Indices (each an “**Index**”) reflect the performance of a strategy (the “**Strategy**”) designed to capture the outperformance of value stocks in the US which also possess low probability of default based on signals from the Barclays Capital Corporate Default Probability (“**CDP**”) model. The CDP model is a proprietary hybrid default prediction model that is used as a default risk indicator to filter the ‘true value’ stocks from the universe of stocks (the “**Universe**”). The Strategy runs the stock selection on a monthly basis to capture the most recent market information for a portfolio of stocks filtered through a number of metrics.

The Barclays Capital Q-True Value Indices consist of the Total Return and Excess Return versions of the US Large Cap and US Small Cap Indices as detailed in the table below:

Index Name	Index				
	Currency	Universe	Benchmark	Excess Return	Total Return
Barclays Capital Q-True Value Large Cap Index	USD	S&P 1500 (SPR Index)	S&P 500 TR (SPTR Index)	BXIIQVLE	BXIIQVLT
Barclays Capital Q-True Value Small Cap Index	USD	S&P 1500 (SPR Index)	S&P 500 TR (SPTR Index)	BXIIQVSE	BXIIQVST

Each month stocks are selected by filtering the Universe based on market-cap and liquidity criteria and value metrics (Cash Flow per Share/Price ratio, Earnings Yield and Book Value per Share/Price ratio). The stocks selected through value metrics could also contain distressed stocks which are undervalued due to high probability of default. In order to weed out the distressed stocks the Strategy uses the default risk indicator from the CDP model. The final basket (the “**Reference Basket**”) consists of up to 25 stocks which exhibit true-value characteristics (temporary undervaluation and not in a near-default situation). The stocks in the Reference Basket are equally weighted with a cap of 5 per cent. The Strategy takes a long position in the Reference Basket and a short position on the benchmark index (the “**Benchmark**”) with the same notional.

The “Excess Return” version of the Index is calculated by taking the movements of the stocks in the Reference Basket and re-investing any dividends earned (net of with-holding tax) and subtracting the returns of the Benchmark. The “Total Return” version of the Index is calculated by adding the returns of the Index Currency rates to the return of Excess Return Index.

The Index is calculated net of management fees of 1 per cent. per annum and costs (Shorting Cost of 0.15 per cent. per annum plus 0.18 per cent. of rebalancing cost per annum).

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

## 15 Barclays Capital VOLTAS Index Family

The Barclays Capital VOLTAS Index Family is a set of investable indices reflecting the performance of the Barclays Capital VOLatility Term structure Arbitrage Strategy (“**VOLTAS Strategy**”) when applied to different Underlying Market Indices.

The Barclays Capital VOLTAS Strategy is an algorithmic strategy which attempts to capture the premium in the implied volatility term structure and is implemented through short-term and mid-term rolling futures indices on the Volatility Index of the Underlying Market Index. In normal market conditions, the implied volatility term structure is in contango, or upward sloping. The strategy captures the term structure premium through a short position in short-term rolling futures index (the “**Short-Term Index**”) and a long position in the mid-term rolling futures index (the “**Mid-Term Index**”). The Mid-Term Index acts as a hedge against movements in spot volatility because of lower roll costs at the back-end of the curve than at the front-end.

As the short-end of the volatility term structure is more sensitive to changes in implied volatility than the long-end, the position is run vega-neutral through a 65.8 per cent. exposure to the Mid-Term Index and a -34.2 per cent. exposure to the Short-Term Index.

The excess return version of the Index is calculated by taking the returns of the excess return Short-Term and Mid-Term Indices and multiplying by the exposure. The total return version of the Index is calculated by adding the Index Currency risk-free rates (the “**Cash Rate**”) to the excess return version of the Index.

The Index is calculated net of 1 per cent. p.a. costs and 0.5 per cent. p.a. management fees

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The Index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

Index Name	Short-Term Index	Mid-Term Index	Index currency	Cash Rate (for total return)	Excess Return	Total Return
Barclays Capital VOLTAS US Index	S&P 500 VIX Short-Term Futures Index ER (SPVXSP Index)	S&P 500 VIX Mid-Term Futures Index ER (SPVXMP Index)	USD	US Auction Results for Four Week Bills Median Yield (USB4WDIS)	BXIIVOUE	BXIIVOUT
Barclays Capital VOLTAS Europe Index	VSTOXX Short-Term Fut ER (VST1ME Index)	VSTOXX Mid-Term Fut ER (VMT5ME Index)	EUR	EONIA Overnight Rate (EONIA)	BXIIVOEE	BXIIVOET

## 16 Barclays Capital Q-Voltas Index Family

The Barclays Capital VOLTAS Index Family is a set of investable indices reflecting the performance of the Barclays Capital Q-VOLatility Term structure Arbitrage Strategy (the “Q-VOLTAS Strategy” or the “Strategy”) when applied to different Underlying Market Indices.

The Q-VOLTAS Strategy aims to capture the premium in the implied volatility term structure in all market conditions. The Strategy shifts between the Carry and Reverse Carry position based on an algorithmic signal. The Strategy attempts to capture and is implemented through short-term futures index (the “Short-Term Index”) and mid-term rolling futures index (the “Mid-Term Index”) on the Volatility Index of the Underlying Market Index.

In normal market conditions, the implied volatility term structure is in contango, or upward sloping and the Strategy. The strategy captures the term structure premium through a short position in the Short-Term Index and a long position in the Mid-Term Index. This is the Carry Position. The Mid-Term Index acts as a hedge against movements in spot volatility because of lower roll costs at the back-end of the curve than at the front-end. As the short-end of the volatility term structure is more sensitive to changes in implied volatility than the long-end, the position is run vega-neutral through a 65.8 per cent. exposure to the Mid-Term Index and a -34.2 per cent. exposure to the Short-Term Index.

The Strategy monitors the slope of the implied volatility term structure on a daily basis. Whenever the term structure slope decreases significantly, the Strategy changes the exposure to 34.2 per cent. long

the Short-Term Index and 65.8 per cent. short the Mid-Term Index. This is the Reverse Carry Position. When the slope of the implied volatility term structure starts increasing again, the Strategy shifts back to the Carry Position.

The excess return version of the Index is calculated by taking the returns of the excess return Short-Term and Mid-Term Indices and multiplying by the exposure. The total return version of the Index is calculated by adding the Index Currency risk-free rates (the “Cash Rate”) to the excess return version of the Index.

The Index is calculated net of 1 per cent. p.a. costs and 1 per cent. p.a. management fees.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

Index Name	Short-Term Index	Mid-Term Index	Cash Rate (for total return)	Index currency	Excess Return	Total Return
Barclays Capital Q-VOLTAS US Index	S&P 500 VIX Short-Term Futures Index ER (SPVXSP Index)	S&P 500 VIX Mid-Term Futures Index ER (SPVXMP Index)	US Auction Results for Four Week Bills Median Yield (USB4WDIS)	USD	BXIIQVUE	BXIIQVUT
Barclays Capital Q-VOLTAS Europe Index	VSTOXX Short-Term Fut ER (VST1ME Index)	VSTOXX Mid-Term Fut ER (VMT5ME Index)	EONIA Overnight Rate (EONIA)	EUR	BXIIQVEE	BXIIQVET

## 17 Barclays Capital ERA Index Family

The Barclays Capital ERA Index Family consists of a set of investable ERA Indices in different currencies each of which reflects the performance of an allocation strategy (the “Strategy”) investing in a set of excess return underlyings (each an “Underlying”) in accordance with a quantitative model which determines the allocation to each Index Constituent on a monthly basis based on its realised volatility.

An excess return underlying is defined as the underlying which has returns in excess of the local currency risk-free rate.

Each month, the Strategy determines the amount to be allocated to each Underlying of an Index in an attempt to manage the associated risk below a specified fixed target volatility level. The target volatility level (“Risk Budget”) is pre-specified for each of the Underlyings and the allocation would be

determined as the ratio of the Risk Budget to the Underlying's realised volatility. The exposure to each Underlying and the total exposure across the various Underlyings are capped.

The "Excess Return" version of the ERA Index ("**ERA Excess Return Index**") is calculated by taking the returns of the Underlyings, adjusted for the change in FX rate (where the FX rate is the relevant rate for converting from the Underlying's currency to the Index Currency). This helps to limit the FX exposure only to the excess return of each Underlying (and not to the notional invested). The "Total Return" version of the ERA Index ("**ERA Total Return Index**") is calculated by adding the return of the Barclays Capital Benchmark Overnight Cash Index (the "**Cash Index**") to the return of ERA Excess Return Index.

The Index is calculated net of Costs (as detailed in table below.).

A subset of Barclays Capital ERA Index Family is Barclays Capital Multi-Alpha ERA Index Family. It consists of Underlyings that are alpha indices from different asset classes.

Underlyings of Barclays Capital Multi-Alpha ERA Index Family:

Underlying Name	Ticker	Risk Budget	Cost
Barclays Capital Q-GSP US Small Cap ER Index	BXIIGSPE	1 per cent.	0.00 per cent.
Barclays Capital ComBATS 6 Index	BCCAC06P	1 per cent.	1.75 per cent.
Barclays Capital CRYSTAL Index	BXIICYXI	1 per cent.	0.85 per cent.
Barclays Capital FX Switch EUR ER Index	BXIISWEE	1 per cent.	0.00 per cent.

## 18 Indices constituting Barclays Capital Multi-Alpha ERA Index Family:

Index Name	Index Currency	Ticker	Cash Index
Barclays Capital Equal Risk allocation Index ER EUR	EUR	BXIIEREE	–
Barclays Capital Equal Risk allocation Index TR EUR	EUR	BXIIERET	BXIIBEU0
Barclays Capital Equal Risk allocation Index ER USD	USD	BXIIERUE	–
Barclays Capital Equal Risk allocation Index TR USD	USD	BXIIERUT	BXIIBUS0
Barclays Capital Equal Risk allocation Index ER CHF	CHF	BXIIERCE	–
Barclays Capital Equal Risk allocation Index TR CHF	CHF	BXIIERCT	BXIIBCHO
Barclays Capital Equal Risk allocation Index ER GBP	GBP	BXIIERGE	–
Barclays Capital Equal Risk allocation Index TR GBP	GBP	BXIIERGT	BXIIBGB0

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the index components in accordance with the methodology that forms the basis of the Index, as amended from time to time.

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

## 19 Barclays Capital Equity Inflation Response Indices

The Barclays Capital Equity Inflation Response Indices aim to provide positive real returns when inflation is elevated. There are four regional versions of the “Long Only” and “Market Hedged” Indices that invest in equity stocks (“**Index Constituents**”) drawn from a list of 10 sectors selected on a yearly basis. As of May 2011, the list of sectors includes Oil (Petroleum and Natural Gas), Mines (Non-Metallic and Industrial Metal Mining), Beer & Liquor, Agriculture, Coal, Defence, Healthcare, Insurance, Business Services and Fabricated Products.

The sector selection is based on US market data sourced from the Fama-French library. The initial universe consists of 49 equity sectors. A statistical analysis is run to compare the annual performance of those 49 sectors against the corresponding annual CPI YoY rate. Different inflation thresholds and sample periods are used to increase the robustness of the analysis. The 10 sectors chosen have historically provided more consistent inflation hedge by delivering positive real returns when inflation is high, when compared to the rest of sectors.

The selection of the Index Constituents is based on a market capitalisation and liquidity filter and on a subsequent combined ranking process based on Book Value per Share/Price ratio and Annual Dividend per Share/Price ratio.

The rebalancing of each Index takes place on a quarterly basis, every January, April, July and October. The Index Constituents are weighted according to their Free Float Market Capitalisation with the weight of each Index Constituent capped at 4.95 per cent. This forms the “Long Basket”.

The “Total Return” version for the Long Only Index is calculated by taking the movement of the stocks in the Long Basket converted into the Index Currency and reinvesting any dividends net of withholding tax.

The “Excess Return” version for the Market Hedged Index is calculated by taking the movements of the stocks in the Long Basket converted into the Index Currency and re-investing any dividends earned (net of with-holding tax) and subtracting the returns of the relevant Benchmark for that region.

There are Risk Controlled Indices (each one a “**Risk Controlled Index**”) based on the Index. Risk Controlled Indices are dynamic indices which are intended to target a specified level of risk (“**Target Volatility**”) on a chosen underlying Index.

Each Risk Controlled Index allocates varying exposure to the Index depending on the realised risk in the market. The risk is measured by using the realised volatility.

Based on the ratio of the Target Volatility to the realised volatility, a factor is calculated which is then used to determine the exposure the Risk Controlled Index takes to the Index. A dynamic mechanism is in place to systematically adjust the exposure. Risk Controlled Indices increase the exposure when the

Index exhibits low realised volatility and decreases the exposure when the Index exhibits high realised volatility. There are various Risk Controlled Indices with different Target Volatility levels and different currencies.

For all the versions, the Index is calculated gross of rebalancing and execution costs and management fee.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor and is responsible for selecting the Index Constituents in accordance with the methodology (as described in the index rules) that forms the basis of the Indices

A daily level for the Index will be calculated by the Index Sponsor. The index value will be published by the Index Sponsor as soon as reasonably possible on each index business day, subject to the occurrence of an index disrupted day. The relevant provisions shall be read *mutatis mutandis*.

Index Name	Index Currency	Ticker
<b>Long Only versions</b>		
Barclays Capital Equity Inflation-Response US TR USD Index	USD	BXIIRRUT
Barclays Capital Equity Inflation-Response Europe TR EUR Index	EUR	BXIIRRET
Barclays Capital Equity Inflation-Response Asia TR USD Index	USD	BXIIRRAT
Barclays Capital Equity Inflation-Response EM TR USD Index	USD	BXIIRRM T
<b>Market Hedged versions</b>		
Barclays Capital Equity Inflation-Response US Market Hedged ER USD Index	USD	BXIIRRUD
Barclays Capital Equity Inflation-Response Europe Market Hedged ER EUR Index	EUR	BXIIRRED
Barclays Capital Equity Inflation-Response EM Market Hedged ER USD Index	USD	BXIIRRM D
<b>Equity Benchmark for each region</b>		
US Version: S&P United States 500 Total Return Index	USD	SPTR
Europe Version: Barclays Capital Europe Tracker TR Index	EUR	BXIJETTR
EM Version: MSCI Daily TR Gross EM USD Index	USD	GDUEEGF
<b>Risk Control versions</b>		
Barclays Capital Equity Inflation-Response US Risk Controlled 10 per cent. USD ER Index	USD	BXIIRU10
Barclays Capital Equity Inflation-Response US Risk Controlled 15 per cent. USD ER Index	USD	BXIIRU15
Barclays Capital Equity Inflation-Response Europe Risk Controlled 10 per cent. EUR ER Index	EUR	BXIIRE10

Index Name	Index Currency	Ticker
Barclays Capital Equity Inflation-Response Europe Risk Controlled 15 per cent. EUR ER Index	EUR	BXIIRE15
Barclays Capital Equity Inflation-Response Asia Risk Controlled 10 per cent. USD ER Index	USD	BXIIRA10
Barclays Capital Equity Inflation-Response Asia Risk Controlled 15 per cent. USD ER Index	USD	BXIIRA15
Barclays Capital Equity Inflation-Response EM Risk Controlled 15 per cent. USD ER Index	USD	BXIIRM15
Barclays Capital Equity Inflation-Response EM Risk Controlled 18 per cent. USD ER Index	USD	BXIIRM18

**Part B**  
**General Terms and Conditions for Securities Linked  
to Barclays Capital Equity Indices**

*The Equity Linked Annex shall be incorporated by reference into this Part B, subject to amendments and provisions below. Accordingly, this Part B should be read in conjunction with the Equity Linked Annex. In the event of any inconsistency between the Equity Linked Annex and this Part B, this Part B shall prevail. All references to Condition numbers below are to such Conditions in the Equity Linked Annex.*

*A Barclays Capital Index to which this Section 3applies shall be a Multi-exchange Index and the Equity Linked Annex shall be amended as set out below.*

**1 Definitions**

The definitions in Part C “Definitions Applicable to Equity Linked Securities” of the Equity Linked Annex shall be amended as set out below.

“**Commodity Index**” means, in relation to a Barclays Capital Index, a Component that is a commodity index, as determined by the Determination Agent;

“**Component**” means, in relation to an Barclays Capital Index, a component or sub-component (if the component is a Barclays Capital Index), which may include, but is not limited to, Share, Index, Commodity Index and/or cash, that comprises such Barclays Capital Index;

“**Exchange**” has the meaning, with respect to a Component:

- (a) that is a Commodity Index, each exchange or principal trading market for such Index or, otherwise, in the commodity reference price for such Index as determined by the Determination Agent;
- (b) that is an Index, in respect of each component of such Index, the principal stock exchange on which such component of such Index is principally traded, as determined by the Determination Agent; or
- (c) that is a Share, the principal stock exchange or quotation system principal traded for such Share, as determined by the Determination Agent, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated provided that the Determination Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original exchange;

“**Index**” means (a) the Barclays Capital Index or (b) with respect to a Component, an index that comprises such Barclays Capital Index;

“**Barclays Capital Index**” means the proprietary index specified in the applicable Final Terms as a Reference Asset;

“**Barclays Capital Index Linked Security**” means a Security, payments or deliveries in respect of which will be contingent on and/or calculated by reference to the Barclays Capital Index; and

**“Related Exchange”** means each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Component.

**Part C**  
**Component Fallback Terms and Conditions for**  
**Securities Linked to Barclays Capital Equity Indices**

*If “Component Fallback” is specified as Applicable in the applicable Final Terms for any Barclays Capital Equity Index Linked Securities linked to the Barclays Capital Indices in this Section 3, this Part C shall apply to such Barclays Capital Equity Index Linked Securities. In the event of any inconsistency between Part B of this Section 3 and this Part C, this Part C shall prevail. All references to Condition numbers below are to such Conditions in the Equity Linked Annex.*

*If “Component Fallback” is specified as Not Applicable, this Part C shall not apply (and only the other parts of this Section 3 shall apply) to such Barclays Capital Index Linked Securities.*

**1 Risk Factors**

**Index Disrupted Days in relation to the Barclays Capital Index**

Where the Determination Agent has determined that a day on which a valuation or determination is to be made in respect of any Barclays Capital Index is an Index Disrupted Day in respect of a Component, the Determination Agent may determine a level of the Barclays Capital Index for such day. Such a determination may be different to the level of Barclays Capital Index published by the Index Sponsor for such day.

Any such determination may have an effect on the timing of valuation and consequently may adversely affect the value of the Barclays Capital Index, the Final Cash Settlement Amount and the value of the Barclays Capital Index Linked Securities.

Prospective investors may therefore receive an amount that is different from an amount that would be received if levels of the Barclays Capital Index published by the Index Sponsor were used. Prospective investors should review the conditions herein to ascertain how such provisions apply to the Barclays Capital Index Linked Securities.

**2 Component Disruption and Application of the Relevant Annex**

Where a Component:

- (a) is a Share or an Index, unless otherwise specified in the applicable Final Terms, the share and index provisions in the Equity Linked Annex, as amended by this Section 3 shall be deemed to be incorporated herein and shall apply to such Component and any elections shall be made in the applicable Final Terms;
- (b) is a Commodity Index, unless otherwise specified in the applicable Final Terms, the index provisions in the Commodity Linked Annex, as amended by this Section 3, shall be deemed to be incorporated herein and shall apply to such Component and any elections shall be made in the applicable Final Terms;
- (c) is an Inflation Index, unless otherwise specified in the applicable Final Terms, the index provisions in the Inflation Linked Annex, as amended by this Section 3, shall be deemed to be

incorporated herein and shall apply to such Component and any elections shall be made in the applicable Final Terms; or

- (d) is another underlying asset, the Relevant Annex (if applicable) shall be specified in the relevant Final Terms.

### **3 Consequence of an Index Disrupted Day**

If, in the opinion of the Determination Agent, a Scheduled Trading Day is an Index Disrupted Day, the Determination Agent shall determine the level of each Component in accordance with paragraphs (a) and (b) below and the resulting Barclays Capital Index (in its reasonable discretion) for such Scheduled Trading Day and the Final Cash Settlement Amount may be adjusted by the Determination Agent to take into account any adjustment to a Component as a result of such Index Disrupted Day.

- (a) The level of each Component that is not subject to any of the events described in the definition of “Index Disrupted Day” shall be determined separately by the Determination Agent on such day as if such day was not an Index Disrupted Day.
- (b) The level of each Component (or sub-component thereof) that is subject to any of the events described in the definition of “Index Disrupted Day” shall be determined separately by the Determination Agent in accordance with the relevant disruption or fallback provisions specified in the Relevant Annex, as amended by these Barclays Capital Equity Index Conditions, as the case may be.

For the purposes of the above, references to an “Index” in the Equity Linked Annex and “Commodity Index” in the Commodity Linked Annex shall be read and construed separately with respect to each index component (or sub-component thereof), as applicable.

Notwithstanding any provision of the Conditions, to the extent that an Index Disrupted Day has occurred and is subsisting, the Issuer shall postpone the Redemption Date of the Securities until the first day on which no Index Disrupted Day is occurring.

### **4 Components Comprising Bonds or Cash**

In the event that that no value or rate for an index component that is a Bond or Cash is published on a relevant date, the Determination Agent may in its reasonable discretion determine the relevant value or rate of such index component on such relevant date.

### **5 Commodity Business Day Convention**

With respect to a Component that is a Commodity Index, the Commodity Business Day Convention provisions in the Commodity Linked Annex shall be deemed to be incorporated herein and shall apply to such index component and the Commodity Business Day Convention shall be specified in the applicable Final Terms.

### **6 Consequence of a Barclays Capital Index Disruption**

If “Barclays Capital Index Disruption” is specified as applicable in the relevant Final Terms, upon the occurrence of any Barclays Capital Index Disruption, the Issuer shall, in its sole discretion, deem such

Barclays Capital Index Disruption to constitute an Additional Disruption Event for the purposes of this provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions, as the case may be, in respect of the Securities.

## 7 Definitions

**“Barclays Capital Index Disruption”** means the occurrence of any of the following (as determined by the Determination Agent):

- (a) a general moratorium in respect of banking activities in the country in which a Relevant Exchange is located is either announced or imposed;
- (b) it becomes impossible to obtain an exchange rate on any Business Day in the inter-bank market;
- (c) any expropriation, confiscation, requisition, nationalisation or other action by any governmental authority which deprives the Issuer (or any of its Affiliates) of all or substantially all of its assets in the country of the principal financial centre of the currency of a Component;
- (d) the imposition of any tax and/or levy with punitive character is imposed or announced in the country of the principal financial centre of the currency of a Component;
- (e) limitations on the repatriation of invested capital in the country of the principal financial centre of the currency of a Component are announced or imposed;
- (f) any event regarding the maintenance of portfolio securities and cash with sub-custodians and securities depositories in the country of the currency of a Component occurs which deprives the Issuer (or any of its Affiliates) of all or substantially all of its assets in the country of the principal financial centre of the currency of such Component; or
- (g) a Share Company in respect of a Component files for liquidation or any of its Shares cease to trade or are delisted;

**“Commodity Market Disruption Event”** shall have the meaning given to it in the Commodity Linked Annex or in the applicable Final Terms;

**“Commodity Reference Price”** shall have the meaning, with respect to an index component, given to it in Section 3 of Part C “Definitions and Interpretation Applicable to Commodity Linked Securities” of the Commodity Linked Annex unless otherwise specified in the applicable Final Terms;

**“Disruption Fallback”** shall have the meaning given to it in the Commodity Linked Annex or in the applicable Final Terms;

**“Exchange”** has the meaning, with respect to a Component:

- (a) that is a Commodity Index, each exchange or principal trading market specified in the applicable Final Terms or, otherwise, in the Commodity Reference Price;
- (b) that is an Index (i) other than where Multi-exchange Index is specified in the applicable Final Terms, each exchange or quotation system 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 components underlying such Index has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to the components underlying such Index on such temporary substitute exchange or quotation system as on the original Exchange or (ii) where Multi-exchange Index is specified in the applicable Final Terms, in respect of each component of such Index, the principal stock exchange on which such component of such Index is principally traded, as determined by the Determination Agent; or

- (c) that is 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 Determination Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange;

**“Exercise Cash Settlement Amount”** means, in respect to a Warrant, an amount per Calculation Amount in the Settlement Currency specified, or determined in the manner specified for such purpose, in the applicable Final Terms, subject to amendment as set out in the terms herein;

**“Final Cash Settlement Amount”** means, in relation to a Note or a Certificate, an amount per Calculation Amount (determined as at the Redemption Date) in the Settlement Currency specified, or determined in the manner specified for such purpose, in the applicable Final Terms, subject to amendment as set out in the terms herein;

**“Index Business Day”** means a day on which the Index is published by the Index Sponsor;

**“Index Disrupted Day”** means:

- (a) in relation to a Component that is a Share, any Scheduled Trading Day on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or a Market Disruption Event has occurred;
- (b) in relation to a Component that is an Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index, (ii) the Related Exchange fails to open for trading during its regular trading session or (iii) a Market Disruption Event has occurred;
- (c) in relation to a Component that is a Commodity Index, any Commodity Business Day on which a Commodity Market Disruption Event has occurred;
- (d) in relation to a Component that is an Inflation Index, a day that is disrupted in accordance with the provisions in the Inflation Linked Annex as determined by the Determination Agent;

**“Index Sponsor”** means, in relation to an Index, the corporation or entity that is responsible for setting and reviewing the rules and procedures, and the methods of calculation and adjustments, if any, related to such Index;

**“Inflation Index”** means, in relation to a Barclays Capital Index, a Component that is an inflation index, as determined by the Determination Agent;

**“Price Source”** means, with respect to a Component, where applicable:

- (a) in respect of a Commodity Reference Price, the publication (or such other origin of reference, including an Exchange) containing (or reporting) the Specified Price (or prices from which the

Specified Price is calculated) as specified in the applicable Final Terms or, otherwise, in the relevant Commodity Reference Price; or

(b) otherwise, as specified in the applicable Final Terms;

**“Pricing Date”** means, unless otherwise specified in the applicable Final Terms, in respect of a Commodity Reference Price, each relevant Scheduled Trading Day, which date is a day in respect of which a Relevant Commodity Price is to be determined;

**“Related Exchange”** means, in respect of a Component, subject to the proviso below, each exchange or quotation system specified as such for a Component in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures and options contracts relating to such index component has temporarily relocated (provided that the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Component on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that, where “All Exchanges” is specified as the Related Exchange in the applicable Final Terms, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Component;

**“Redemption Date”** means, in respect of any Series of Securities that are Notes or Certificates, the date specified as such in the applicable Final Terms. The Redemption Date may be delayed on the occurrence of disrupted days and disruptions as set out herein;

**“Relevant Commodity”** shall have the meaning, with respect to an index component, given to it in Section 3 of Part C “Definitions and Interpretation Applicable to Commodity Linked Securities” of the Commodity Linked Annex unless otherwise specified in the applicable Final Terms; and

**“Valuation Date”** means the date specified as a valuation date in the applicable Final Terms (the **“Scheduled Valuation Date”**) or, if such date is not an Index Business Day, the immediately following Index Business Day. If the Scheduled Valuation Date is an Index Disrupted Day, then the Valuation Date shall be deemed to be postponed in accordance with the provisions herein.

**SECTION 4**  
**ADDITIONAL PROVISIONS FOR**  
**BARCLAYS CAPITAL FX INDEX LINKED SECURITIES**

*Where this Section 4 is specified in the applicable Final Terms for any Barclays Capital FX Index Linked Securities, paragraphs 1 to 3 of Section 1 of the Barclays Capital Index Annex shall together with this Section 4 apply to such Barclays Capital FX Index Linked Securities in accordance with the provisions herein. Accordingly, paragraphs 1 to 3 of Section 1 of the Barclays Capital Index Annex should be read in conjunction with this Section 4.*

**Part A**  
**Information Relating to Barclays Capital FX Indices**

**1 Barclays Intelligent Carry Index™**

The Barclays Intelligent Carry Index™ (the “ICI”) aims to generate returns through a risk-adjusted carry strategy, as described below. The following currencies are included in the investment portfolio of the ICI: EUR, USD, JPY, CHF, SEK, NOK, CAD, NZD, AUD and GBP (the “ICI Components”).

Each month the ICI takes long and short positions in the ICI Components through one month forwards (the “ICI Positions”). The sum of the long positions is equal to the sum of the short positions.

The ICI Positions rebalance once a month and the size of each of the ICI Positions is determined by a systematic algorithm (the “ICI Algorithm”). The ICI Algorithm considers the following inputs for each currency in the ICI Components: expected return (based on a one year interest rate), volatility (based on one year realised volatility) and correlations with other currencies (based on one year historical correlations). Using these inputs the composition of the portfolio of ICI Components is optimised and rebalanced by the Index Sponsor to determine the positions that result in maximum expected return, with a target volatility of 5 per cent.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor of the ICI and is responsible for selecting the ICI Positions in accordance with the methodology that forms the basis of the ICI. A level for the ICI (for this purpose the “ICI Value”) will be calculated by the Index Sponsor. The ICI Value is scheduled to be published by the Index Sponsor as soon as reasonably possible on each Index Business Day in accordance with the Index Methodology, subject to the occurrence of a Disrupted Day. The ICI Value in respect of the relevant Barclays Capital FX Index Linked Securities will be calculated in the currency specified in the applicable Final Terms. The ICI may be Excess Return or Total Return, as specified in the applicable Final Terms. The “Excess Return” versions of the ICI track the performance of the Index Components, while the “Total Return” versions of the ICI track the performance of the Index Components and also have a cash component that reflects the accrual of interest on the Index Value.

## 2 Barclays Adaptive FX Trend Index™

The Barclays Adaptive FX Trend Index™ (the “**Trend Index**”) aims to generate returns by taking trend-following and mean-reverting positions in currency exchange rates based on their volatility, as described below. The following currencies are included in the investment portfolio of the Trend Index: EUR, USD, JPY, CHF, SEK, NOK, CAD, NZD, AUD and GBP (the “**Trend Index Components**”).

Each Index Business Day the Trend Index takes long and short exposure to currencies in the Trend Index Components through spot positions (the “**Trend Positions**”). The sum of the long positions is equal to the sum of the short positions.

The portfolio of the Trend Index Components rebalances once per Index Business Day and the size of the Trend Position of each currency within the Trend Index is determined by a systematic algorithm (the “**Trend Algorithm**”). The Trend Algorithm considers the volatility, spot rate and moving averages of the currency exchange rates within the Trend Index Components. The “moving average” of any pair of currencies is determined as the average of the spot rates of such currency pair within a set preceding period (for the purposes of the Trend Index, the Trend Algorithm considers the preceding 32 day, 61 day and 117 day periods).

If the Trend Algorithm indicates that the current volatility of a currency pair is low compared to historical levels (a “**Trend Following Currency Pair**”), the Trend Index takes positions for that currency pair which follow the observed trend. If the Trend Algorithm indicates that the current volatility of a currency pair is high compared to historical levels, the Trend Index takes positions for that currency pair which are against the observed trend anticipating that the currency pair will revert to historical mean levels for such currency pair (a “**Mean Reverting Currency Pair**”). To determine whether the volatility of a currency pair is currently low or high compared to historical levels, the Trend Index compares the current three month realised volatility level for such currency pair against the daily three month realised volatility levels for such currency pair over the preceding one-year period.

For Trend Following Currency Pairs, the Trend Index takes a long position if the spot rate for such currency pair is above at least two moving averages; and a short position if the spot rate is below at least two of the moving averages. For Mean Reverting Currency Pairs, the Trend Index takes a long position if the spot rate is below at least two moving averages; and a short position if the spot rate is above at least two of the moving averages. The size of the position in each currency pair is determined by its current three month realised volatility. The positions are aggregated and the resulting portfolio of the Trend Index Components comprising the Index is scaled to target a volatility level of 5 per cent.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor of the Trend Index and is responsible for selecting the Trend Positions in accordance with the methodology that forms the basis of the Trend Index. A level for the Trend Index (for this purpose the “**Index Value**”) will be calculated by the Index Sponsor. The Index Value is scheduled to be published by the Index Sponsor as soon as reasonably possible on each Index Business Day in accordance with the Index Methodology, subject to the occurrence of a Disrupted Day. The Trend Index in respect of the relevant Barclays Capital FX Index Linked Securities will be calculated in the currency specified in the applicable Final Terms. The Trend Index may be Excess Return or Total Return, as specified in the applicable Final Terms. The “**Excess Return**” versions of the Trend Index track the performance of the Index Components, while the “**Total Return**” versions of the Trend Index track the performance of the Index Components and also have a cash component that reflects the accrual of interest on the Index Value.

### 3 Barclays FX Value Convergence Index™

The Barclays FX Value Convergence Index™ (the “**Value Index**”) aims to generate returns through a valuation-based strategy of investing in foreign exchange rates. The following G10 currencies are included in the investment portfolio of the Value Index: EUR, USD, JPY, CHF, SEK, NOK, CAD, NZD, AUD and GBP (the “**Value Index Components**”).

Each month the Value Index takes long and short positions in the Value Index Components through one month forwards (the “**Value Positions**”). The sum of the long positions is equal to the sum of the short positions.

The Value Positions rebalance once per month and the size of notional amount of the Value Positions is determined by a systematic algorithm (the “**Value Algorithm**”). The Value Algorithm considers the spot rate and the purchasing power parity (“**PPP**”) rate of each of the 45 crosses between the currencies which form the Value Index Components (the “**Value Crosses**”). PPP is a theory of long-term equilibrium of currency exchange rates based on relative price levels of two countries or economic areas. The concept is founded on the idea that in absence of transaction costs, identical goods will have the same price in different markets. The Value Index uses the PPP rate determined by the Organisation for Economic Co-Operation and Development.

There are two filters in the Value Algorithm. The first filter removes all currency pairs within the Value Crosses that have consistently traded above or below their PPP rate for the preceding 10 years, so that these currency pairs are not considered for that month’s allocation of the composition of the Value Index. The second filter removes all currency pairs within the Value Crosses that have been trending away from their PPP rate over the preceding one year. The currency pairs that remain are included in that month’s Value Positions. The Value Index takes long positions in the remaining currency pairs whose current spot rates are below their current PPP rate and short positions in remaining currency pairs whose current spot rates are above their current PPP rate. The positions are aggregated and the resulting portfolio of Value Index Components is scaled to target a volatility level of 5 per cent.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor of the Value Index and is responsible for selecting the Value Positions in accordance with the methodology that forms the basis of the Value Index. A level for the Value Index (for this purpose the “**Index Value**”) will be calculated by the Index Sponsor. The Index Value is scheduled to be published by the Index Sponsor as soon as reasonably possible on each Index Business Day in accordance with the Index Methodology, subject to the occurrence of a Disrupted Day. The Value Index in respect of the relevant Barclays Capital FX Index Linked Securities will be calculated in the currency specified in the applicable Final Terms. The Value Index may be Excess Return or Total Return, as specified in the applicable Final Terms. The “**Excess Return**” versions of the Value Index track the performance of the Index Components, while the “**Total Return**” versions of the Value Index track the performance of the Index Components and also have a cash component that reflects the accrual of interest on the Index Value.

### 4 Barclays FX Switch Index™

The Barclays FX Switch Index™ (the “**Switch Index**”) provides exposure to a diversified portfolio of currency exchange rates through dynamic allocation between three underlying indices, with allocation based on the current market environment (as further described below). The following three indices are

included in the dynamic allocation process: the Barclays Intelligent Carry Index™ (the “**Carry Index**”), the Barclays Adaptive FX Trend Index™ (the “**Trend Index**”) and the Barclays FX Value Convergence Index™ (the “**Value Index**”) (together the “**Underlying Indices**”). Please see the description of each Underlying Index in paragraphs 1, 2 and 3 above.

Each month a systematic Carry Indicator is used to determine whether the carry environment is favourable or unfavourable, as further described below. This is determined on the same day as the Carry Index is rebalanced in accordance with its methodology. The “**Carry Indicator**” is determined as follows. On the day the expected return of the Carry Index is calculated for the current month (the “**Current Expected Return**”), it is compared with the expected return over the last two years. If the Current Expected Return is below the 25th percentile when measured against historical expected returns (i.e. significantly lower than it has been historically), then the carry environment is deemed to be unfavourable and the composition of the Switch Index for that month is: 0 per cent. invested in the Carry Index, 50 per cent. invested in the Trend Index and 50 per cent. invested in the Value Index. If the Current Expected Return is greater than the 25th percentile when measured against historical performance, the carry environment is considered to be favourable and the composition of the Switch Index for that month is: 50 per cent. invested in the Carry Index, 25 per cent. invested in the Trend Index and 25 per cent. invested in the Value Index. If the Current Expected Return is equal to the 25th percentile, the Switch Index maintains the current position.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor of the Switch Index and is responsible for the methodology that forms the basis of the Switch Index. A level for the Switch Index (for this purpose the “**Index Value**”) will be calculated by the Index Sponsor. The Index Value is scheduled to be published by the Index Sponsor as soon as reasonably possible on each Index Business Day in accordance with the Index Methodology, subject to the occurrence of a Disrupted Day. The Switch Index in respect of the relevant Barclays Capital FX Index Linked Securities will be calculated in the currency specified in the applicable Final Terms. The Switch Index may be Excess Return or Total Return, as specified in the applicable Final Terms. The “**Excess Return**” versions of the Switch Index track the performance of the Index Components, while the “**Total Return**” versions of the Switch Index track the performance of the Index Components and also have a cash component that reflects the accrual of interest on the Index Value.

## 5 **Barclays Capital Trade-Weighted Dollar Diversification Index™**

The Barclays Capital Trade-Weighted Dollar Diversification Index™ (the “**Dollar Diversification Index**”) aims to provide investors with a short exposure to the performance of the US Dollar versus a basket of 10 currencies of countries that are key trading partners of the United States (the “**Dollar Diversification Basket**”).

Under the Index Methodology, the Index Sponsor selects the Dollar Diversification Basket based on United States trade data, as published by the International Monetary Fund. The weight of each currency in the Dollar Diversification Basket is in proportion to the volume of trade between the United States and the relevant countries and, each month, is scaled to target a volatility level of 5 per cent. for the Dollar Diversification Basket, subject to an upper bound of 200 per cent. on the sum of the weights. The Dollar Diversification Basket is revised annually to capture any material changes in United States trade flows.

The portfolio of long positions in the Dollar Diversification Basket is expressed through one month forwards. The portfolio of FX forwards settles on a monthly basis and reinvests into a new set of forwards each month.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor of the Dollar Diversification Index and is responsible for the methodology that forms the basis of the Dollar Diversification Index. A level for the Dollar Diversification Index (for this purpose the “**Index Value**”) will be calculated by the Index Sponsor. The Index Value is scheduled to be published by the Index Sponsor as soon as reasonably possible on each Index Business Day in accordance with the Index Methodology, subject to the occurrence of a Disrupted Day. The Dollar Diversification Index in respect of the relevant Barclays Capital FX Index Linked Securities will be calculated in the currency specified in the applicable Final Terms. The Dollar Diversification Index may be Excess Return or Total Return, as specified in the applicable Final Terms. The “**Excess Return**” versions of the Dollar Diversification Index track the performance of the Index Components, while the “**Total Return**” versions of the Dollar Diversification Index track the performance of the Index Components and also have a cash component that reflects the accrual of interest on the Index Value.

## 6 Barclays Capital Trade-Weighted Dollar Bull Index™

The Barclays Capital Trade-Weighted Dollar Bull Index™ (the “**Dollar Bull Index**”) aims to provide investors with a long exposure to the performance of the US Dollar versus a basket of 10 currencies of countries that are key trading partners of the United States (the “**Dollar Bull Basket**”).

Under the Index Methodology, the Index Sponsor selects the Dollar Bull Basket based on United States trade data, as published by the International Monetary Fund. The weight of each currency in the Dollar Bull Basket is in proportion to the volume of trade between the United States and the relevant countries and, each month, is scaled to target a volatility level of 5 per cent. for the Dollar Bull Basket, subject to an upper bound of 200 per cent. on the sum of the weights. The Dollar Bull Basket is revised annually to capture any material changes in United States trade flows.

The portfolio of short positions in the Dollar Bull Basket is expressed through one month currency forwards. The portfolio of currency forwards settles on a monthly basis and reinvests into a new set of forwards each month.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor of the Dollar Bull Index and is responsible for the methodology that forms the basis of the Dollar Bull Index. A level for the Dollar Bull Index (for this purpose the “**Index Value**”) will be calculated by the Index Sponsor. The Index Value is scheduled to be published by the Index Sponsor as soon as reasonably possible on each Index Business Day in accordance with the Index Methodology, subject to the occurrence of a Disrupted Day. The Dollar Bull Index in respect of the relevant Barclays Capital FX Index Linked Securities will be calculated in the currency specified in the applicable Final Terms. The Dollar Bull Index may be Excess Return or Total Return, as specified in the applicable Final Terms. The “**Excess Return**” versions of the Dollar Bull Index track the performance of the Index Components, while the “**Total Return**” versions of the Dollar Bull Index track the performance of the Index Components and also have a cash component that reflects the accrual of interest on the Index Value.

## 7 Barclays Commodity Producers Currency Index-6™ (Delta-1 version)

The Barclays Commodity Currency Producers Index-6™ (Delta-1 version) (the “**Delta-1 CPCI**”) provides exposure to a portfolio of currencies of commodity producing countries (the “**Delta-1 CPCI Basket**”).

The Delta-1 CPCI takes long positions equal to one-sixth of the Index Value in the following currencies against the USD: Australian Dollar (AUD), Brazilian Real (BRL), Canadian Dollar (CAD), Norwegian Krone (NOK), Russian Rouble (RUB) and South African Rand (ZAR). (the “**Delta-1 CPCI Portfolio**”). The Delta-1 CPCI Portfolio is expressed through rolling one month FX forward positions.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor of the Delta-1 CPCI and is responsible for the methodology that forms the basis of the Delta-1 CPCI. A level for the Delta-1 CPCI (for this purpose the “**Index Value**”) will be calculated by the Index Sponsor. The Index Value is scheduled to be published by the Index Sponsor as soon as reasonably possible on each Index Business Day in accordance with the Index Methodology, subject to the occurrence of a Disrupted Day. The Delta-1 CPCI in respect of the relevant Barclays Capital FX Index Linked Securities will be calculated in the currency specified in the applicable Final Terms. The Delta-1 CPCI may be Excess Return or Total Return, as specified in the applicable Final Terms. The “**Excess Return**” versions of the Delta-1 CPCI track the performance of the Index Components, while the “**Total Return**” versions of the Delta-1 CPCI track the performance of the Index Components and also have a cash component that reflects the accrual of interest on the Index Value.

## 8 Barclays Commodity Producers Currency Index-6™ (Volatility controlled version)

The Barclays Commodity Currency Producers Index-6™ (Volatility controlled version) (the “**Volatility Controlled CPCI**”) provides exposure to a portfolio of currencies of commodity producing countries (the “**Volatility Controlled CPCI Basket**”).

The Volatility Controlled CPCI takes equally weighted long positions in the following currencies against the USD: Australian Dollar (AUD), Brazilian Real (BRL), Canadian Dollar (CAD), Norwegian Krone (NOK), Russian Rouble (RUB) and South African Rand (ZAR) (the “**Volatility Controlled CPCI Portfolio**”). The position sizes are determined based on three month historical volatility and chosen to target a volatility level of 5 per cent. for the Volatility Controlled CPCI. The Volatility Controlled CPCI Portfolio is expressed through rolling one month FX forward positions.

Barclays Capital, the investment banking division of Barclays Bank PLC, is the Index Sponsor of the Volatility Controlled CPCI and is responsible for the methodology that forms the basis of the Volatility Controlled CPCI. A level for the Volatility Controlled CPCI (for this purpose the “**Index Value**”) will be calculated by the Index Sponsor. The Index Value is scheduled to be published by the Index Sponsor as soon as reasonably possible on each Index Business Day in accordance with the Index Methodology, subject to the occurrence of a Disrupted Day. The Volatility Controlled CPCI in respect of the relevant Barclays Capital FX Index Linked Securities will be calculated in the currency specified in the applicable Final Terms. The Volatility Controlled CPCI may be Excess Return or Total Return, as specified in the applicable Final Terms. The “**Excess Return**” versions of the Volatility Controlled CPCI track the performance of the Index Components, while the “**Total Return**” versions of the Volatility Controlled

CPCI track the performance of the Index Components and also have a cash component that reflects the accrual of interest on the Index Value.

**Part B**  
**Risk Factors Relating to Barclays**  
**Capital FX Index Linked Securities**

Barclays Capital FX Index Linked Securities have a different risk profile to ordinary unsecured debt securities. This Section 4 describes additional factors prospective investors should have regard to when considering an investment in a Barclays Capital FX Index Linked Security. Prospective investors are also referred to the factors set out in the sections headed “Risk Factors” of the Base Prospectus and paragraph 2 of Section 1 of the Barclays Capital Index Annex.

Fluctuations in exchange rates of the relevant currency (or basket of currencies) which comprise the Index Components in respect of the relevant Index will affect the value of Barclays Capital FX Index Linked Securities. Furthermore, investors who intend to convert gains or losses from the redemption, exercise or sale of Barclays Capital FX Index Linked Securities into their home currency may be affected by fluctuations in exchange rates between their home currency and the relevant currency (or basket of currencies). Currency values may be affected by complex political and economic factors, including governmental action to fix or support the value of a currency (or basket of currencies), regardless of other market forces. Depending on their terms, purchasers of some Barclays Capital FX Index Linked Securities may risk losing their entire investment if exchange rates of the relevant currency (or basket of currencies) move sufficiently in an unanticipated direction.

Where the Barclays Capital FX Index Linked Securities are denominated in an emerging market currency or linked to one or more emerging market currencies, such emerging market currencies can be significantly more volatile than currencies of more developed markets. Emerging market currencies are highly exposed to the risk of a currency crisis happening in the future and this could trigger the need for the Determination Agent to make adjustments to the terms and conditions of the Securities. Governments have imposed from time to time, and may in the future impose, exchange controls that could also affect the availability of a relevant currency. Even if there are no actual exchange controls, it is possible that a relevant currency would not be available when payments on the relevant Barclays Capital FX Index Linked Securities are due.

Pursuant to the Barclays Capital FX Index Linked Conditions, the Determination Agent has particular discretion to make determinations in respect of the occurrence of a Disrupted Day and/or Index Adjustment Event and the consequences in respect thereof. Investors should read the Barclays Capital FX Index Linked Conditions to understand the effect of any such exercise of discretion on the Barclays Capital FX Index Linked Securities.

If additional securities or options relating to particular Barclays Capital FX Indices are subsequently issued, the supply of certificates, warrants, securities and options relating to such indices in the market will increase and would cause the price at which the relevant Securities and such other certificates, warrants, securities or options trade in the secondary market to decline significantly. Prospective investors are referred to the definition of “FX Disruption Events” in Barclays Capital FX Index Linked Condition 3.

**Part C**  
**Additional Terms and Conditions for Securities Linked  
to Barclays Capital FX Indices**

*The terms and conditions applicable to Barclays Capital FX Index Linked Securities (the “**Barclays Capital FX Index Linked Securities**”) shall comprise the Base Conditions and the additional terms and conditions set out below (the “**Barclays Capital FX Index Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Barclays Capital FX Index Linked Conditions set out below, the Barclays Capital FX Index Linked Conditions shall prevail. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions.*

**1 Interest**

If Interest is specified as applicable in the applicable Final Terms, and provided that no event that may lead to the early redemption or termination of the Barclays Capital FX Index Linked Securities has previously occurred as determined by the Determination Agent, the Interest Amount payable in respect of a Barclays Capital FX Index Linked Security on each Interest Payment Date will be calculated according to the methodology set out in the applicable Final Terms and the Base Conditions, and may be calculated by reference to the performance of one or more Barclays Capital FX Indices and/or Condition 4 of the Base Conditions, as further described in the applicable Final Terms.

**2 Redemption**

The Final Cash Settlement Amount payable in respect of a Barclays Capital FX Index Linked Security on the Redemption Date, provided that no event that may lead to the early redemption or termination of the Barclays Capital FX Index Linked Securities has previously occurred as determined by the Determination Agent, will be calculated according to the methodology set out in the applicable Final Terms and the Base Conditions, and may be calculated by reference to the performance of one or more Barclays Capital FX Indices, as further described in the applicable Final Terms.

**2.1 Settlement Method**

With respect to Condition 5 of the Base Conditions, the Settlement Method for Barclays Capital FX Index Linked Securities shall always be “Cash Settlement”.

**2.2 Early Redemption**

Where the Determination Agent determines that an Additional Disruption Event has occurred with respect to a Barclays Capital FX Index Linked Security and determines that it shall cancel or redeem such Barclays Capital FX Index Linked Security pursuant to Condition 5.4 of the Base Conditions, the Issuer shall give notice of such determination to the Securityholders in accordance with Condition 16 of the Base Conditions and the Issuer may, subject to Conditions 7, 8 and 9 of the Base Conditions, redeem each Barclays Capital FX Index Linked Security (in whole or in part) at its Early Cash Settlement Amount on the Early Cash Redemption Date.

### 2.3 Averaging

If “Averaging” is specified as applicable in the applicable Final Terms, and provided that no event that may lead to the early redemption or termination of the Barclays Capital FX Index Linked Securities has previously occurred as determined by the Determination Agent, the Interest Amount and/or Final Cash Settlement Amount payable in respect of a Barclays Capital FX Index Linked Security on each Interest Payment Date and/or the Redemption Date will be calculated according to the methodology set out in the applicable Final Terms and the Base Conditions by reference to the performance of one or more Barclays Capital FX Indices on the applicable Valuation Dates, as further described in the applicable Final Terms.

## 3 Barclays Capital FX Index Adjustment Events and Disruption

### 3.1 Disrupted Day

If, in the opinion of the Determination Agent, a Rate Calculation Date is a Disrupted Day and subject to the determination by the Determination Agent of the occurrence of an Index Adjustment Event, then the Rate Calculation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the five Scheduled Trading Days immediately following the original date is a Disrupted Day. In that case (a) the fifth Scheduled Trading Day shall be deemed to be the Rate Calculation Date, notwithstanding the fact that such day is a Disrupted Day, and (b) the Determination Agent shall determine the level of the Barclays Capital FX Index on the fifth Scheduled Trading Day in accordance with the formula for and method of calculating the Barclays Capital FX Index last in effect prior to the occurrence of the first Disrupted Day, subject to the determination by the Determination Agent of the occurrence of an Index Adjustment Event.

### 3.2 Successor Index Sponsor or Substitution of Barclays Capital FX Index with substantially similar calculation

If a Barclays Capital FX Index is:

- (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Determination Agent (the “**Successor Index Sponsor**”), then that Successor Index Sponsor shall be deemed to be the Index Sponsor; or
- (b) replaced by a successor index using, in the opinion of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Barclays Capital FX Index (the “**Successor Index**”), then that Successor Index will be deemed to be the Barclays Capital FX Index.

The Determination Agent shall notify the Issuer and the Securityholders in accordance with Condition 16 of the Base Conditions as soon as reasonably practicable after it becomes aware of a Successor Index Sponsor and/or a Successor Index.

### 3.3 Index Adjustment Events

If, on or prior to any date on which the Index Level is to be calculated, including without limitation any Averaging Date or Rate Calculation Date (a “**Determination Date**”), the Determination Agent determines that the Index Sponsor:

- (a) makes, or announces that it will make, a material change to the rules, formula for or the method of calculating the Barclays Capital FX Index (howsoever described) or in any other way materially modifies the Barclays Capital FX Index (other than a modification prescribed in that formula or method to maintain that Barclays Capital FX Index in the event of changes to the Barclays Capital FX Index constituent and/or their weightings and other routine events) (an “**Index Modification**”);
- (b) permanently cancels the Barclays Capital FX Index and the Determination Agent determines that no Successor Index has been designated (an “**Index Cancellation**”) or designates a Successor Index which, in the opinion of the Determination Agent in its sole discretion, is not calculated using the same or a substantially similar methodology as was used in respect of the Barclays Capital Interest Rate Index (a “**Successor Index Variation**”); or
- (c) fails to calculate and announce the Barclays Capital FX Index and the Determination Agent determines that there is no Successor Index Sponsor or Successor Index (an “**Index Disruption**”),

(Index Disruption, Index Modification, Successor Index Variation and Index Cancellation together, “**Index Adjustment Events**”), then the Determination Agent shall determine if such Index Adjustment Event has a material effect on the relevant Barclays Capital FX Index Linked Securities, the Determination Agent may, in its sole discretion, deem such Index Adjustment Event to constitute an Additional Disruption Event for the purposes of these provisions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions, as the case may be, in respect of the Securities. The Determination Agent shall notify the Issuer and Securityholders in accordance with Condition 16 of the Base Conditions.

### 3.4 Error in Index Calculation

Notwithstanding anything to the contrary in these FX Linked Conditions, if, on any Determination Date, there is, in the reasonable opinion of the Determination Agent, a manifest error in the calculation of the level of the Barclays Capital FX Index as published by the Index Sponsor, the Determination Agent may calculate the level of such Barclays Capital FX Index to use in lieu of the level published on such date by the Index Sponsor. Such calculation will be determined in accordance with the methodology and formula for calculating the level of the Barclays Capital FX Index used by the Index Sponsor.

### 3.5 Correction to Published Prices

If the level of a Barclays Capital FX Index published or announced on a given day and used or to be used by the Determination Agent in respect of that day is subsequently corrected and the correction is published or announced by the Index Sponsor or a Successor Index Sponsor within 20 Scheduled Trading Days of the original publication or announcement, the Determination Agent may, in its sole discretion, recalculate any relevant payment amounts (the “**Actual Amount**”) using such corrected level of the Barclays Capital FX Index. The Determination Agent shall notify the parties of any such correction, the revised level of the Barclays Capital FX Index and the amount (if any) that should have been paid as a result of that correction (the “**Adjusted Amount**”). Upon being notified of the Adjusted Amount, the Issuer

may (but shall not be obliged to) take such action as it considers necessary or appropriate to either pay or deliver additional amounts (if the Adjusted Amount is greater than the Actual Amount) or recover amounts (if the Adjusted Amount is less than the Actual Amount), from the person to whom the Actual Amounts were paid or delivered. Notwithstanding the foregoing, under no circumstances shall the Issuer be obliged to recover any monies from any Relevant Clearing System. The Determination Agent shall not be obliged to make any determination under this Condition and shall have no liability to any person for any determination made or not made under this Condition. Notwithstanding the foregoing, where the Determination Agent, in its sole discretion, determines that the level of the Barclays Capital FX Index published or announced on a given day and used or to be used by it to determine any amounts in respect of that day is expected to be subsequently corrected, then the Determination Agent may, in its sole discretion, delay the determination or calculation of such amounts in respect of such day (but for not more than five Scheduled Trading Days following such day) and instead notify the parties of the expected correction. If the Determination Agent notifies the parties of an expected correction to any amounts, no payments shall be due in respect of the Barclays Capital FX Index Linked Securities until the Determination Agent determines or calculates the correct amounts and the day on which such payments are due shall be delayed to the same extent as was the determination or calculation of the correct amount. No additional amounts shall be payable or deliverable as a result of any such delay.

### **3.6 Adjustment to Payment Dates**

If, as a result of a delay or postponement pursuant to the occurrence of a Disrupted Day or Index Adjustment Event, the level of the Barclays Capital FX Index used to determine any amount payable on any Payment Date is unavailable, such Payment Date(s) will be delayed or postponed to fall on the fifth Business Day following the determination of the level of the Barclays Capital FX Index under the Disrupted Day or Index Adjustment provisions. No additional amounts shall be payable as a result of any such delay or postponement.

### **3.7 Consequences of the occurrence of FX Disruption Events**

If FX Disruption Events are specified as applicable in the applicable Final Terms and an FX Disruption Event occurs at any time, the Issuer may, in its sole and absolute discretion, take any one or more of the following actions:

- (a) deduct from any payments to be made in respect of the Securities an amount calculated by the Determination Agent as representing a cost, expense, charge and/or deduction arising in connection with such FX Disruption Event(s) or under any other adjustment with respect thereto; and/or
- (b) adjust any Valuation Date, Interest Payment Date, Redemption Date, Optional Early Redemption Payment Date, and/or any other date for payment of the relevant amount and/or or calculation thereof; and/or
- (c) (in the case of a Price Source Disruption) specify and adopt:
  - (i) an appropriate alternate fallback or alternative price or rate source or method of determination selected by the Determination Agent in its sole discretion (which may (or may not) be by reference to dealer poll or such other publication page or

service as may replace the relevant page or service for the purpose of displaying a currency exchange rate comparable or equivalent); or

- (ii) a replacement of any one or more relevant currencies, as the case may be; and/or
- (d) treat the relevant FX Disruption Event(s) as if an Additional Disruption Event had occurred in respect of the Securities for the purposes of exercising any applicable rights under the Base Conditions (including, without limitation, exercising the cancellation or adjustment rights in Condition 5.4 or 6.2 of the Base Conditions).

**Part D**  
**Definitions Applicable to**  
**Barclays Capital FX Index Linked Securities**

“**Averaging Date**” means, in respect of the Barclays Capital FX Index Linked Securities, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Determination Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then the Averaging Date shall be deemed to be postponed in accordance with Condition 3 of the Barclays Capital FX Index Linked Conditions.

“**Barclays Capital FX Index**” means the Barclays Capital FX Index specified in the applicable Final Terms. Further information on each Barclays Capital FX Index is set out in Part A of this Section 4 and in the applicable Final Terms, and as further described by the Index Sponsor on the Barclays Index Products Website.

“**Barclays Capital FX Index Linked Security**” means a Security, payments or deliveries in respect of which will be contingent on and/or calculated by reference to the Barclays Capital FX Index.

“**Disrupted Day**” means any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Barclays Capital FX Index, (ii) there is a temporary or permanent discontinuance or unavailability of the Index Fixing Page, or (iii) there occurs any suspension of, impairment of or limitation imposed on trading of the Index Components or any event, which the Determination Agent determines is material, which disrupts or impairs the ability of the Issuer or of any market participants to effect transactions in the Barclays Capital FX Index or Index Components, or obtain market values for spot, forward, futures, options or derivatives contracts relating to the Barclays Capital FX Index or Index Components.

“**Fee Level**” means the fee payable per annum specified in the applicable Final Terms.

“**FX Disruption Event(s)**” means the occurrence (in the sole determination of the Determination Agent) of any of the following events:

- (a) “**Currency Replacement**”: a currency relevant to the Barclays Capital FX Index and/or the Issuer’s obligations in respect of the Securities (including its hedging obligations in respect thereof) is replaced by a new currency in a relevant jurisdiction;
- (b) “**Dual Exchange Rate**”: a relevant exchange rate splits into dual or multiple currency exchange rates;
- (c) “**Governmental Authority Event**”: a governmental authority has given public notice of its intention to impose any controls which are likely to materially affect the Issuer’s ability to perform and/or hedge its obligations with respect to the Securities or to unwind any such hedge;
- (d) “**Illiquidity**”: it is or becomes or is likely to become impossible or impracticable for the Issuer to obtain any relevant currency or obtain or use a relevant exchange rate in an appropriate amount;

- (e) **“Inconvertibility”**: the occurrence of any event that makes it or is likely to make it impossible and/or impracticable for the Issuer to convert a relevant currency into another through customary legal channels (including, without limitation, any event that has the direct or indirect effect of hindering, limiting or restricting convertibility by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions on repatriation of one currency into another currency);
- (f) **“Non-Transferability”**: the occurrence of any event in or affecting any relevant jurisdiction that makes it or is likely to make it impossible and/or impracticable for the Issuer to deliver any relevant currency into a relevant account in such jurisdiction; and/or
- (g) **“Price Source Disruption”**: it becomes impossible or impracticable to obtain a relevant exchange rate on or in respect of a Valuation Date.

**“Index Business Day”** means a day on which the Barclays Capital FX Index is due to be published by the Index Sponsor in accordance with the rules thereof.

**“Index Component”** means a currency and/or rate of exchange between currencies which, together with any other relevant currency and/or rate of exchange between currencies, comprises the Barclays Capital FX Index or any other index component specified in the applicable Final Terms.

**“Index Fee”** means, if the applicable Final Terms specifies that Index Fees are applicable, the fee payable per annum in order to cover certain costs, fees and expenses which may include, without limitation, administration and running costs, hedging costs, commissions and structuring fees. Additionally, hedging costs may be deducted, which are variable and depend (without limitation) on market conditions and the components of the Barclays Capital FX Index. All back-testing, modelling and scenario analysis carried out by the Index Sponsor incorporates this payment, and all data is presented net of this payment.

**“Index Fixing Page”** means the publication or source that publishes the Index Level of the Barclays Capital FX Index and The Barclays Capital Index Products website (the **“Barclays Index Products Website”**) at the internet address <http://ecommerce.barcap.com/indices> and such other sources as specified in the applicable Final Terms (the **“Additional Index Fixing Page”**) or such other medium or website as may replace such Additional Index Fixing Page and/or Barclays Website as may be nominated by the Index Sponsor for the purposes of publishing the Index Level from time to time. The Additional Index Fixing Page(s) are provided for information purposes only. If there is any discrepancy between the index level published by the Barclays Index Products Website and the index level published on the Additional Index Fixing Page, the index level published on the Barclays Index Products Website shall prevail.

**“Index Level”** means, in respect of any Rate Calculation Date, the level of the Barclays Capital FX Index published by the Index Sponsor in respect of such Rate Calculation Date on the Index Fixing Page. If the applicable Final Terms specify that Index Fees are applicable, the Index Level is net of a deduction of fee per annum equal to the Index Fee specified in the applicable Final Terms.

**“Index Methodology”** means the methodology employed by the Index Sponsor in respect of any Barclays Capital FX Index.

**“Index Sponsor”** means, in relation to a Barclays Capital FX Index, Barclays Capital, the investment banking division of Barclays Bank PLC or any entity replacing Barclays Capital as sponsor of the Index, being the corporation or entity that is responsible for setting and reviewing the rules and procedures, and the methods of calculation and adjustments, if any, related to such Barclays Capital FX Index. For the avoidance of doubt, the term “Index Sponsor” as described herein refers to the Index Sponsor in its capacity as Index Sponsor only and not in any other capacity (including, for the avoidance of doubt, the capacity of Determination Agent).

**“Participation”** or **“P”** means the percentage specified in the applicable Final Terms.

**“Payment Date”** means a date on which a payment is due in respect of a Barclays Capital FX Index Linked Security including, without limitation, any Interest Payment Date and/or the Redemption Date.

**“Rate Calculation Date”** means any Valuation Date, any Averaging Date or any other date specified as such in the applicable Final Terms on which a calculation is required to be made in respect of any Barclays Capital FX Index Linked Security.

**“Scheduled Trading Day”** means any day:

- (a) that is a Business Day in the places (if any) specified in the applicable Final Terms; and
- (b) on which the Index Sponsor is scheduled to publish the Index Level.

**“Strike Date”** means the date specified in the applicable Final Terms or if such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day.

**“Valuation Date”** means the date(s) specified as a Valuation Date in the applicable Final Terms (the **“Scheduled Valuation Date”**), or if such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day. If the Scheduled Valuation Date is a Disrupted Day, then the Valuation Date shall be deemed to be postponed in accordance with Condition 3 of the Barclays Capital FX Index Conditions.

**“Valuation Time”** means the time at which the official closing level of the Index is calculated and published by the Index Sponsor.

**SECTION 5**  
**ADDITIONAL PROVISIONS FOR BARCLAYS**  
**CAPITAL INTEREST RATE INDEX LINKED SECURITIES**

*Where this Section 5 is specified in the applicable Final Terms for any Barclays Capital Interest Rate Index Linked Securities, paragraphs 1 to 3 of Section 1 of the Barclays Capital Index Annex shall together with this Section 5 apply to such Barclays Capital Interest Rate Index Linked Securities in accordance with the provisions herein. Accordingly, paragraphs 1 to 3 of Section 1 of the Barclays Capital Index Annex should be read in conjunction with this Section 5.*

**Part A**  
**General Information Relating to Barclays Capital Interest Rate Indices**

**1 Barclays Capital Exceed Indices**

The Barclays Capital Exceed family of indices record the performance of the relevant Barclays Capital Exceed trading strategy. The Barclays Capital Exceed trading strategies aim to take advantage of the tendency of interest rate markets to over-predict the level of short-term interest rates actually realised in the future. This tendency is due to “term premium”. Term premium is the component of an interest rate which compensates investors for the uncertainty in the future level of rates: by agreeing to a particular interest rate over a particular term, an investor foregoes the possibility of taking advantage of any future increase in interest rates by reinvesting at such an increased rate. For terms of up to three or four years at least, interest rates for longer terms are thus usually higher than those for shorter terms. The tendency of interest rate markets to over-predict the future level of short-term interest rates has been observed in falling- or stable-rate environments. However, this behaviour has tended to diminish or reverse in rising-rate environments. The Barclays Capital Exceed strategies are transparent, purely rules-based trading strategies that aim to benefit from this behaviour.

The Exceed strategy for a given interest rate market consists of taking either a “long” position (positive exposure) or a “short” position (negative exposure) in highly liquid “futures” contracts for three-month interest rates. An interest rate future is a contract whose price reflects the expected level of an interest rate for a given term starting at a specified date in the future. The Exceed strategy for a given market trades the futures contract for a three-month cash deposit rate starting between 12 and nine months in the future. The default position is long. The long position aims to enable the strategy to extract a positive return from the term premium usually observed in short-term interest rates. However, when short-term interest rates are rising, this term premium can diminish and it may be advantageous to switch to a short position. On the monthly index roll date, the strategy uses a signal to determine the position for that month in the relevant contract. The signal is constructed from the recent history of market levels for certain interest rate instruments. The traded contract is “rolled” quarterly: every three months, the traded contract changes to the succeeding futures contract with start date for the underlying cash deposit close to 12 months in the future. For the avoidance of doubt, the Exceed strategy, in particular the signal, is purely algorithmic, with no discretionary element.

A list of the principal indices in the Exceed family is given in the table below:

<b>Sub-Family</b>	<b>Index</b>	<b>Interest Rate Market(s)</b>
Exceed	Barclays Capital Exceed EUR Monthly Index	EUR
	Barclays Capital Exceed EUR II Index	EUR
	Barclays Capital Exceed USD Monthly Index	USD
	Barclays Capital Exceed USD II Index	USD
	Barclays Capital Atlantic Exceed Index	EUR & USD
	Barclays Capital Atlantic Exceed II Index	EUR & USD
	Barclays Capital Atlantic Exceed 5 Index	EUR & USD
	Barclays Capital Atlantic Exceed in JPY Index	EUR & USD
	Barclays Capital Atlantic Exceed in JPY Version 2 Index	EUR & USD
	Barclays Capital Atlantic Exceed in JPY Version 3 Index	EUR & USD
Exceed Plus	Barclays Capital EUR Exceed Plus Index	EUR
	Barclays Capital EUR Exceed Plus Series A-2 Index	EUR
	Barclays Capital EUR Exceed Plus Series A-3 Index	EUR
	Barclays Capital USD Exceed Plus Index	USD
	Barclays Capital USD Exceed Plus Series A-2 Index	USD
	Barclays Capital USD Exceed Plus Series A-3 Index	USD
	Barclays Capital GBP Exceed Plus Index	GBP
	Barclays Capital GBP Exceed Plus Series A-2 Index	GBP
	Barclays Capital GBP Exceed Plus Series A-3 Index	GBP
	Barclays Capital GBP Exceed Plus 5	GBP
	Barclays Capital JPY Exceed Plus	JPY
	Barclays Capital JPY Exceed Plus Series A-2 Index	JPY
	Barclays Capital JPY Exceed Plus Series A-3 Index	JPY
	Barclays Capital Atlantic Exceed Plus Series A-2 Index	EUR & USD
	Barclays Capital Atlantic Exceed Plus Series A-3 Index	EUR & USD
	Barclays Capital Global Exceed Plus Series A-2 Index	EUR & USD & GBP & JPY
Barclays Capital Global Exceed Plus Series A-3 Index	EUR & USD & GBP & JPY	
Target Exceed	Barclays Capital EUR Target Exceed Index	EUR
	Barclays Capital EUR Target Exceed Series A-1 Index	EUR
	Barclays Capital EUR Target Exceed Series A-2 Index	EUR
	Barclays Capital EUR Target Exceed Series A-3 Index	EUR
	Barclays Capital USD Target Exceed Index	USD

Sub-Family	Index	Interest Rate Market(s)
	Barclays Capital USD Target Exceed Series A-1 Index	USD
	Barclays Capital USD Target Exceed Series A-2 Index	USD
	Barclays Capital USD Target Exceed Series A-3 Index	USD
	Barclays Capital GBP Target Exceed Index	GBP
	Barclays Capital GBP Target Exceed Series A-1 Index	GBP
	Barclays Capital GBP Target Exceed Series A-2 Index	GBP
	Barclays Capital GBP Target Exceed Series A-3 Index	GBP
	Barclays Capital JPY Target Exceed Index	JPY
	Barclays Capital JPY Target Exceed Series A-2 Index	JPY
	Barclays Capital JPY Target Exceed Series A-3 Index	JPY
	Barclays Capital Atlantic Target Exceed Index	EUR & USD
	Barclays Capital Atlantic Target Exceed Series A-3 Index	EUR & USD
	Barclays Capital Global Target Exceed Index	EUR & USD & GBP & JPY
	Barclays Capital Global Target Exceed Series A-3 Index	EUR & USD & GBP & JPY
	Barclays Capital Global Target Exceed 5Q Index	EUR & USD & GBP & JPY
	Barclays Capital Global Target Exceed X Index	EUR & USD & GBP & JPY
	Barclays Capital Global Target Exceed in JPY Structured Version 1 Index	EUR & USD & GBP & JPY
	Barclays Capital Global Target Exceed DSE Series A-1 in JPY Structured Version 1 Index	EUR & USD & GBP
	Barclays Capital Global Target Exceed Series A-2 in JPY Structured Version 1 Index	EUR & USD & GBP & JPY
	Barclays Capital Global Target Exceed in JPY Structured Version 2 ER Index	EUR & USD & GBP & JPY
	Barclays Capital Global Target Exceed in JPY Structured Version 2 TR Index	EUR & USD & GBP & JPY
	Barclays Capital Global Target Exceed in JPY Structured Version 2 TR + BRL1 Index	EUR & USD & GBP & JPY

## 2 Barclays Capital Bond Futures Indices

The Barclays Capital Bond Futures family of indices reflect the performance of a rolling long position in specific government bond futures contracts. The family of indices covers the US, German, UK and Japanese bond futures markets.

The return of each index is calculated by tracking the daily price movements of the relevant futures contract. To avoid physical delivery when the futures contract expires, the relevant futures contract is

“rolled” every quarter. This means that, every three months, the traded contract changes from that closest to expiry to the succeeding futures contract with expiry date three months later. The “long” position means that the index has positive exposure to changes in price of the relevant futures contract.

The indices follow a standard and similar roll schedule, apart from the JGB Alternative-Roll 10yr Futures Index. The standard indices roll futures on the third business day before the last day of the month which precedes the delivery month of the contract. The JGB Alternative-Roll 10yr Futures Index rolls futures quarterly, three business days prior to the last trade date of the contract as defined by the Tokyo Stock Exchange. Futures prices used in the indices are determined by end-of-day prices published by the relevant exchanges. Each index publication schedule follows the relevant exchange calendar.

A list of the indices is given in the table below:

#### **Index**

Barclays Capital US 2yr Treasury Futures Index

Barclays Capital US 5yr Treasury Futures Index

Barclays Capital US 10yr Treasury Futures Index

Barclays Capital US 30yr Treasury Futures Index

Barclays Capital US Ultra Long Treasury Futures Index

Barclays Capital Euro-Schatz Futures Index

Barclays Capital Euro-Bobl Futures Index

Barclays Capital Euro-Bund Futures Index

Barclays Capital UK Long Gilt Futures Index

Barclays Capital JGB 10yr Futures Index

Barclays Capital JGB Alternative-Roll 10yr Futures Index

Barclays Capital US 10yr Futures Yen Hedged Index

Barclays Capital Euro-Bund Futures Yen Hedged Index

### **3 Barclays Capital Government Bond Futures Targeted Exposure Indices**

The Barclays Capital Government Bond Futures Targeted Exposure family of indices are each designed to provide a benchmark for constant exposure to changes in yield of the relevant government bonds.

To accomplish this objective, each index tracks the return from a “long” position in futures contracts for the relevant government bonds, with a dynamic weighting designed to target a fixed sensitivity to changes in yield of the corresponding “cheapest-to-deliver bond”. A long position means that the level of the index increases if the price of the underlying bond future rises (so that the corresponding underlying yield falls), and decreases if the price of the underlying bond future falls (so that the corresponding underlying yield rises). Cheapest-to-deliver bond means the eligible-for-delivery

security for a particular bond futures contract which generates the greatest gain or least loss upon delivery for the investor with a short position in that contract. The weighting mechanism is designed to target a unit (1.00) increase in the level of the index for every basis point (0.01 per cent.) decrease in the yield of the relevant cheapest-to-deliver bond. For each index, the underlying futures contract is “rolled” quarterly: every three months, the underlying futures contract changes from the “front contract” (the contract closest to expiry) to the “front next contract” (the contract with expiry immediately following that of the front contract). In this way, physical delivery of underlying bonds is avoided. The weighting is rebalanced monthly, in order, approximately, to maintain the desired target sensitivity to changes in yield of the relevant cheapest-to-deliver bond.

The Barclays Capital German Steepener Index is constructed simply from the difference between the level of the Barclays Capital Schatz Futures Targeted Exposure Index and the level of the Barclays Capital Bund Futures Targeted Exposure Index. In this way, the German Steepener Index targets a unit (1.00) increase in the level of the index for every basis point (0.01 per cent) increase in the corresponding 10Y – 2Y yield spread, ie the difference between the yield for the cheapest-to-deliver bond for the relevant Bund and the relevant Schatz futures contracts, respectively.

The Barclays Capital US Treasury 2Y/10Y Yield Curve Index is constructed simply from the difference between the level of the Barclays Capital 2Y US Treasury Futures Targeted Exposure Index and the level of the Barclays Capital 10Y US Treasury Futures Targeted Exposure Index. In this way, the US Treasury 2Y/10Y Yield Curve Index targets a unit (1.00) increase in the level of the index for every basis point (0.01 per cent) increase in the corresponding 10Y – 2Y yield spread, ie the difference between the yield for the cheapest-to-deliver bond for the relevant 10 year and the relevant 2 year US Treasury futures contracts, respectively.

A list of the indices is given in the table below:

#### **Index**

Barclays Capital Schatz Futures Targeted Exposure Index

Barclays Capital Bobl Futures Targeted Exposure Index

Barclays Capital Bund Futures Targeted Exposure Index

Barclays Capital Buxl Futures Targeted Exposure Index

Barclays Capital German Steepener Index

Barclays Capital BTP Futures Targeted Exposure Index

Barclays Capital Long Gilt Futures Targeted Exposure Index

Barclays Capital 2Y US Treasury Futures Targeted Exposure Index

Barclays Capital 5Y US Treasury Futures Targeted Exposure Index

Barclays Capital 10Y US Treasury Futures Targeted Exposure Index

Barclays Capital Long-Bond US Treasury Futures Targeted Exposure Index

Barclays Capital Ultra-Long US Treasury Futures Targeted Exposure Index

Barclays Capital US Treasury 2Y/10Y Yield Curve Index

#### **4 Barclays Capital SGD Exceed Index**

The Barclays Capital SGD Exceed Index aims to take advantage of the tendency of Singapore Dollar interest rate markets to over-predict the level of short-term rates actually realised in the future. This tendency is due to “term premium”. Term premium is the component of an interest rate which compensates investors for the uncertainty in the future level of the rate. The tendency of Singapore Dollar interest rate markets to over-predict the future level of short-term rates has been observed in falling- or stable-rate environments. However, this behaviour has tended to diminish or reverse in rising-rate environments. The Barclays Capital SGD Exceed Index is a transparent, purely rules-based trading strategy that aims to benefit from this behaviour.

The SGD Exceed Index consists of taking a “long” position (receiving fixed) or “short” position (paying fixed) in liquid one year forward, one year Singapore Dollar interest rate swaps. The index selects either a long or a short position on the monthly index rebalance date according to a signal. The signal is constructed from recent trends in Singapore Dollar and US Dollar rates. The index invests in one year forward, one year Singapore Dollar interest rate swaps through the Barclays Capital EM Asia SGD Forward Swap 1YF 1Y Nominal Coupon Swap Index, which seeks to replicate the performance of a notional investment in a one year forward, one year nominal par-coupon interest rate swap which rebalances every month. For the avoidance of doubt, the SGD Exceed Index, in particular, the signal, is purely algorithmic, with no discretionary element.

##### **Index**

Barclays Capital SGD Exceed Index

#### **5 Barclays Capital Korean Rates Term Premium Index**

The Barclays Capital Korean Rates Term Premium Index aims to take advantage of the tendency of Korean interest rate markets to over-predict the level of short-term rates actually realised in the future. This tendency is due to “term premium”. Term premium is the component of an interest rate which compensates investors for the uncertainty in the future level of the rate. The tendency of Korean interest rate markets to over-predict the future level of short-term rates has been observed in falling- or stable-rate environments when the Korean interest rate swap curve is upward-sloping. However, this behaviour has tended to diminish or reverse in rising-rate environments. This behaviour has also tended to diminish when the Korean interest rate swap curve is inverted (downward-sloping). The Barclays Capital Korean Rates Term Premium Index is a transparent, purely rules-based trading strategy that aims to benefit from this behaviour.

The Korean Rates Term Premium Index consists of taking a “long” position (receiving fixed) or “short” position (paying fixed) in liquid one year forward, one year Korean interest rate swaps. The index selects either a long or a short position on the monthly index rebalance date, according to a signal. The signal is constructed from recent trends in Korean and US Dollar interest rates, and the shape of the Korean interest rate swap curve. The index invests in one year forward, one year Korean interest rate swaps through the Barclays Capital EM Asia KRW Forward Swap 1YF 1Y Nominal Coupon Swap Index, which seeks to replicate the performance of a notional investment in a one year forward, one year nominal par-coupon interest rate swap which rebalances every month. For the avoidance of doubt, the Korean Rates Term Premium Index, in particular, the signal, is purely algorithmic, with no discretionary element.

## Index

Barclays Capital Korean Rates Term Premium Index

### 6 Barclays Capital CRYSTAL Indices

The Barclays Capital CRYSTAL family of indices are designed to exploit the trending behaviour of the spread between European and US short-term rates. The indices aim to extract value by adaptively taking positions in either a cross-market spread, when rates cycles differ, or an outright position, when rates cycles are matched. The instruments underlying the indices are four CME three month Eurodollar and four LIFFE three month Euribor futures contracts, so that the positions taken replicate the exposure to a one year interest rate swap for each yield curve. The futures contracts are “rolled” every three months, in line with International Money Market months: every three months, each of the traded contracts is replaced by the futures contract with expiry three months later.

The family consists of the CRYSTAL indices and the iCRYSTAL indices.

The CRYSTAL Index uses a combination of three signals to make a trading decision each month: 1) the expected trajectory of short-term USD rates, derived from the evolution of one month forward rate implied from one month Fed Fund futures versus the Fed Funds Target Rate; 2) the expected trajectory of short-term EUR rates, derived from the evolution of the one month one month forward EONIA rate versus the ECB Main Refinancing Rate; and 3) the expected trajectory of the short-term USD-EUR rates spread, derived from 1) and 2). The combination of the three signals will always result in either an outright position in USD or EUR rates or a spread position. For the avoidance of doubt, the CRYSTAL trading strategy, in particular the signals, is purely algorithmic, with no discretionary element.

The CRYSTAL 5Q Index is a five-times leveraged version of the CRYSTAL Index. The CRYSTAL X Index is identical to the CRYSTAL Index except for a running fee drained at a rate of 0.75 per cent. per annum. The CRYSTAL Volatility Target Index is a version of the CRYSTAL Index incorporating a target volatility mechanism. The CRYSTAL USD Rates Index, the CRYSTAL EUR Rates Index and the CRYSTAL Spread Index are indices constructed using each of the three CRYSTAL signals alone, respectively.

The iCRYSTAL Index also uses a combination of three signals to make a trading decision each month: 1) the expected trajectory of short-term USD rates, derived from the evolution of one month forward rate implied from one month Fed Fund futures versus the US Fed Funds Effective Rate; 2) the expected trajectory of short-term EUR rates, derived from the evolution of the one month one month forward EONIA rate versus the EONIA Rate; and 3) the expected trajectory of the short-term USD-EUR rates spread, derived from 1) and 2). The combination of the three signals will always result in either outright positions in USD and EUR rates or a spread position, with weightings which depend incrementally on the strengths of the three signals. For the avoidance of doubt, the iCRYSTAL trading strategy, in particular the signals, is purely algorithmic, with no discretionary element.

The iCRYSTAL 5Q Index is a five-times leveraged version of the iCRYSTAL Index. The iCRYSTAL USD Rates Index, the iCRYSTAL EUR Rates Index and the iCRYSTAL Spread Index are indices constructed using each of the three iCRYSTAL signals alone, respectively.

A list of the indices is given in the table below:

## Index

Barclays Capital CRYSTAL Index  
Barclays Capital CRYSTAL 5Q Index  
Barclays Capital CRYSTAL X Index  
Barclays Capital CRYSTAL Volatility Target Index  
Barclays Capital CRYSTAL USD Rates Index  
Barclays Capital CRYSTAL EUR Rates Index  
Barclays Capital CRYSTAL Spread Index  
Barclays Capital iCRYSTAL Index  
Barclays Capital iCRYSTAL 5Q Index  
Barclays Capital iCRYSTAL USD Rates Index  
Barclays Capital iCRYSTAL EUR Rates Index  
Barclays Capital iCRYSTAL Spread Index

## **7 Barclays Capital TrendStar+ Index**

The Barclays Capital TrendStar+ index reflects the return of the Barclays Capital TrendStar+ algorithmic trading strategy. The TrendStar+ strategy consists of entering into curve steepening and curve flattening positions on the US interest rate swap yield curve. The TrendStar+ strategy is motivated by the dynamics between US monetary policy and the shape of the US yield curve. The slope of the yield curve is influenced by short-term rates: the yield curve tends to become steeper when short-term rates are falling and flatter when short-term rates are rising. Historically, on average, changes in short-term rate expectations have tended to result in “bull-steepening” or “bear-flattening” moves in curve shape.

The default position of the TrendStar+ strategy is a “durational-neutral steepener”. Such a position has very low sensitivity to parallel movements of the US swap yield curve, but gains in value if the curve steepens (i.e. the difference between swap rates for longer tenors and swap rates for shorter tenors increases), and declines in value if the curve flattens (i.e. the difference between swap rates for longer tenors and swap rates for shorter tenors decreases). The alternative position is a “durational-neutral flattener”. Such a position again has very low sensitivity to parallel movements of the US swap yield curve, but gains in value if the curve flattens, and declines in value if the curve steepens. A duration-neutral flattener is only initiated on the monthly index rebalance date if a persistent upward trend in the level of short-term rates is detected by the “switching signal”. The switching signal gives indications of anticipated changes to US monetary policy and is determined from the evolution of the “signal rate”. The signal rate is designed to proxy a US 3 month overnight index swap rate, and is derived from prices of Fed Fund Futures contracts and their associated implied rates.

The TrendStar+ strategy is implemented using US 2yr and 10yr Barclays Investable Swap Indices (“BISIs”). A BISI of a given tenor reflects the profit and loss profile of a rolling daily investment in a par bond-like instrument constructed from ISDA swap rates of that tenor. In order to “fund” the BISI

positions, the performance of each BISI is offset with the performance of an investment in US 3 Month Libor, rolled daily (the “cash index”). In order approximately to offset the stub position generated by the Libor fixes, the return of a Eurodollar front futures index (the “ED index”) is also incorporated into the calculation of the index. For the avoidance of doubt, the TrendStar+ strategy, in particular the switching signal, is purely algorithmic, with no discretionary element.

**Part B**  
**Terms and Conditions for**  
**Barclays Capital Interest Rate Index Linked Securities**

The terms and conditions applicable to Barclays Capital Interest Rate Index Linked Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “**Barclays Capital Interest Rate Index Linked Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Barclays Capital Interest Rate Index Linked Conditions set out below, the Barclays Capital Interest Rate Index Linked Conditions shall prevail. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions.

**1 Interest**

If Interest is specified as applicable in the applicable Final Terms and, provided that no event that may lead to the early redemption or termination of the Securities has previously occurred as determined by the Determination Agent, the Interest Amount (if any) payable in respect of a Barclays Capital Interest Rate Index Linked Security on each Interest Payment Date will be calculated according to the methodology set out in the applicable Final Terms and the Base Conditions, and may be calculated by reference to the performance of one or more Barclays Capital Interest Rate Indices and/or Condition 4 of the Base Conditions, as further described in the applicable Final Terms.

**2 Redemption**

The Final Cash Settlement Amount payable in respect of a Barclays Capital Interest Rate Index Linked Security on the Redemption Date, provided that no event that may lead to the early redemption or termination of the Securities has previously occurred as determined by the Determination Agent, will be calculated according to the methodology set out in the applicable Final Terms and the Base Conditions, and may be calculated by reference to the performance of one or more Barclays Capital Interest Rate Indices, as further described in the applicable Final Terms.

**2.1 Settlement Method**

With respect to Condition 5 of the Base Conditions, the Settlement Method for Barclays Capital Interest Rate Index Linked Securities shall always be “Cash Settlement”.

**2.2 Early Redemption**

Where the Determination Agent determines that an Additional Disruption Event has occurred with respect to a Barclays Capital Interest Rate Index Linked Security and determines that it shall cancel or redeem such Barclays Capital Interest Rate Index Linked Security pursuant to Condition 5.4 of the Base Conditions, the Issuer shall notify the Securityholders in accordance with Condition 16 of the Base Conditions and, subject to Conditions 7, 8 and 9 of the Base Conditions, redeem each Barclays Capital Interest Rate Index Linked Security at its Early Cash Settlement Amount on the Early Cash Redemption Date.

### 3 Barclays Capital Interest Rate Index Adjustment Events

#### 3.1 Successor Index or Successor Index Sponsor

If, on or prior to any Index Fixing Date, the Barclays Capital Interest Rate Index is:

- (a) replaced by a successor index using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Barclays Capital Interest Rate Index (a “**Successor Index**”), then that Successor Index shall be deemed to be the Barclays Capital Interest Rate Index; or
- (b) not calculated and announced by the Index Sponsor, but is calculated and announced by a successor sponsor acceptable to the Determination Agent (a “**Successor Index Sponsor**”), then that Successor Index Sponsor shall be deemed to be the Index Sponsor.

The Determination Agent shall notify the Issuer and Securityholders in accordance with Condition 16 of the Base Conditions as soon as reasonably practicable of such designation of a Successor Index as the Barclays Capital Interest Rate Index and/or Successor Index Sponsor as the Index Sponsor.

#### 3.2 Index Disruption Events

If, on or prior to any Index Fixing Date, the Index Sponsor:

- (a) announces any change whatsoever to the rules, formula or method of calculation (howsoever described) of the Barclays Capital Interest Rate Index which, in the opinion of the Determination Agent in its sole discretion, is material (a “**Material Index Modification**”);
- (b) announces that it shall cease to publish the Index Level on or prior to such date and no Successor Index exists (an “**Index Cancellation**”); or
- (c) fails to publish the Index Level for any Index Business Day (an “**Index Publication Disruption**”) and such Index Publication Disruption in respect of such Index Business Day continues for 10 consecutive Index Business Days (a “**Persistent Index Disruption**”),

then the Determination Agent may, in its sole discretion, deem such Material Index Modification or Index Cancellation or Persistent Index Disruption (each an “**Index Disruption Event**”) to be an Additional Disruption Event for the purposes of Condition 24 of the Base Conditions and shall adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions as the case may be in respect of the Securities. The Determination Agent shall notify the Issuer and Securityholders of such Additional Disruption Event in accordance with Condition 16 of the Base Conditions.

For the avoidance of doubt, if, in the opinion of the Determination Agent, an Index Publication Disruption occurs in respect of an Index Fixing Date, then the Index Level for that Index Fixing Date will be the Index Level that is subsequently published by the Index Sponsor in respect of that original scheduled Index Fixing Date.

### **3.3 Index Disruption Payment Adjustment**

If, as a result of a delay pursuant to the occurrence of an Index Publication Disruption or an Index Disruption Event, the Index Level required to determine a payment in respect of (a) an Interest Payment Date or (b) the Redemption Date is not calculated by the Index Sponsor or observable on the Index Fixing Page at least two Business Days prior to (i) such Interest Payment Date or (j) the Redemption Date, then (A) such Interest Payment Date or (B) the Redemption Date shall be adjusted to occur on the second Business Day following the determination of any amounts payable pursuant to the Barclays Capital Interest Rate Index Linked Condition 3.2 above.

### **3.4 Error in Publication**

If, within 30 days of publication, and at least two Business Days prior to the Redemption Date, the Index Sponsor announces a correction to an Index Level to remedy an error in its original publication, then the Determination Agent shall determine the amount, if any, which is payable or deductible by the Issuer as a result of that correction. If the Determination Agent determines that any such amount is payable or deductible, then the Determination Agent shall notify the Issuer and Securityholders, as soon as reasonably practicable, of (a) that correction and (b) that amount, and take such other action as it may deem necessary to give effect to such correction.

**Part C**  
**Definitions Applicable to**  
**Barclays Capital Interest Rate Index Linked Securities**

“**Index Business Day**” means any day for which the Index Sponsor is scheduled to publish the Index Level.

“**Index Fixing Date**” means any day for which the Index Level is to be determined in respect of a Barclays Capital Interest Rate Index Linked Security, as set out in the applicable Final Terms.

“**Index Fixing Page**” means the publication or source that publishes the Index Level for each Index Business Day, being the Barclays Capital Index Products website (the “**Barclays Index Products Website**”) at the internet address <http://ecommerce.barcap.com/indices>, and such other source(s) as specified in the applicable Final Terms (the “**Additional Index Fixing Page(s)**”) or such other medium or website as may replace the Barclays Index Products Website and/or such Additional Index Fixing Page(s) as may be nominated by the Index Sponsor for the purposes of publishing the Index Level from time to time. The Additional Index Fixing Page(s) are provided for information purposes only. If there occurs any discrepancy between the Index Level published on the Barclays Index Products Website and the Index Level published on the Additional Index Fixing Page(s), then the Index Level published on the Barclays Index Products Website shall prevail.

“**Index Level**” means, in respect of any Index Business Day, the level of the Barclays Capital Interest Rate Index for such day as published by the Index Sponsor on the Index Fixing Page.

“**Index Sponsor**” means, in relation to a Barclays Capital Interest Rate Index, Barclays Capital, the investment banking division of Barclays Bank PLC, or any entity replacing Barclays Capital as sponsor of the Barclays Capital Interest Rate Index, being 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 such Barclays Capital Interest Rate Index and (b) that announces (directly or through an agent) the Index Level for each Index Business Day. For the avoidance of doubt, the term “Index Sponsor” as described herein refers to the Index Sponsor in its capacity as Index Sponsor only and not in any other capacity (including, for the avoidance of doubt, the capacity of Determination Agent).

“**Barclays Capital Interest Rate Index**” means, in relation to a Barclays Capital Interest Rate Index Linked Security, the index as specified in the applicable Final Terms. Further information on each Barclays Capital Interest Rate Index is set out in Part A of Section 5 of the Barclays Capital Index Annex.

“**Barclays Capital Interest Rate Index Linked Security**” means a Security, payments in respect of which will be contingent on and/or calculated by reference to the Barclays Capital Interest Rate Index.

**SECTION 6**  
**ADDITIONAL PROVISIONS FOR BARCLAYS**  
**CAPITAL EMERGING MARKET INDEX LINKED SECURITIES**

*Where this Section 6 is specified in the applicable Final Terms for any Barclays Capital Emerging Market Index Linked Securities, paragraphs 1 to 3 of Section 1 of the Barclays Capital Index Annex shall together with this Section 6 apply to such Barclays Capital Emerging Market Index Linked Securities in accordance with the provisions herein. Accordingly, paragraphs 1 to 3 of Section 1 of the Barclays Capital Index Annex should be read in conjunction with this Section 6.*

**Part A**  
**General Information Relating to Barclays Capital Emerging Market Indices**

**1 Barclays Capital GEMS Indices**

The Barclays Capital GEMS Indices (collectively the “**GEMS Indices**”) are investable indices that are intended to reflect the total or spot return of local currency investments for each of the individual regions of (a) Eastern Europe, Middle East and Africa (“**EEMEA**”), (b) Latin America (“**LATAM**”) and (c) Asia.

The GEMS Indices represent the following indices (each index in the relevant index currency a “**GEMS Underlying Index**”):

<b>Name</b>	<b>Index currency</b>
GEMS LATAM Index	USD, EUR and JPY
GEMS EEMEA Index	USD, EUR and JPY
GEMS Asia Index	USD, EUR and JPY
GEMS Composite Index	USD, EUR and JPY
GEMS Spot Index	USD
GEMS Alpha Index	ZAR, EUR, JPY and AUD
GEMS Pegged Currency Indices	USD

The GEMS LATAM Index, GEMS EEMEA Index and GEMS Asia Index (as represented in USD, EUR and JPY, together the “**Regional Indices**”) each comprise five emerging market currencies earning implied one-month local currency deposit rates converted into USD, EUR or JPY (as the case may be) to replicate a diversified multinational money markets strategy. The following are the Regional Indices’ constituent currencies, subject to adjustment from time to time:

**GEMS LATAM Index**

1. ARS, Argentine Peso
2. BRL, Brazilian Real
3. CLP, Chilean Peso

4. COP, Colombian Peso
5. MXN, Mexican Peso

#### **GEMS EEMEA Index**

1. HUF, Hungarian Forint
2. TRY, Turkish Lira
3. ZAR, South African Rand
4. RUB, Russian Ruble
5. PLN, Polish Zloty

#### **GEMS Asia Index**

1. INR, Indian Rupee
2. IDR, Indonesian Rupiah
3. THB, Thai Baht
4. KRW, South Korean Won
5. PHP, Philippines Peso

The GEMS Composite Index is calculated on the arithmetic average of the returns of all Regional Indices in USD and is based on the concept of accessing short-term money markets in 15 emerging markets as divided into the three major regions of the EEMEA, LATAM and Asia. The GEMS Composite Index reflects the total return of the currency exposure, including implied one-month local deposit rates.

The GEMS Spot Index reflects returns from the GEMS Composite Index less the implied deposit return component as calculated in USD.

The GEMS Alpha Index comprises the sum of: (a) the out-performance of the GEMS Composite Index (USD) over the one month USD London Interbank Offer Rate (LIBOR); and (b) a suitable one-month deposit rate for the respective currency in which the GEMS Alpha Index is calculated (ZAR, EUR, JPY and AUD). The out-performance of the GEMS Composite Index (USD) over the one month USD LIBOR is converted into the GEMS Alpha Index currency at the prevailing exchange rate, as determined by the Index Sponsor.

The GEMS Pegged Currency Index comprises five Middle Eastern and Asian currencies that are either pegged against the USD or a basket of currencies, earning implied one-month local currency deposit rates to replicate a diversified multinational money markets strategy. The strategy aims to capture the potential appreciation the currencies would have against the USD when the peg is adjusted and the currencies float freely.

Though the constituent currencies were equally weighted upon commencement of the Regional Indices, they may not be equally weighted throughout the year due to performance fluctuations across the currencies. There will be an annual rebalancing to equalise the weightings on the roll date that occurs in July of each year.

The sponsor of each of the GEMS Indices (the “**Index Sponsor**”) is Barclays Capital (a division of the Issuer). A daily level for the GEMS Indices will be calculated and published by the Index Sponsor on <https://ecommerce.barcap.com/> (the “**Source Page**”). Further information on the GEMS Indices can be found on <https://ecommerce.barcap.com/>.

The Index Sponsor has the right, in its sole and absolute discretion, to modify or amend the methodology employed to determine the levels of the GEMS Indices as it considers necessary in order to reflect the intention of the Index Sponsor or to take into account circumstances, including market, regulatory, financial or other, that affect any of the GEMS Indices constituent currencies or the methodology. All determinations made by the Index Sponsor will be made by it in its sole discretion and by reference to such factors as the Index Sponsor deems appropriate and will be final, conclusive and binding in the absence of manifest error.

## 2 Emerging Markets Tradable Government Inflation-Linked Bond (EMTIL) Index

The Barclays Capital Emerging Markets Tradable Government Inflation-Linked Bond (EMTIL) Index (the “**EMTIL Index**”) is a rules-based index that provides a diversified exposure to the most liquid inflation-linked securities from the emerging market government issuers represented in the broad-based Emerging Markets Government Inflation-Linked Bond (EMGILB) Index. The EMTIL Index is rebalanced annually and designed to be broad-based in its coverage of emerging market issuers, yet tradable by including a minimum of one and a maximum of three of the most liquid bonds from each eligible emerging market issuer, and diversified by capping and flooring the country exposures in the EMTIL Index according to the EMTIL Index rules. The EMTIL Index is also calculated net of actual costs incurred in buying into and selling out of positions at each annual rebalancing date. This cost is a function of the bid-offer spread on the bonds, bid-offer spreads on the local currencies against USD, local market transaction costs and any local tax adjustments as appropriate. The annual EMTIL Index rebalancing cost is determined using prices and exchange rates as of the annual EMTIL Index selection date and is applied one-time on the annual rebalancing date. The EMTIL Index is also calculated net of actual costs incurred in reinvesting coupons received each month into the respective coupon paying bond. This monthly reinvestment cost is primarily a function of the bid-offer spread on each bond and any local tax adjustments as of the day prior to the monthly coupon reinvestment date. This cost is applied one time each month on the last business day of each month.

Barclays Capital (a division of the Issuer) is the “**Index Sponsor**”.

The Barclays Capital Emerging Markets Tradable Government Inflation-Linked Bond (EMTIL) Index is published on page “BXIEMUU” by Bloomberg (the “**Source Page**”) (or any Successor Source).

## 3 USD Sovereign Bond Index

The Barclays Capital Emerging Markets Tradable USD Sovereign Bond Index (the “**USD Sovereign Bond Index**”) is a diversified basket index of dollar-denominated sovereign debt from emerging market issuers spanning three broad regions: (a) Latin America; (b) Central Europe, Middle East, and Africa (EMEA); and (c) Asia. The USD Sovereign Bond Index is designed to be broad-based in its coverage of emerging market sovereign issuers, yet tradable by including a single liquid bond from each eligible emerging market issuer and diversified by capping and flooring both the region and country exposures in the Index according to the Index rules. The USD Sovereign Bond Index is

rebalanced annually and is differentiated by its use of gross domestic product (GDP) as a measure of economy size to determine the relative weights of each country within the USD Sovereign Bond Index, rather than using the market value of outstanding debt as in traditional benchmark bond indices.

There will be a fixed running cost of 0.0625 per cent. per month (0.75 per cent. per annum pro rated on a monthly basis) included in the USD Sovereign Bond Index return calculation. This cost is deducted from the basket total return to reflect administrative costs, rebalancing costs, bid/ask spreads for the bonds, monthly reinvestment of cash, custodial fees, withholding and other local market taxes applicable to investors, and other transaction costs in the creation of the USD Sovereign Bond Index. This fixed running cost is deducted at the USD Sovereign Bond Index level and not at the bond or country level. In the event of severe market distortions on or around the annual rebalancing date, the fixed running cost may be adjusted accordingly on a temporary basis. The Issuer will make reasonable efforts to announce the magnitude of such distortions in advance.

Barclays Capital (a division of the Issuer) is the “**Index Sponsor**”.

Barclays Capital Emerging Markets Tradable USD Sovereign Bond Index is published on page “EMXUTRUU” by Bloomberg (the “**Source Page**”) (or any Successor Source).

#### **4 Middle East Hard Currency Bonds Index**

The Barclays Capital Emerging Markets Tradable Middle East-GCC (EMME) Index (the “**EMME Index**”) is a rules-based index that provides a diversified exposure to the most liquid fixed rate or floating rate external and non-local currency debt from the government, quasi-government and corporate issuers represented in the broad-based Barclays Capital Emerging Markets Gulf Cooperation Council Benchmark Credit (EMGCC) Index. The EMME Index is rebalanced semi-annually and designed to be broad-based in its coverage of Middle East-Gulf Corporation Counsel issuers, yet tradable by including a maximum of two bonds per issuer, and diversified by capping and flooring the country exposures in the EMME Index according to the Index rules. The EMME Index is also calculated net of actual costs incurred in buying into and selling out of positions at each semi-annual rebalancing date. This cost is a function of the bid-offer spread on the bonds and the bid-offer spreads on foreign exchange transactions. This semi-annual rebalancing cost is applied on the semi-annual rebalancing date. If a credit or substitution event requires an extraordinary rebalancing, costs may also be incurred in a similar manner. The EMME Index is also calculated net of the actual costs incurred in reinvesting coupons received each month into the EMME Index on a pro rata basis. This monthly reinvestment cost is primarily a function of the bid-offer spread on each bond and any foreign exchange transactions costs. This cost is applied each month on the last business day of each month.

Barclays Capital (a division of the Issuer) is the “**Index Sponsor**”.

The Barclays Capital Emerging Markets Tradable Middle East-GCC (EMME) Index is published on page “EMMETRUU” by Bloomberg (the “**Source Page**”) (or any Successor Source).

#### **5 Emerging Markets Tradable External Debt (EMTED) Index**

The Barclays Capital Emerging Markets Tradable External Debt (EMTED) Index (the “**EMTED Index**”) is a rules-based index designed to provide diversified exposure to dollar-denominated sovereign debt from emerging markets issuers spanning four broad regions: Latin America; Eastern Europe; Middle

East and Africa; and Asia. The EMTED Index is designed to be (1) broad based in its coverage of emerging markets sovereign hard currency issuers, (2) diversified, by capping the number of eligible countries and weights of each market, (3) representative, using as an objective measure of liquidity to select the most liquid countries and securities, and (4) tradable, by selecting a maximum of three bonds per country and rebalancing only semi-annually (on the last business day in May and November each year), thereby minimising rebalancing costs.

The EMTED Index is a tradable and liquid subset of the emerging market government USD-denominated bond market that is designed to be both broad and diversified. The underlying bonds of the EMTED Index are all subsets of existing Barclays Capital benchmark indices, such as the Global Aggregate or Global Emerging Markets Indices. They follow the same index conventions including the use of bid-side prices, T+1 index settlement assumptions and coupon reinvestment. Barclays Capital indices are widely tracked broad-based benchmark indices, and constructing a tradable index from Barclays Capital benchmark indices ensures consistent and transparent pricing and the same data quality verification and procedures used for the benchmarks. The EMTED Index aims to capture the performance of the most liquid securities within each region in a rules-based approach. Eligible countries are ranked according to sovereign bond trade volume data, and the most liquid countries are selected (a maximum of five countries can be selected from each of the four regions). Similarly, trade volume data are used to rank the securities and select the most liquid bonds within each eligible maturity band. Trade volume data are sourced from various independent publicly available sources such as trade associations (e.g., the Emerging Markets Trade Association), central banks and exchanges. Benchmark index-eligible securities must have at least a U.S.\$1 billion minimum amount outstanding to be eligible for inclusion in the tradable index. Only fixed-rate USD-denominated securities are eligible. The index-eligible universe of countries is divided into four regions: Latin America; Eastern Europe; Middle East and Africa; and Asia. A maximum of five countries per region may be included, hence a maximum of 20 countries in total for the EMTED Index. The list of eligible countries for the EMTED Index is determined semi-annually on the twentieth calendar day of May and November each year (the “**Index Selection Date**”). Exposures to each of the four regions in the EMTED Index are calculated using the gross domestic product (GDP) weights of the selected countries. Caps and floors are then applied at the regional level to prevent over- and under-concentration in any of the regions. Within each region, the capped GDP weight is allocated to each country on a pro rata basis using the relative market value of the country’s outstanding benchmark index-eligible debt. Specific country weights will therefore represent the investable universe of outstanding debt for each market based on market size after the initial GDP-based allocation has been made. Country weights are then capped and floored for further diversification. A maximum of three bonds per country are selected to represent different tenor points along the country’s index-eligible debt term structure. Eligible securities are determined semi-annually on each Index Selection Date, and each country’s exposure is allocated equally among selected securities. Recently available trade volume data at each Index Selection Date are used to select the most liquid bonds within each eligible maturity band.

Barclays Capital (a division of the Issuer) is the “**Index Sponsor**”.

The Barclays Capital Emerging Markets Tradable External Debt (EMTED) Index is published on page “MTEDTRUU” by Bloomberg (the “**Source Page**”) (or any Successor Source).

**Part B**  
**Risk Factors Relating to**  
**Barclays Capital Emerging Market Index Linked Securities**

Barclays Capital Emerging Market Index Linked Securities have a different risk profile to ordinary unsecured debt securities. This Section 6 describes additional factors to which prospective investors should have regard when considering an investment in a Barclays Capital Emerging Market Index Linked Security. Prospective investors are also referred to the factors set out in the section headed “Risk Factors” of the Base Prospectus and paragraph 2 of Section 1 of the Barclays Capital Index Annex (Risk Factors Relating to Barclays Capital Index Linked Securities).

An investment linked to a Barclays Capital Emerging Markets Index provides exposure to one or more components of one or more emerging market economies, including, but not limited to, the following: exchange rates for local currency; rates of inflation; debt obligations, which may be issued by sovereign, government, quasi-government or corporate issuers; or interest rates.

An investment linked to a Barclays Capital Emerging Markets Index present risks that may not be present in an investment providing exposure to one or more components of developed markets, including, but not limited to: economic, social, political, financial and military conditions in the emerging markets, including, in particular, political uncertainty and financial instability; the increased likelihood of restrictions on export or currency conversion in the emerging markets; the greater potential for an inflationary environment in the emerging markets; the possibility of nationalisation or confiscation of assets; the greater likelihood of regulation by the national, provincial and local governments of the emerging market countries, including the imposition of currency exchange laws and taxes; and less liquidity in emerging market currency markets as compared to the liquidity in developed markets.

The exchange rates for currencies of emerging markets may be more volatile than those of developed markets and may be affected by political and economic developments in different ways than developed markets. Moreover, the emerging market economies may differ favourably or unfavourably from developed market economies in a variety of ways, including growth of gross national product, rate of inflation, capital reinvestment, resources and self-sufficiency.

**Part C**  
**Additional Terms and Conditions for Securities Linked  
to Barclays Capital Emerging Market Indices**

*The terms and conditions applicable to Barclays Capital Emerging Index Linked Securities (the “Barclays Capital Emerging Market Index Linked Securities”) shall comprise the Base Conditions and the additional terms and conditions set out below (the “Barclays Capital Emerging Market Index Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Barclays Capital Emerging Market Index Linked Conditions set out below, the Barclays Capital Emerging Market Index Linked Conditions shall prevail. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions.*

**1 Interest**

If Interest is specified as applicable in the applicable Final Terms, and provided that no event that may lead to the early redemption or termination of the Barclays Capital Emerging Market Index Linked Securities has previously occurred as determined by the Determination Agent, the Interest Amount payable in respect of a Barclays Capital Emerging Market Index Linked Security on each Interest Payment Date will be calculated according to the methodology set out in the applicable Final Terms and the Base Conditions, and may be calculated by reference to the performance of one or more Barclays Capital Emerging Market Indices and/or Condition 4 of the Base Conditions, as further described in the applicable Final Terms.

**2 Redemption**

The Final Cash Settlement Amount payable in respect of a Barclays Capital Emerging Market Index Linked Security on the Redemption Date, provided that no event that may lead to the early redemption or termination of the Barclays Capital Emerging Market Index Linked Securities has previously occurred as determined by the Determination Agent, will be calculated according to the methodology set out in the applicable Final Terms and the Base Conditions, and may be calculated by reference to the performance of one or more Barclays Capital Emerging Market Indices, as further described in the applicable Final Terms.

**2.1 Settlement Method**

With respect to Condition 5 of the Base Conditions, the Settlement Method for Barclays Capital Emerging Market Index Linked Securities shall always be “Cash Settlement”.

**2.2 Adjustment of Final Cash Settlement Amount**

The Determination Agent has the right to adjust the Final Cash Settlement Amount and/or any payments due from the Issuer following the occurrence of an Adjustment Event at any time during the period from (and including) the Trade Date up to (and including) the Redemption Date (such period, the “Risk Period”) so that that the Final Cash Settlement Amount (or the amount of any other such payments) is reduced by any loss suffered, or costs or expenses incurred, by the Issuer (or its agents or Affiliates) in connection with the Barclays Capital Emerging Market Index Linked Securities as a result of the occurrence of the Adjustment Event.

Such losses, costs and expenses shall be determined by the Determination Agent in its sole discretion.

### **2.3 Early Redemption**

Where the Determination Agent determines that an Additional Disruption Event has occurred with respect to a Barclays Capital Emerging Market Index Linked Security and determines that it shall cancel or redeem such Barclays Capital Emerging Market Index Linked Security pursuant to Condition 5.4 of the Base Conditions, the Issuer shall give notice of such determination to the Securityholders in accordance with Condition 16 of the Base Conditions and the Issuer may, subject to Conditions 7, 8 and 9 of the Base Conditions, redeem each Barclays Capital Emerging Market Index Linked Security (in whole or in part) at its Early Cash Settlement Amount on the Early Cash Redemption Date.

### **2.4 Index Adjustment Redemption**

The Issuer has the right, but not the obligation, to early redeem the Barclays Capital Emerging Market Index Linked Securities, in whole but not in part, on the date that is five Business Days following the occurrence of an Index Adjustment Event (such date being the “**Index Adjustment Redemption Date**”) and such election being an “**Index Adjustment Redemption Event**”) by giving not less than two Business Days’ prior notice of the Index Adjustment Redemption Date.

If the Barclays Capital Emerging Market Index Linked Securities are redeemed early as a result of an Index Adjustment Redemption Event, then the amount payable on the Index Adjustment Redemption Date shall be determined by the Determination Agent (taking into account any determinations made by the Determination Agent in accordance with paragraph 3.1 below), after which the Issuer shall have no further obligations under the Barclays Capital Emerging Market Index Linked Securities.

### **2.5 Averaging**

If “Averaging” is specified as applicable in the applicable Final Terms, and provided that no event that may lead to the early redemption or termination of the Barclays Capital Emerging Market Index Linked Securities has previously occurred as determined by the Determination Agent, the Interest Amount and/or Final Cash Settlement Amount payable in respect of a Barclays Capital Emerging Market Index Linked Security on each Interest Payment Date and/or the Redemption Date will be calculated according to the methodology set out in the applicable Final Terms and the Base Conditions by reference to the performance of one or more Barclays Capital Emerging Market Indices on the applicable Averaging Dates, as further described in the applicable Final Terms.

## **3 Barclays Capital Emerging Market Index Adjustment Events and Disruption**

### **3.1 Index Adjustment Events**

The following events constitute “**Index Adjustment Events**”:

If the Barclays Capital Emerging Market Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Determination Agent (the “**Successor Sponsor**”), then such Successor Sponsor shall be

deemed to be the Index Sponsor or (b) replaced by a successor index using, in the determination of the Determination Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index, then that index (the “**Successor Index**”) will be deemed to be the successor Barclays Capital Emerging Market Index.

If (a) on or prior to a Valuation Date or an Averaging Date, the Index Sponsor replaces the Barclays Capital Emerging Market Index with a successor index that is not (in the opinion of the Determination Agent) a Successor Index or makes, or announces that it will make, a material change in the formula for or the method of calculating the Barclays Capital Emerging Market Index or in any other way materially modifies the Barclays Capital Emerging Market Index (other than a modification prescribed in that formula or method to maintain the Barclays Capital Emerging Market Index, as determined by the Determination Agent) (an “**Index Modification**”) or permanently cancels the Barclays Capital Emerging Market Index and no Successor Index exists (an “**Index Cancellation**”) or (b) on a Valuation Date or an Averaging Date, the Index Sponsor fails to calculate and announce the Index Level for reasons other than the occurrence of a Market Disruption Event (as defined below) (an “**Index Disruption**”), the Determination Agent shall determine if such Index Adjustment Event has a material effect on the relevant Barclays Capital Emerging Market Index Linked Securities, and the Determination Agent may, in its sole discretion, deem such Index Adjustment Event to constitute an Additional Disruption Event for the purposes of these provisions and in such case, the Issuer may, at its sole and absolute discretion, adjust, redeem, cancel and/or take any other necessary action in accordance with the applicable provisions of Condition 5 or 6 of the Base Conditions as the case may be in respect of the Securities. The Determination Agent shall notify the Issuer and Securityholders in accordance with Condition 16 of the Base Conditions.

The Issuer agrees to notify the Securityholders in accordance with Condition 16 of the Base Conditions as soon as reasonably practicable after it becomes aware of such Index Adjustment Event and the level of the Barclays Capital Emerging Market Index calculated as a consequence thereof.

### **3.2 Correction to Published Prices**

If the Index Level published or announced on a Valuation Date or an Averaging Date and used or to be used by the Determination Agent in respect of such Valuation Date or Averaging Date is subsequently corrected and the correction is published or announced by the Index Sponsor or a Successor Sponsor after the original publication or announcement, the Determination Agent shall recalculate any relevant payment amounts using such corrected Index Level. The Determination Agent shall notify the parties of any such correction, the revised Index Level and the amount (if any) which is payable by a party as a result of that correction. Any amounts payable as a result of such correction shall be paid (with no interest accruing thereon) within five Business Days of the effectiveness of that notice.

Notwithstanding the foregoing, where the Determination Agent, in its sole discretion, determines that the Index Level published or announced on a Valuation Date or an Averaging Date and used or to be used by it to determine any amounts in respect of such Valuation Date or Averaging Date is expected to be subsequently corrected, then the Determination Agent may, in its sole discretion, delay the determination or calculation of such amounts in respect of such Valuation Date or Averaging Date (but for not more than eight Business Days following

such day) and instead notify the parties of the expected correction. If the Determination Agent notifies the parties of an expected correction to any amounts, the parties shall not make any payments or deliveries until the Determination Agent determines or calculates the correct amounts and the Valuation Date or Averaging Date on which such payments are due shall be delayed to the same extent as was the determination or calculation of the correct amount. No additional amounts shall be payable as a result of any such delay.

#### **4 Notice of Adjustment or Cancellation**

The Issuer shall give notice to the Securityholders in accordance with Condition 16 of the Base Conditions of an adjustment or cancellation (as the case may be) following any of the events listed above as soon as practicable following the occurrence of such event.

For the avoidance of doubt, failure by the Issuer to publish or give notice of any adjustment or cancellation hereunder shall not affect the validity or effectiveness of any such adjustment or cancellation.

**Part D**  
**Definitions Applicable to**  
**Barclays Capital Emerging Market Index Linked Securities**

“**Adjustment Event**” means the occurrence of any one or more of the following events specified in the applicable Final Terms, as determined by the Determination Agent in its sole and absolute discretion:

- (i) Market Disruption Event;
- (ii) Residual Risk Event;
- (iii) Custodial Event;
- (iv) Tax Event; or
- (v) Inconvertibility Event.

“**Averaging Date**” means, in respect of a Valuation Date or Actual Exercise Date (as the case may be), each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Determination Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (i) if “Omission” is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant level or amount, provided that, if, through the operation of this provision no Averaging Date would occur in respect of such Valuation Date or Actual Exercise Date, then the provisions of the definition of “Valuation Date” and Barclays Capital Emerging Market Index Linked Condition 3.2 (as applicable) will apply for the purposes of determining the relevant level or amount on the final Averaging Date with respect to that Valuation Date or Actual Exercise Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
- (ii) if “Postponement” is specified as applying in the applicable Final Terms, then the provisions of the definition of “Valuation Date” and Barclays Capital Emerging Market Index Linked Condition 3.2 (as applicable) will apply for the purposes of determining the relevant level 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
- (iii) if “Modified Postponement” is specified as applying in the applicable Final Terms then:
  - (a) where the Securities reference a single Barclays Capital Emerging Market Index, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred as at the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Valuation Date or Actual Exercise Date, then (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) and (B) the Determination Agent shall determine the relevant level for that Averaging Date in

accordance with paragraph (i) of the definition of “Valuation Date” and Barclays Capital Emerging Market Index Linked Condition 3.2 (as applicable); and

- (b) where the Securities reference a basket or portfolio of Barclays Capital Emerging Market Indices, the Averaging Date for each Barclays Capital Emerging Market 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 a Barclays Capital Emerging Market Index affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date in relation to such Barclays Capital Emerging Market Index. If the first succeeding Valid Date in relation to such Barclays Capital Emerging Market Index has not occurred as at the Valuation Time on the eighth Scheduled Trading Day immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Valuation Date or Actual Exercise Date, then (A) that eighth Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that eighth Scheduled Trading Day is already an Averaging Date) in respect of such Barclays Capital Emerging Market Index and (B) the Determination Agent shall determine the relevant level or amount for that Averaging Date in accordance with paragraph (ii) of the definition of “Valuation Date” and Barclays Capital Emerging Market Index Linked Condition 3.2 (as applicable).

For the purposes of this definition, “**Valid Date**” means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in relation to the Valuation Date or Actual Exercise Date does not or is not deemed to occur.

“**Barclays Capital Emerging Market Index**” means, each index specified as such in the applicable Final Terms.

“**Basket of Barclays Capital Emerging Market Indices**” means, in relation to a Series of Securities, a basket composed of each Barclays Capital Emerging Market Index specified in the applicable Final Terms in the relative proportions indicated in the applicable Final Terms.

“**Custodial Event**” means the Issuer determines in its sole discretion that the custodian (including any sub-custodian, settlement agent, broker dealer or account bank) used by the Issuer or any of its agents or Affiliates with respect to any Reference Obligation:

- (i) is dissolved, becomes insolvent or is unable to pay its debts as they become due, makes a general assignment, arrangement or composition with or for the benefit of its creditors, institutes or has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any law, has a secured party take possession of all or substantially all its assets, or takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or
- (ii) fails to do one or more of the following:
  - (a) deliver or credit any Local Currency amount, or Reference Obligations owned by the Issuer (or any of its agents or Affiliates), to the account of the Issuer (or any of its agents or Affiliates) as instructed by the Issuer (or any of its agents or Affiliates);

- (b) deliver any Local Currency amount to a third party when requested to do so by the Issuer (or any of its agents or Affiliates);
  - (c) surrender any Reference Obligations owned by the Issuer (or its agents or Affiliates) when requested to do so by the Issuer (or any of its agents or Affiliates);
  - (d) purchase or sell any Reference Obligations or take any other action when instructed to do so by the Issuer (or any of its agents or Affiliates); or
- (iii) perform in a full and timely manner all of its obligations to the Issuer under any custodian or similar arrangements entered into by the Issuer (or any of its agents or Affiliates) at any time in relation to any Reference Obligations and/or any Local Currency (which shall include, for the avoidance of doubt, a repudiation or termination of any such arrangements without the prior consent of the Issuer or any of its agents or Affiliates).

**“Component”** means, in relation to a Barclays Capital Emerging Market Index, each security or other asset which comprises such Barclays Capital Emerging Market Index.

**“Disrupted Day”** means:

- (i) except with respect to a Multi-exchange Index, any Scheduled Trading Day on which a relevant Exchange or Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred; and
- (ii) with respect to any Multi-exchange Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Barclays Capital Emerging Market Index, (ii) the Related Exchange fails to open for trading during its regular trading session, or (iii) a Market Disruption Event has occurred.

**“Exchange”** means, in respect of a Barclays Capital Emerging Market Index other than a Multi-exchange Index, each exchange or quotation system specified as such for such Barclays Capital Emerging Market Index or Barclays Capital Emerging Market Indices in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Components underlying such Barclays Capital Emerging Market Index or Barclays Capital Emerging Market Indices has temporarily relocated, provided that the Determination Agent has determined that there is comparable liquidity relative to the Components underlying such Barclays Capital Emerging Market Index or Barclays Capital Emerging Market Indices on such temporary substitute exchange or quotation system as on the original Exchange and (ii) with respect to any Multi-exchange Index, and in respect of each Component, the principal stock exchange on which such Component is principally traded, as determined by the Determination Agent.

**“Governmental Authority”** means, in respect of a Reference Entity, any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of the Reference Entity or of the jurisdiction of organisation of the Reference Entity.

**“Inconvertibility Event”** means, in respect of a Reference Entity, the occurrence of any action, event or circumstance whatsoever occurring during the Risk Period that, from a legal or practical perspective, as determined by the Determination Agent in its sole discretion:

- (i) has the direct or indirect effect of hindering, limiting or restricting the convertibility of the relevant Local Currency (including the proceeds of any Obligations) into the Settlement Currency, or the transfer of the Settlement Currency from such Reference Entity to other countries (including, without limitation, by way of any delays, increased costs or discriminatory rates of exchange or any current or future restrictions on repatriation of such Local Currency into the Settlement Currency); or
- (ii) results in the unavailability of the Settlement Currency in the interbank foreign exchange market located in the relevant Reference Entity in accordance with normal commercial practice.

“**Index Level**” means, in respect of any Valuation Date or Averaging Date, the level of the Barclays Capital Emerging Market Index published by the Index Sponsor in respect of such Valuation Date or Averaging Date on the Source Page (or by any Successor Source).

“**Index Sponsor**” means, in respect of a Barclays Capital Emerging Market Index, the Index Sponsor specified in Part A of this Section 6, or, as otherwise specified in the Final Terms.

“**Local Currency**” means, in respect of a Reference Obligation, the currency in respect of which payments on such Reference Obligation is scheduled to be made and, in respect of a Reference Entity, the official currency of such Reference Entity.

“**Market Disruption Event**” means that, on any Business Day, the Determination Agent is unable to determine any amount or rate required to be determined by it pursuant to the Securities due to market conditions, including, but not limited to:

- (i) the failure by the Index Sponsor to publish the level of the Barclays Capital Emerging Market Index;
- (ii) there is a temporary or permanent discontinuance or unavailability of the Source Page (or any Successor Source);
- (iii) there occurs any suspension of, impairment of or limitation imposed on trading of the Barclays Capital Emerging Market Index constituents by Barclays or any of its Affiliates;
- (iv) any event, which the Determination Agent determines is material, that disrupts or impairs the ability of Barclays or of any market participants to effect transactions in the Barclays Capital Emerging Market Index or Barclays Capital Emerging Market Index constituents, or obtain market values for futures, options or derivatives contracts relating to the Barclays Capital Emerging Market Index or Barclays Capital Emerging Market Index constituents;
- (v) market volatility;
- (vi) market liquidity; or
- (vii) regulatory or artificial market limitations.

“**Multi-exchange Index**” means any Barclays Capital Emerging Market Index specified as such in the applicable Final Terms.

“**Obligation**” means, in respect of a Reference Entity, any obligation (whether present or future, contingent or otherwise) for the payment or prepayment of money, including, without limitation, any obligation (excluding an obligation under revolving credit arrangement for which there are no

outstanding, unpaid drawings in respect of principal) for the payment or repayment of borrowed money (which term shall include, without limitation, deposits and reimbursement obligations arising from drawings pursuant to letters of credit).

“**Reference Entity**” means, in respect of a Barclays Capital Emerging Market Index, each country from time to time included in the Barclays Capital Emerging Market Index, including any direct or indirect successor thereto irrespective of whether such successor assumes any of the Obligations thereof, as determined by the Determination Agent.

“**Reference Obligation**” means, in respect of a Barclays Capital Emerging Market Index, each Obligation to which the Barclays Capital Emerging Market Index provides exposure from time to time.

“**Reference Obligation Jurisdiction**” means the jurisdiction of the Reference Entity or, where the Reference Entity is a corporate, the jurisdiction of incorporation of the Reference Entity.

“**Related Exchange**” means, subject to the proviso below, in respect of a Barclays Capital Emerging Market Index, each exchange or quotation system specified as such for such Barclays Capital Emerging Market 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 futures and options contracts relating to such Barclays Capital Emerging Market Index has temporarily relocated (provided that the Determination Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Barclays Capital Emerging Market Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided, however, that, where “All Exchanges” is specified as the Related Exchange in the applicable Final Terms, “Related Exchange” shall mean each exchange or quotation system where trading has a material effect (as determined by the Determination Agent) on the overall market for futures or options contracts relating to such Reference Asset.

“**Residual Risk Event**” means any event, action or circumstance whatsoever that, in the determination of the Determination Agent in its sole discretion:

- (i) results in (or is likely to result in) the Issuer or its agents or Affiliates receiving less than the full value of any Reference Obligation they hold (plus the interest or any other amount due thereon or in respect thereof) on the date such amounts are due; or
- (ii) affects in any way (or is likely to affect in any way) the cost to the Issuer or its agent or Affiliates of acquiring, holding or redeeming any Reference Obligation, or of hedging, directly or indirectly, the obligations of the Issuer or any of its agents or Affiliates in respect of the Barclays Capital Emerging Market Index Linked Securities (or of terminating or unwinding any such hedges) or of converting any amount of any relevant Local Currency into the Settlement Currency or *vice versa*, or delivering or transferring any amount of any relevant Local Currency for the Settlement Currency or *vice versa*.

“**Scheduled Closing Time**” means, in respect of any Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after-hours or other trading outside regular trading session hours.

“**Scheduled Trading Day**” means:

- (i) except with respect to a Multi-exchange Index, any day on which each Exchange and each Related Exchange are scheduled to open for trading for their respective regular trading sessions, provided that a day shall be a Scheduled Trading Day if it is known at any time before that day each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that the Exchange or Related Exchange is not scheduled to be open for trading for its regular trading session on that day; and
- (ii) with respect to any Multi-exchange Index, any day on which (i) the Index Sponsor is scheduled to publish the level of the Barclays Capital Emerging Market Index and (ii) the Related Exchange is scheduled to be open for trading for its regular trading session, provided that a day shall be a Scheduled Trading Day if it is known at any time before that day that the Related Exchange is scheduled to be open for trading for its regular trading session on that day. Conversely, a day shall not be a Scheduled Trading Day if it is known at any time before that day that the Related Exchange is not scheduled to be open for trading for its regular trading session on that day.

“**Settlement Currency**” means the currency specified as such in the applicable Final Terms, or if none is specified, USD.

“**Source Page**” in respect of a Barclays Capital Emerging Market Index, has the meaning given to it in these Barclays Capital Emerging Market Index Linked Conditions.

“**Successor Source**” means, in relation to any Source Page, display page, other published source, information vendor or provider of a Barclays Capital Emerging Market:

- (i) the successor Source Page, display page, other published source, information vendor or provider that has been officially designated by the Index Sponsor of the original page or source; or
- (ii) if the Index Sponsor has not officially designated a successor Source Page, display page, other published source, service or provider (as the case may be), the successor display page, other published source, service or provider, if any, designated by the relevant information vendor or provider (if different from the Index Sponsor),

as determined by the Determination Agent.

“**Tax Event**” means the occurrence of one or more of the following events, as determined by the Determination Agent in its sole discretion:

- (i)
  - (a) the enactment, promulgation, execution, ratification or adoption of, or any change in or amendment to any applicable law, rule, regulation, or statute or the applicability or interpretation of the same by any Reference Entity or any Governmental Authority;
  - (b) the issuance of any order or decree by any Governmental Authority;
  - (c) any action being taken by a taxing authority of any Reference Entity; or
  - (d) the occurrence of any other act or event at any time relating to withholding or deduction for or on account of tax in relation to any Reference Obligation or any Obligations,

which in any case will (or there is a substantial likelihood that it will) in the reasonable opinion of the Determination Agent adversely affect the economic value of the relevant Reference Obligation to a holder thereof (having taken into consideration any direct or indirect hedging of the Issuer's or any of its agents or Affiliates' obligation hereunder); or

- (ii) the imposition of taxes on the transfer of the Settlement Currency out of the relevant Reference Entity;
- (iii) the imposition of any additional taxes on any Reference Obligation or other Obligations issued by a Reference Entity and/or in the Reference Obligation Jurisdiction; or
- (iv) the imposition of any taxes on any conversion of any Local Currency amount into the Settlement Currency.

**“Valuation Date”** means, unless otherwise specified in the applicable Final Terms, in the case of:

- (i) a particular Series of Securities that references a Barclays Capital Emerging Market Index, the date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day), unless there is a Disrupted Day in respect of such Barclays Capital Emerging Market Index on that date, in which event Barclays Capital Emerging Market Index Linked Condition 3.2 (as applicable) will apply; and
- (ii) a particular Series of Securities that references a Basket of Barclays Capital Emerging Market Indices, the date specified as such in the applicable Final Terms (or, if such date is not a Scheduled Trading Date for a Barclays Capital Emerging Market Index in such Basket of Barclays Capital Emerging Market Indices, the date determined in the manner set out in the applicable Final Terms, or, if not set out, the next following Scheduled Trading Day for all Barclays Capital Emerging Market Indices in such Basket of Barclays Capital Emerging Market Indices), unless there is a Disrupted Day in respect of any relevant Barclays Capital Emerging Market Index on that date, in which event Barclays Capital Emerging Market Index Linked Condition 3.2 (as applicable) will apply,

*provided that*, in each case, where the Securities are redeemed pursuant to Condition 5, the date will be the second Business Day preceding the relevant Redemption Date, Optional Cash Redemption Date, the Exercise Cash Settlement Date or Early Cash Redemption Date, unless otherwise specified in the applicable Final Terms.

**“Valuation Time”** means the time specified as such in the applicable Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the Valuation Date or Averaging Date, as the case may be, in relation to each Barclays Capital Emerging Market Index to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time. In relation to a Multi-exchange Index, “Valuation Time” means (a) for the purposes of determining whether a Market Disruption Event has occurred: (i) in respect of any Component, the Scheduled Closing Time on the Exchange in respect of such Component, and (ii) in respect of any options contracts or future contracts on the relevant Barclays Capital Emerging Market Index, the close of trading on the Related Exchange; and (b) in all other circumstances, the time at which the official closing level of the relevant Barclays Capital Emerging Market Index is calculated and published by the Index Sponsor.

## US WARRANTS PRODUCT ANNEX

### Table of Contents

#### **PART A – DESCRIPTION OF US WARRANTS AND RISK FACTORS**

1. Brief Description of US Warrants
2. Description of Types of US Warrant
3. US Warrant Components and Definitions
4. Procedures and Restrictions Vary According to Type of US Warrant
5. Risk Factors Relating to US Warrants

#### **PART B – TERMS AND CONDITIONS FOR US WARRANTS**

1. Additional Provisions
2. Definitions
3. Exercise Rights and Procedures
4. Notices

#### **PART C – TAXATION ISSUES APPLICABLE TO US WARRANTS**

#### **APPENDIX A – TYPE 1 US WARRANTS**

#### **APPENDIX B – TYPE 2 US WARRANTS**

#### **APPENDIX C – TYPE 3 US WARRANTS**

#### **APPENDIX D – INVESTOR REPRESENTATION LETTER FOR TYPE 2 US WARRANTS**

#### **APPENDIX E – INVESTOR REPRESENTATION LETTER FOR TYPE 3 US WARRANTS**

**Part A**  
**Description of US Warrants and Risk Factors**

**1 Brief Description of US Warrants**

Warrants issued pursuant to the Global Structured Securities Programme to US Warrants hereunder (“US Warrants”) will be Registered Securities which are Cleared Securities.

The US Warrants are Warrants for the purposes of, and as defined in, the Base Prospectus, and the terms and conditions relating to Warrants under the Base Prospectus apply to the US Warrants, except to the extent otherwise provided in this US Warrants Product Annex or any applicable Final Terms.

The Issuer may issue US Warrants of any kind, including but not limited to US Warrants with a Commodity Component (in respect of one or more commodities or indices comprising various commodities or instruments based thereon), a Currency Component (in respect of one or more foreign exchange rates or indices comprising various foreign currencies or foreign exchange rates or instruments based thereon), a Debt Component (in respect of one or more debt instruments or indices comprising various debt instruments or instruments based thereon), an Equity Component (in respect of one or more equity securities or indices comprising various equity securities or instruments based thereon), an Inflation Component (in respect of one or more inflation measures or indices comprising various inflation measures or instruments based thereon), an Interest Rate Component (in respect of one or more interest rate products or indices comprising various interest rate products or instruments based thereon), or a combination of one or more of such Components.

**2 Description of Types of Warrant**

All US Warrants will be Type 1 US Warrants, Type 2 US Warrants or Type 3 US Warrants, as specified in the applicable Final Terms.

All US Warrants may have a single Component or a multi-Component Basket. The Component for a US Warrant may be a Commodity Component, Currency Component, Debt Component, Equity Component, Inflation Component or Interest Rate Component, and a multi-Component Basket may include a combination of two or more of the foregoing.

“**Type 1 US Warrants**” means US Warrants that are specified as Type 1 US Warrants in the applicable Final Terms.

“**Type 2 US Warrants**” means US Warrants that are specified as Type 2 US Warrants in the applicable Final Terms.

“**Type 3 US Warrants**” means US Warrants that are specified as Type 3 US Warrants in the applicable Final Terms.

**3 US Warrant Components and Definitions**

“**Commodity Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more commodities, indices thereof or instruments based thereon.

“**Component**” means any of a Commodity Component, Currency Component, Debt Component, Equity Component, Inflation Component, Interest Rate Component or such other component as may be specified in the applicable Final Terms.

“**Currency Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more foreign currencies or exchange rates, or indices comprising various foreign currencies or foreign exchange rates or instruments based thereon.

“**Debt Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more fixed income securities, indices thereof or instruments based thereon.

“**Equity Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more equity securities, indices thereof or instruments based thereon.

“**Inflation Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more inflation measures, indices thereof or instruments based thereon.

“**Interest Rate Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more interest rates, indices thereof or instruments based thereon.

#### **4 Procedures and Restrictions Vary According to Type of US Warrant**

The exercise procedures and selling and transfer restrictions vary according to the type of US Warrant. The procedures and restrictions described in Appendix A hereto and identified, as applicable, to Type 1 US Warrants in the Terms and Conditions apply to Type 1 US Warrants. The procedures and restrictions described in Appendix B hereto and identified, as applicable, to Type 2 US Warrants in the Terms and Conditions apply to Type 2 US Warrants. The procedures and restrictions described in Appendix C hereto and identified, as applicable, to Type 3 US Warrants in the Terms and Conditions apply to Type 3 US Warrants.

#### **5 Risk Factors Relating to US Warrants**

##### **Risks related to the structure of a particular issue of US Warrants**

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

##### ***General Risks Relating to Underlying Asset or Basis of Reference***

The US Warrants involve a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Prospective purchasers of US Warrants should be prepared to sustain a total loss of the purchase price of their US Warrants, except, if so indicated in the Final Terms, to the extent of any minimum expiration value attributable to such US Warrants. This risk reflects the nature of a warrant as an asset which, other factors held constant, tends to decline in value over time and which may become worthless when it expires (except to the extent of any minimum expiration value). See “Certain Factors Affecting the Value and Trading Price of US Warrants” below. Prospective purchasers of US Warrants should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant US Warrants and should reach an investment decision only after careful consideration, with their advisers,

of the suitability of such US Warrants in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant US Warrants and the particular Component or basket of Components to which the value of the relevant US Warrants may relate, as specified in the applicable Final Terms.

The risk of the loss of some or all of the purchase price of a warrant upon expiration means that, in order to recover and realise a return upon their investment, a purchaser of a US Warrant must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant Component or basket of Components specified in the applicable Final Terms. Assuming all other factors are held constant, the more a US Warrant is “out-of-the-money” and the shorter its remaining term to expiration, the greater the risk that purchasers of such US Warrants will lose all or part of their investment. With respect to European-style Warrants, the only means through which a holder can realise value from the US Warrant prior to the Exercise Date in relation to such US Warrant is to sell it at its then market price in an available secondary market. See “Possible Illiquidity of the US Warrants in the Secondary Market” below and “Risk Factors – Risks Relating to the Securities – Possible Illiquidity of the Secondary Market” in the Base Prospectus.

Each Issuer may issue several issues of US Warrants relating to various Commodity Components, Currency Components, Debt Components, Equity Components, Inflation Components, Interest Rate Components or baskets of Components. However, no assurance can be given that the relevant Issuer will issue any US Warrants other than the US Warrants to which a particular Final Terms relates. At any given time, the number of US Warrants outstanding may be substantial. Warrants provide opportunities for investment and pose risks to investors as a result of fluctuations in the value of the underlying investment. In general, certain of the risks associated with the US Warrants are similar to those generally applicable to other options or warrants of private corporate issuers. Options or warrants on equity or debt securities are priced primarily on the basis of the value of underlying securities whilst options or warrants on currencies, commodities, interest rates or inflation measures are priced primarily on the basis of present and expected values of the commodity, interest rate or inflation measure specified in the applicable Final Terms.

#### ***Certain Factors Affecting the Value and Trading Price of US Warrants***

The Exercise Cash Settlement Amount at any time prior to expiration is typically expected to be less than the trading price of such US Warrants at that time. The difference between the trading price and the Exercise Cash Settlement Amount will reflect, among other things, the “time value” of the US Warrants. The “time value” of the US Warrants will depend partly upon the length of the period remaining to expiration and expectations concerning the value of the Component or basket of Components specified in the applicable Final Terms. Warrants offer hedging and investment diversification opportunities, but also pose some additional risks with regard to interim value. The interim value of the US Warrants varies with the price level of the Component or basket of Components specified in the applicable Final Terms, as well as by a number of other interrelated factors, including those specified herein.

#### ***US Warrants with Protected Minimum Expiration Value***

Investors who exercise US Warrants that have a minimum expiration value on the Exercise Date will receive at least the minimum return specified in the applicable Final Terms. This protection in respect

of the original investment only covers investors who purchase US Warrants on the Issue Date and hold and exercise them on the Exercise Date.

Investors who sell their US Warrants with a minimum expiration value prior to the Exercise Date will get the market price at the time of sale, which may be more or less than the Issue Price.

#### ***Possible Illiquidity of the US Warrants in the Secondary Market***

It is anticipated that an affiliate of the Issuer will be the only market maker for the US Warrants. Such entity will not be obliged to make a secondary market for all or any US Warrants, and may discontinue any market making it has commenced with respect to any US Warrants at any time, without notice. Investors should note that there may be no market for the US Warrants, if such entity ceases to be a market maker in respect of the US Warrants.

In addition, US Warrants are subject to certain significant transfer restrictions, as described in Appendix A, Appendix B or Appendix C, as applicable, hereto. In the case of Type 2 and Type 3 US Warrants (as specified in the Final Terms applicable to such US Warrants), purported transfers in violation of the applicable transfer restrictions will be null and void *ab initio* and will not operate to transfer any rights to the transferee, and the Issuer will have the right to require any such Warrantholder or beneficial owner to sell such US Warrants or interest therein, at the price specified herein.

The considerations described above significantly limit the liquidity of the US Warrants and may seriously affect a Warrantholder's ability to sell its US Warrants and/or the price obtained in any such sale.

#### **Risks related to US Warrants generally**

##### ***Exercise Expenses and Taxation***

A holder of US Warrants must pay all Taxes and Settlement Expenses relating to the exercise of the US Warrants. As used in the Terms and Conditions of the US Warrants, Taxes and Settlement Expenses include all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising from the exercise of the Warrants, as more fully set out in the Base Conditions.

The relevant Issuer is not liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any US Warrant and all payments made by the Issuer will be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid withheld or deducted.

##### ***Market Disruption Event and Disrupted Day***

If an issue of US Warrants includes provisions dealing with the occurrence of a market disruption event or a failure to open an exchange or related exchange on a Valuation Date or an Averaging Date and the Determination Agent determines that a market disruption event or such failure has occurred or exists on a Valuation Date or an Averaging Date, any consequential postponement of the Valuation Date or Averaging Date or any alternative provisions for valuation provided in any US Warrants may have an adverse effect on the value of such Warrants.

### ***Limitations on Exercise***

If so indicated in the Final Terms, the relevant Issuer will have the option to limit the number of US Warrants exercisable on any date (other than the Exercise Date) to the maximum number specified in the Final Terms and, in conjunction with such limitation, to limit the number of US Warrants exercisable by any person or group of persons (whether or not acting in concert) on such date. In the event that the total number of US Warrants being exercised on any date (other than the Exercise Date) exceeds such maximum number and the Issuer elects to limit the number of US Warrants exercisable on such date, a Warrantholder may not be able to exercise on such date all US Warrants that such holder desires to exercise. In any such case, the number of US Warrants to be exercised on such date will be reduced until the total number of US Warrants exercised on such date no longer exceeds such maximum, such US Warrants being selected at the discretion of the relevant Issuer or in any other manner specified in the applicable Final Terms. Unless otherwise specified in the Final Terms, the US Warrants tendered for exercise but not exercised on such date will be automatically exercised on the next date on which US Warrants may be exercised, subject to the same daily maximum limitation and delayed exercise provisions.

### ***Minimum Exercise Amount and Units***

If so indicated in the Final Terms, a Warrantholder must tender a specified number of US Warrants at any one time in order to exercise US Warrants in Units. Thus, Warrantholders with fewer than the specified minimum number of US Warrants or the number of US Warrants constituting a Unit will either have to sell their US Warrants or purchase additional US Warrants, incurring transaction costs in each case, in order to realise their investment. Furthermore, holders of such US Warrants incur the risk that there may be differences between the trading price of such US Warrants and the Exercise Cash Settlement Amount of such US Warrants.

### ***The U.S. Federal Income Tax Consequences of an Investment in the US Warrants may be Uncertain***

The U.S. federal income tax treatment of some of the securities that may be issued under the Programme, such as US Warrants, may be uncertain, and will depend on the terms and conditions of such securities. Depending on those terms, there may be no statutory, judicial or administrative authority directly addressing the characterisation of the types of US Warrants that may be issued under the Programme. A Relevant Annex or the applicable Final Terms for any issue of US Warrants may discuss the U.S. federal income tax consequences of the purchase, ownership, exercise and disposition of US Warrants. Potential purchasers of US Warrants should review such discussion in any Relevant Annex or Final Terms, as applicable. In addition, potential purchasers should consult their tax advisers as to the U.S. federal income tax consequences of an investment in any US Warrants.

### **Risks related to US Warrants linked to a specific type of Component**

#### ***US Warrants Linked to a Currency Component***

For risks specific to the underlying currencies referenced by US Warrants linked to a Currency Component, see the 'Risk Factors' section in the Product Annex entitled "FX Linked Annex".

#### ***US Warrants Linked to an Equity Component***

For risks specific to the underlying equities referenced by US Warrants linked to an Equity Component, see the 'Risk Factors' section in the Product Annex entitled "Equity Linked Annex".

***US Warrants Linked to a Debt Component***

For risks specific to the underlying fixed income securities referenced by US Warrants linked to a Debt Component, see the 'Risk Factors' section in the Product Annex entitled "Equity Linked Annex" (with respect to risks specific to indices of securities).

***US Warrants Linked to a Commodity Component***

For risks specific to the underlying commodities referenced by US Warrants linked to a Commodity Component, see the 'Risk Factors' section in the Product Annex entitled "Commodity Linked Annex".

***US Warrants Linked to an Interest Rate Component***

For risks specific to the underlying interest rates referenced by US Warrants linked to an Interest Rate Component, see the 'Risk Factors' section in the Base Prospectus.

***US Warrants Linked to an Inflation Component***

For risks specific to the underlying inflation measures referenced by US Warrants linked to an Inflation Component, see "Risk Factors" in the Product Annex entitled "Inflation Linked Annex".

***Additional Risk Factors***

Additional risk factors specific to a Component may also be set out in the applicable Final Terms.

## Part B

### Terms and Conditions for US Warrants

The US Warrants are Warrants for the purposes of, and as defined in, the Base Prospectus, and the terms and conditions relating to Warrants under the Base Prospectus apply to the US Warrants, except to the extent otherwise provided in this US Warrants Product Annex or any applicable Final Terms. The terms and conditions applicable to US Warrants shall comprise the Base Conditions and the additional conditions set out below (the “US Warrant Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms.

These Warrant Conditions apply to Type 1 US Warrants, Type 2 US Warrants and Type 3 US Warrants.

*The following is the text of the US Warrants Conditions which will be attached to each Rule 144A Global Warrant (as defined below). The applicable Final Terms in relation to any issue of US Warrants may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such US Warrants. The applicable Final Terms (or the relevant provisions thereof) will be attached to each Rule 144A Global Warrant.*

#### Warrant Conditions

The US Warrants of this Series (such US Warrants being hereinafter referred to as the “US Warrants”) are constituted by a global warrant (the “Rule 144A Global Warrant”) and are issued by whichever of Barclays Bank PLC (or any New Bank Issuer substituted in accordance with Condition 17.1 of the Base Conditions, the “Bank”) or Barclays Capital (Cayman) Limited (or any New BCCL Issuer substituted in accordance with Condition 17.1 of the Base Conditions, “BCCL”), is specified in the applicable Final Terms (the “Issuer”), and references to the Issuer shall be construed accordingly.

The Bank of New York Mellon will be the initial US principal warrant agent (the “US Principal Warrant Agent”, which expression shall include any successor US principal warrant agent) and The Bank of New York Mellon (Luxembourg) S.A. will be the initial Luxembourg warrant agent (the “Luxembourg Agent”, which expression shall include any additional or successor Luxembourg warrant agent and together with the US Principal Warrant Agent, the “Warrant Agents”).

No US Warrants in definitive form will initially be issued. The Rule 144A Global Warrant has been deposited with either (i) if the Relevant Clearing System is DTC, a custodian for DTC and registered in the name of Cede & Co., as nominee of DTC, or (ii) if the Relevant Clearing System is Euroclear or Clearstream, a nominee of the common depository on behalf of Euroclear and/or Clearstream.

Words and expressions defined in the Master Agency Agreement (as amended from time to time) 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.

#### 1 Additional Provisions

##### (a) Type

The US Warrants will be classified as Type 1 US Warrants, Type 2 US Warrants or Type 3 US Warrants, as specified in the applicable Final Terms.

The US Warrants are linked to one or more Components. A “**Component**” is a Commodity Component, a Currency Component, a Debt Component, an Equity Component, an Inflation Component, an Interest Rate Component (each as defined below) or such other component as may be specified in the applicable Final Terms.

There are detailed terms and definitions which will, unless otherwise varied in the applicable Final Terms, apply to Commodity Components, Currency Components, Equity Components or Inflation Components. These are set out in the Product Annex entitled “Commodity Linked Annex”, “FX Linked Annex”, “Equity Linked Annex” or “Inflation Linked Annex”, respectively, and apply as if references in the relevant Annex to “Commodity Linked Securities” were to “Commodity Components”, to “FX Linked Securities” were to “FX Components”, to “Currency Linked Securities” were to “Currency Components”, to “Equity Linked Securities” were to “Equity Components” and to “Inflation Linked Securities” were to “Inflation Components”. Debt Components and Interest Rate Components will use the terms and definitions set out in the Base Conditions, unless otherwise varied in the applicable Final Terms.

**(b) Title to Warrants**

Each person who is, for the time being, shown in the records of the Relevant Clearing System as the holder of a particular amount of US Warrants (in which regard any position statement or other document issued by the Relevant Clearing System as to the amount of US Warrants 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, (where the Issuer is BCCL) the Guarantor and the Warrant Agents as the holder of such amount of US Warrants for all purposes (and the expressions “**Warrantholder**” and “**holder of Warrants**” and related expressions shall be construed accordingly).

**(c) Transfers of Warrants**

All transactions (including transfers of US Warrants) in the open market or otherwise must be effected through an account at the Relevant Clearing System, subject to and in accordance with the rules and procedures, for the time being, of the Relevant Clearing System. Title will pass upon registration of the transfer in the books of the Relevant Clearing System. Transfers of US Warrants may not be effected after the exercise of such US Warrants. There are important restrictions on the transfer of US Warrants set out in Appendix A, Appendix B or Appendix C, as applicable, of the US Warrants Product Annex.

## **2 Definitions**

For the purposes of these Terms and Conditions, the following general definitions will apply:

“**Business Day**” means (i) a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) and the Relevant Clearing System is open for business and (ii) for the purposes of making payments in Euro, any day on which the TARGET System is open;

“**Commodity Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more commodities, indices thereof or instruments based thereon;

“**Commodity Exchange Act**” means the United States Commodity Exchange Act of 1936, as amended;

“**Currency Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more foreign currencies or exchange rates, or indices comprising various foreign currencies or foreign exchange rates or instruments based thereon;

“**Debt Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more fixed income securities, indices thereof or instruments based thereon;

“**ECP**” means an Eligible Contract Participant as defined in Section 1a(12) of the Commodity Exchange Act;

“**Equity Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more equity securities, indices thereof or instruments based thereon;

“**Index Component**” means a Component that relates to one or more indices;

“**Inflation Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more inflation measures, indices thereof or instruments based thereon;

“**Interest Rate Component**” means, in relation to a US Warrant, that such US Warrant has a component relating to one or more interest rates, indices thereof or instruments based thereon;

“**Investment Company Act**” means the United States Investment Company Act of 1940, as amended;

“**QIB**” means a Qualified Institutional Buyer as defined in Rule 144A under the Securities Act;

“**QIB/QP/ECP**” means a QIB that is both a QP and an ECP;

“**QIB/ECP**” means a QIB that is an ECP;

“**QP**” means a Qualified Purchaser as defined in Section 2(a)(51) of the Investment Company Act;

“**Relevant Clearing System**” means DTC, Euroclear or Clearstream, as specified in the applicable Final Terms; and

“**Securities Act**” means the US Securities Act of 1933, as amended.

### 3 Exercise Rights and Procedures

#### (A) Expiry

A US Warrant must be exercised at or prior to 10:00 a.m., New York, Luxembourg or Brussels time, as appropriate for the Relevant Clearing System, on any Eligible Exercise Date or the Expiration Date. Unless otherwise specified in the applicable Final Terms, Automatic Exercise shall not apply. If any Security Exercise Notice is received by the Relevant Clearing System, or if the copy thereof is received by the US Principal Warrant Agent, in each case, after 10:00 a.m., New York, Luxembourg or Brussels time, as appropriate for the Relevant Clearing System, on any Exercise Business Day during the Exercise Period, such Security Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise Business Day

shall be deemed to be the Actual Exercise Date, provided that any such US Warrant in respect of which no Security Exercise Notice has been delivered in the manner set out in Condition 6 of the Base Conditions at or prior to 10:00 a.m., New York, Luxembourg or Brussels time, as appropriate for the Relevant Clearing System, on the Expiration Date shall become void.

(B) Cash Settlement

Each US Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its holder, upon due exercise and subject to any required certification or minimum exercise price, to receive from the Issuer on the Exercise Cash Settlement Date the Exercise Cash Settlement Amount. Unless otherwise specified in the applicable Final Terms, US Warrants are not eligible for physical settlement.

Any amount determined pursuant to the above, if not an amount in the Settlement Currency, will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms for the purposes of determining the Exercise Cash Settlement Amount. The Exercise Cash Settlement Amount will be rounded to the nearest two decimal places (or, in the case of Japanese Yen, the nearest whole unit) in the relevant Settlement Currency, 0.005 (or, in the case of Japanese Yen, half a unit) being rounded upwards, with US Warrants exercised at the same time by the same Warrantholder being aggregated for the purpose of determining the aggregate Exercise Cash Settlement Amounts payable in respect of such US Warrants or Units, as the case may be.

(C) Security Exercise Notice

In addition to the requirements of the Base Conditions, the Security Exercise Notice for any Type 2 US Warrant or any Type 3 US Warrant shall also contain a representation by the Warrantholder as to its status as a person who is either a QIB/ECP (in the case of a Type 2 Warrant) or a QIB/QP/ECP (in the case of a Type 3 Warrant), as applicable, and that it is exercising Warrants with a minimum exercise price of \$250,000 (or equivalent).

The US Principal Warrant Agent shall use its best efforts promptly to notify the Warrantholder submitting a Security Exercise Notice if it has determined that such Security Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, (where the Issuer is BCCL) the Guarantor, the Warrant Agents or the Relevant Clearing System shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Warrantholder.

#### 4 Notices

All notices to Warrantholders shall be valid if delivered to the Relevant Clearing System for communication by it to the Warrantholders. Any such notice shall be deemed to have been given on the second Business Day following such delivery.

**Part C**  
**Taxation Issues Applicable to US Warrants**

*United States*

Potential purchasers of US Warrants should consult any Relevant Annex and the applicable Final Terms for the United States federal income tax consequences of purchases, ownership or transfer of US Warrants.

*United Kingdom*

Potential purchasers of US Warrants should consult the section entitled “Taxation – United Kingdom Taxation” in the Base Prospectus, any Relevant Annex and the applicable Final Terms for the United Kingdom tax consequences of purchases, ownership or transfer of US Warrants.

**APPENDIX A**  
**TYPE 1 US WARRANTS**  
**PURCHASE AND SALE**

No action has been or will be taken by BCCL, the Bank or the Managers that would permit a public offering of any US Warrants or possession or distribution of any offering material in relation to any US Warrants in any jurisdiction where action for that purpose is required. No offers, sales, resales or deliveries of any US Warrants, or distribution of any offering material relating to any US Warrants, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on BCCL, the Bank and/or the Managers.

**United States of America**

The US Warrants and the Guarantee have not been and will not be registered under the Securities Act, and trading in the US Warrants has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act. US Warrants, or interests therein, may not be offered or sold within the United States or to, or for the account or benefit of, US persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

The Manager has agreed (and each further Manager named in a set of Final Terms will be required to agree) that it will not offer or sell US Warrants, at any time, within the United States or to, or for the account or benefit of, US persons, except pursuant to Rule 144A to certain qualified institutional buyers as defined in Rule 144A (each a “**QIB**”).

The Master Subscription Agreement provides that the Manager may directly, or through their US broker-dealer affiliates, arrange for the offer and resale of US Warrants within the United States only to QIBs.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of US Warrants, an offer or sale of such US Warrants within the United States by any dealer (whether or not participating in the offering of such tranche of US Warrants) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

The Base Prospectus has been prepared by the Issuers for use in connection with the offer and resale of US Warrants in the United States and, if applicable, for the listing of US Warrants on the Relevant Stock Exchange. The Issuers and the Manager reserve the right to reject any offer to purchase the US Warrants, in whole or in part, for any reason. The Base Prospectus does not constitute an offer to any person in the United States or to any US person, other than any QIB to whom an offer has been made directly by the Manager or its US broker-dealer affiliate. Distribution of the Base Prospectus by any QIB in the United States to any US person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such QIB with respect thereto, is unauthorised and any disclosure without the prior written consent of the Issuers of any of its contents to any of such US person or other person within the United States, other than any QIB and those persons, if any, retained to advise such QIB, is prohibited.

Each issue of US Warrants shall be subject to such additional US or other selling restrictions as the Issuers and the relevant Manager may agree as a term of the issue and purchase of such US Warrants, which additional selling restrictions shall be set out in the applicable Final Terms.

### **Book-Entry Procedures for Rule 144A Global Warrants Deposited with DTC, Euroclear and/or Clearstream**

The Rule 144A Global Warrants will be issued in the form of Global Registered Securities, without Coupons or Talons. Upon issuance, one or more Rule 144A Global Warrants will be deposited with either (i) a custodian for DTC and registered in the name of Cede & Co., as nominee of DTC, or (ii) a common depository on behalf of Euroclear and/or Clearstream and registered in the name of such common depository's nominee. In all other respects the procedures described in "Book-entry Procedures for Rule 144A Global Securities Deposited with DTC" in the Base Prospectus will apply.

Any Rule 144A Global Warrant and beneficial interests in the Rule 144A Global Warrant will be subject to restrictions on transfer as described under "Clearance, Settlement and Transfer Restrictions – Transfer Restrictions for U.S. Warrants" in this Appendix A.

### **Clearance, Settlement and Transfer Restrictions**

#### **Book-Entry Ownership**

##### *US Warrants*

If the Relevant Clearing System is DTC, the Issuer, and the NY Registrar appointed for such purpose that is an eligible DTC participant, shall make application to DTC for acceptance in its book-entry settlement system of the US Warrants represented by a Rule 144A Global Warrant. Each such Rule 144A Global Warrant will have a CUSIP number.

If the Relevant Clearing System is Euroclear, the Issuer, and the Registrar appointed for such purpose that is an eligible Euroclear accountholder, shall make application to Euroclear for acceptance in its book-entry settlement system of the US Warrants represented by a Rule 144A Global Warrant. Each such Rule 144A Global Warrant will have an ISIN number and/or a common code.

If the Relevant Clearing System is Clearstream, the Issuer, and the Registrar appointed for such purpose that is an eligible Clearstream accountholder, shall make application to Clearstream for acceptance in its book-entry settlement system of the US Warrants represented by a Rule 144A Global Warrant. Each such Rule 144A Global Warrant will have an ISIN number and/or a common code.

Each Rule 144A Global Warrant will be subject to restrictions on transfer contained in a legend appearing on the front of such Rule 144A Global Warrant, as set out under "Transfer Restrictions for U.S Warrants" in this Appendix A.

The Custodian with whom the Rule 144A Global Warrants are deposited and the Relevant Clearing System will electronically record the aggregate nominal amount or number of US Warrants, as applicable, represented by the Rule 144A Global Warrants held within the Relevant Clearing System. Investors may hold their beneficial interests in a Rule 144A Global Warrant directly through the Relevant Clearing System if they are participants or accountholders in the Relevant Clearing System, or

indirectly through organisations which are participants or accountholders in the Relevant Clearing System.

Payments of amounts due on each Rule 144A Global Warrant registered in the name of the Relevant Clearing System's nominee will be to, or to the order of, its nominee as the registered owner of such Rule 144A Global Warrant. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit the Relevant Clearing System's participants' or accountholders' accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount, calculation amount or number of the US Warrants, as applicable, represented by the relevant Rule 144A Global Warrant as shown on the records of the Relevant Clearing System or the nominee. The Issuer also expects that payments by the Relevant Clearing System's participants or accountholders to owners of beneficial interests in such Rule 144A Global Warrant held through such participants or accountholders will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants or accountholders. None of the Issuer, the Guarantor, the US Principal Warrant Agent, any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, ownership interests in any Rule 144A Global Warrant or for maintaining, supervising or reviewing any records relating to such ownership interests.

All US Warrants will initially be in the form of Rule 144A Global Warrants. Definitive US Warrants will only be available in minimum amounts of US\$250,000 (or its equivalent rounded upwards, as agreed between the Issuer and the relevant Manager(s)), or higher integral multiples of US\$1,000, in certain limited circumstances described below.

#### ***Transfers of US Warrants***

Transfers of interests in Global Securities within DTC, Euroclear or Clearstream will be in accordance with the usual rules and operating procedures of the Relevant Clearing System. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Rule 144A Global Warrant to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Rule 144A Global Warrant cleared through the facilities of DTC to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

On or after the Issue Date for any Series, transfers of Securities of such Series between accountholders in Euroclear and/or Clearstream and transfers of Securities of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

For a further description of restrictions on transfer of US Warrants, see "Transfer Restrictions for US Warrants" in this Appendix A. In all other respects the procedures described in "Clearance, Settlement and Transfer Restrictions" in the Base Prospectus will apply.

### ***Definitive US Warrants***

Registration of title to US Warrants in a name other than a depository or its nominee for DTC or for Clearstream and/or Euroclear will be permitted only in the circumstances set out in Condition 1 of the Base Conditions. In such circumstances, the Issuer will cause sufficient individual US Warrants to be executed and delivered to the NY Registrar for completion, authentication and despatch to the relevant Warrantholder(s). A person having an interest in a Rule 144A Global Warrant must provide the NY Registrar with:

- (i) a written order containing instructions and such other information as the Issuer and the NY Registrar may require to complete, execute and deliver such Definitive US Warrants; and
- (ii) a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive US Warrants issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

### **Transfer Restrictions for US Warrants**

Each purchaser of US Warrants, by accepting delivery of the Base Prospectus and this Product Annex, will be deemed to have represented, agreed and acknowledged that:

- (i) It (a) is a QIB, (b) is acquiring such US Warrants for its own account or for the account of a QIB and (c) is aware, and each beneficial owner of such US Warrants has been advised, that the sale of such US Warrants to it is being made in reliance on Rule 144A.
- (ii) It understands that such US Warrants and the Guarantee (if any) have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred, except in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB, in accordance with any applicable securities laws of any State of the United States and any other applicable jurisdiction and it will, and each subsequent holder of the US Warrants is required to, notify any purchaser of the US Warrants from it of the resale restrictions on the US Warrants.
- (iii) The Rule 144A Global Warrant representing such US Warrants will, unless the Issuer determines otherwise in accordance with applicable law, bear a legend in, or substantially in, the following form:

“THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY AND THE GUARANTEE (IF ANY) IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, HAVE NOT BEEN APPROVED BY THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE “COMMODITY EXCHANGE ACT”), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED

INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A “QIB”) THAT IS ACQUIRING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION.”

- (iv) A Rule 144A Global Warrant held by a Custodian on behalf of DTC shall also bear the following legend:

“UNLESS THIS RULE 144A GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

- (v) The Issuers, the NY Registrar, the Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any US Warrants for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

The Issuer has agreed that any holder of US Warrants, or prospective purchaser designated by a holder of US Warrants, will have the right to obtain from the Issuer during any period in which neither the Issuer nor the Guarantor is neither subject to section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, upon request, the information required by Rule 144A(d)(4) under the Securities Act.

**Prospective purchasers are hereby notified that sellers of US Warrants may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.**

**APPENDIX B**  
**TYPE 2 US WARRANTS**  
**PURCHASE AND SALE**

No action has been or will be taken by BCCL, the Bank or the Managers that would permit a public offering of any US Warrants or possession or distribution of any offering material in relation to any US Warrants in any jurisdiction where action for that purpose is required. No offers, sales, resales or deliveries of any US Warrants, or distribution of any offering material relating to any US Warrants, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on BCCL, the Bank and/or the Managers.

**United States of America**

The US Warrants and the Guarantee have not been and will not be registered under the Securities Act, and trading in the US Warrants has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act. US Warrants, or interests therein, may not be offered or sold within the United States or to, or for the account or benefit of, US persons except in certain transactions exempt from the registration requirements of the Securities Act and of the Commodity Exchange Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

The Manager has agreed (and each further Manager named in a set of Final Terms will be required to agree) that it will not offer or sell US Warrants at any time within the United States or to, or for the account or benefit of, US persons, except pursuant to Rule 144A to certain qualified institutional buyers as defined in Rule 144A (each a “**QIB**”) that are also Eligible Contract Participants (each an “**ECP**”) as defined in the Commodity Exchange Act (each QIB that is an ECP, a “**QIB/ECP**”).

The Manager has further represented and agreed (and each further Manager named in a set of Final Terms will be required to represent and agree) that (i) it has a reasonable belief that initial sales and subsequent transfers of the US Warrants will be made only to QIB/ECPs, (ii) it is a sophisticated investment bank with the ability to screen and identify initial purchasers as QIB/ECPs, (iii) it is a QIB/ECP, (iv) it has only sold and will only sell to persons (including any distributor or dealer) that are, or that it reasonably believes are, QIB/ECPs that can make the representations described in the legends on the Rule 144A Global Warrants and (v) that on the initial placement of any Series of US Warrants, it will obtain from each initial investor an investor representation letter, substantially in the form attached as Appendix D hereto, confirming such investor’s status as a QIB/ECP.

The Master Subscription Agreement provides that the Manager may directly or through their US broker-dealer affiliates arrange for the offer and resale of US Warrants within the United States only to QIB/ECPs.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of US Warrants, an offer or sale of such US Warrants within the United States by any dealer (whether or not participating in the offering of such tranche of Warrants) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

The exercise of a US Warrant or the payment of the Exercise Cash Settlement Amount, Early Cash Settlement Amount or other similar amount on exercise of a Warrant will be conditional on certification that the person exercising the US Warrants, and each person on whose behalf the US Warrants are being exercised or who is the beneficial owner thereof, is a QIB/ECP exercising US Warrants with a minimum exercise price of \$250,000.

The Base Prospectus has been prepared by the Issuers for use in connection with the offer and resale of US Warrants in the United States and, if applicable, for the listing of US Warrants on the Relevant Stock Exchange. The Issuers and the Manager reserve the right to reject any offer to purchase the US Warrants, in whole or in part, for any reason. The Base Prospectus does not constitute an offer to any person in the United States or to any US person other than any QIB/ECP to whom an offer has been made directly by the Manager or its US broker-dealer affiliate. Distribution of the Base Prospectus by any QIB/ECP to any person other than any QIB/ECP and those persons, if any, retained to advise such QIB/ECP with respect thereto is unauthorised and any disclosure without the prior written consent of the Issuers of any of its contents to any person other than any QIB/ECP and those persons, if any, retained to advise such QIB/ECP, is prohibited.

Each issue of US Warrants shall be subject to such additional US or other selling restrictions as the Issuers and the relevant Manager may agree as a term of the issue and purchase of such US Warrants, which additional selling restrictions shall be set out in the applicable Final Terms.

#### **Book-Entry Procedures for Rule 144A Global Warrants Deposited with DTC, Euroclear and/or Clearstream**

The Rule 144A Global Warrants will be issued in the form of Global Registered Securities, without Coupons or Talons. Upon issuance, one or more Rule 144A Global Warrants will be deposited with either (i) a custodian for DTC and registered in the name of Cede & Co., as nominee of DTC, or (ii) a common depository on behalf of Euroclear and/or Clearstream and registered in the name of such common depository's nominee. In all other respects the procedures described in "Book-entry Procedures for Rule 144A Global Securities Deposited with DTC" in the Base Prospectus will apply.

Any Rule 144A Global Warrant and beneficial interests in the Rule 144A Global Warrant will be subject to restrictions on transfer, as described under "Clearance, Settlement and Transfer Restrictions – Transfer Restrictions for US Warrants" in this Appendix B.

#### **Clearance, Settlement and Transfer Restrictions**

##### **Book-Entry Ownership**

###### *Warrants*

If the Relevant Clearing System is DTC, the Issuer, and the NY Registrar appointed for such purpose that is an eligible DTC participant, shall make application to DTC for acceptance in its book-entry settlement system of the US Warrants represented by a Rule 144A Global Warrant. Each such Rule 144A Global Warrant will have a CUSIP number.

If the Relevant Clearing System is Euroclear, the Issuer, and the Registrar appointed for such purpose that is an eligible Euroclear account holder, shall make application to Euroclear for acceptance in its

book-entry settlement system of the US Warrants represented by a Rule 144A Global Warrant. Each such Rule 144A Global Warrant will have an ISIN number and/or a common code.

If the Relevant Clearing System is Clearstream, the Issuer, and the Registrar appointed for such purpose that is an eligible Clearstream accountholder, shall make application to Clearstream for acceptance in its book-entry settlement system of the US Warrants represented by a Rule 144A Global Warrant. Each such Rule 144A Global Warrant will have an ISIN number and/or a common code.

Each Rule 144A Global Warrant will be subject to restrictions on transfer contained in a legend appearing on the front of such Rule 144A Global Warrant, as set out under “Transfer Restrictions for US Warrants” in this Appendix B.

The Custodian with whom the Rule 144A Global Warrants are deposited and the Relevant Clearing System will electronically record the aggregate nominal amount or number of US Warrants, as applicable, represented by the Rule 144A Global Warrants held within the Relevant Clearing System. Investors may hold their beneficial interests in a Rule 144A Global Warrant directly through the Relevant Clearing System if they are participants or accountholders in the Relevant Clearing System, or indirectly through organisations which are participants or accountholders in the Relevant Clearing System.

Payments of amounts due on each Rule 144A Global Warrant registered in the name of the Relevant Clearing System’s nominee will be to, or to the order of, its nominee as the registered owner of such Rule 144A Global Warrant. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit the Relevant Clearing System’s participants’ or accountholders’ accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount, calculation amount or number of the US Warrants, as applicable, represented by the relevant Rule 144A Global Warrant as shown on the records of the Relevant Clearing System or the nominee. The Issuer also expects that payments by the Relevant Clearing System’s participants or accountholders to owners of beneficial interests in such Rule 144A Global Warrant held through such participants or accountholders will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants or accountholders. None of the Issuer, the Guarantor, the US Principal Warrant Agent, any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, ownership interests in any Rule 144A Global Warrant or for maintaining, supervising or reviewing any records relating to such ownership interests.

All US Warrants will initially be in the form of Rule 144A Global Warrants. Definitive US Warrants will only be available in minimum amounts of US\$250,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Manager(s)), or higher integral multiples of US\$1,000, in certain limited circumstances described below.

#### *Transfers of US Warrants*

Transfers of interests in Global Securities within DTC, Euroclear or Clearstream will be in accordance with the usual rules and operating procedures of the Relevant Clearing System. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Rule 144A Global Warrant to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of

indirect participants, the ability of a person having an interest in a Rule 144A Global Warrant cleared through the facilities of DTC to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

On or after the Issue Date for any Series, transfers of Securities of such Series between accountholders in Euroclear and/or Clearstream and transfers of Securities of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

For a further description of restrictions on transfer of US Warrants, see “Transfer Restrictions for US Warrants” in this Appendix B. In all other respects the procedures described in “Clearance, Settlement and Transfer Restrictions” in the Base Prospectus will apply.

#### *Definitive US Warrants*

Registration of title to US Warrants in a name other than a depository or its nominee for DTC or for Clearstream and/or Euroclear will be permitted only in the circumstances set out in Condition 1 of the Base Conditions. In such circumstances, the Issuer will cause sufficient individual US Warrants to be executed and delivered to the NY Registrar for completion, authentication and despatch to the relevant Warrantheadholder(s). A person having an interest in a Rule 144A Global Warrant must provide the NY Registrar with:

- (i) a written order containing instructions and such other information as the Issuer and the NY Registrar may require to complete, execute and deliver such Definitive US Warrants; and
- (ii) a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive US Warrants issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

#### **Transfer Restrictions for US Warrants**

Each purchaser of US Warrants, by accepting delivery of the Base Prospectus and this Product Annex, will be deemed to have represented, agreed and acknowledged that:

- (i) It (a) is a QIB/ECP, (b) is acquiring such US Warrants for its own account or for the account of a QIB/ECP, (c) agrees to provide notice of the transfer restrictions applicable to the US Warrants (as described in (ii) below) to any subsequent transferee, and (d) is aware, and each beneficial owner of such US Warrants has been advised, that the sale of such US Warrants to it is being made in reliance on Rule 144A.
- (ii) It understands that such US Warrants and the Guarantee (if any) have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred, except in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a QIB/ECP purchasing for its own account or for the account of a QIB/ECP, in accordance with any applicable securities laws of any State of the United States and any other applicable jurisdiction and it will, and each subsequent holder of the US Warrants

is required to, notify any purchaser of the US Warrants from it of the resale restrictions on the US Warrants.

- (iii) The Rule 144A Global Warrant representing such US Warrants will, unless the Issuer determines otherwise in accordance with applicable law, bear a legend in or substantially in the following form:

“THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY AND THE GUARANTEE (IF ANY) IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, HAVE NOT BEEN APPROVED BY THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE “COMMODITY EXCHANGE ACT”), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A “QIB”) THAT IS ALSO AN ELIGIBLE CONTRACT PARTICIPANT (AN “ECP”) AS DEFINED IN THE COMMODITY EXCHANGE ACT (EACH QIB THAT IS AN ECP, A “QIB/ECP”) AND THAT IS ACQUIRING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIB/ECPs, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION. EACH TRANSFEROR OF A BENEFICIAL INTEREST IN SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY SHALL PROVIDE THE TRANSFEREE THEREOF NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE TO THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY.

THE ISSUER HAS THE RIGHT TO COMPEL ANY HOLDER OF SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY OR BENEFICIAL OWNER OF ANY INTEREST THEREIN THAT IS NOT A QIB/ECP TO SELL SUCH SECURITIES OR INTEREST THEREIN, OR MAY SELL SUCH SECURITIES OR INTEREST THEREIN ON BEHALF OF SUCH PERSON, AT THE LOWEST OF (X) THE PURCHASE PRICE THEREFOR PAID BY THE HOLDER OR BENEFICIAL OWNER, AS THE CASE MAY BE, (Y) 100 per cent. OF THE EXERCISE CASH SETTLEMENT AMOUNT THEREOF AND (Z) THE FAIR MARKET VALUE THEREOF.”

- (iv) A Rule 144A Global Warrant held by a Custodian on behalf of DTC shall also bear the following legend:

“UNLESS THIS RULE 144A GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

- (v) The Issuers, the NY Registrar, the Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any US Warrants for the account of one or more QIB/ECPs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- (vi) It understands that the Issuer has the right to compel any Warrantholder or beneficial owner to sell its US Warrants or interest therein, or may sell such US Warrants or interest therein on behalf of such person, where such person does not satisfy the requirements set out in paragraph (i) above. Any such sale shall be made at the lowest of (a) the purchase price paid therefor by the Warrantholder or beneficial owner, as the case may be, (b) 100 per cent. of the Exercise Cash Settlement Amount thereof, and (c) the fair market value thereof.

The Issuer has agreed that any holder of US Warrants or prospective purchaser designated by a holder of Warrants will have the right to obtain from the Issuer during any period in which neither the Issuer nor the Guarantor is neither subject to section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, upon request, the information required by Rule 144A(d)(4) under the Securities Act.

**Prospective purchasers are hereby notified that sellers of US Warrants may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.**

**APPENDIX C**  
**TYPE 3 US WARRANTS**  
**PURCHASE AND SALE**

No action has been or will be taken by BCCL, the Bank or the Managers that would permit a public offering of any US Warrants or possession or distribution of any offering material in relation to any US Warrants in any jurisdiction where action for that purpose is required. No offers, sales, resales or deliveries of any US Warrants, or distribution of any offering material relating to any US Warrants, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on BCCL, the Bank and/or the Managers.

**United States of America**

The US Warrants and the Guarantee have not been and will not be registered under the Securities Act, and trading in the US Warrants has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act. US Warrants, or interests therein, may not be offered or sold within the United States or to, or for the account or benefit of, US persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

The Manager has agreed (and each further Manager named in a set of Final Terms will be required to agree) that it will not offer or sell US Warrants at any time within the United States or to, or for the account or benefit of, US persons except, pursuant to Rule 144A to certain qualified institutional buyers as defined in Rule 144A (each a “**QIB**”) that are also both (i) Qualified Purchasers (each a “**QP**”) as defined in Section 2(a)(51) of the Investment Company Act and (ii) Eligible Contract Participants (each an “**ECP**”) as defined in the Commodity Exchange Act (each QIB that is both a QP and an ECP, a “**QIB/QP/ECP**”).

The Manager has further represented and agreed (and each further Manager named in a set of Final Terms will be required to represent and agree) that (i) it has a reasonable belief that initial sales and subsequent transfers of the US Warrants will be made only to QIB/QP/ECPs, (ii) it is a sophisticated investment bank with the ability to screen and identify purchasers as QIB/QP/ECPs, (iii) it is a QIB/QP/ECP, (iv) it has only sold and will only sell to persons (including any distributor or dealer) that are, or that it reasonably believes are, QIB/QP/ECPs that can make the representations described in the legends on the Global Certificates representing the US Warrants, (v) that it has complied, and will comply, with the procedures recommended by The Bond Market Association with respect to the distribution of securities sold in reliance on the exemption provided by Section 3(c)(7) of the Investment Company Act and (vi) that on the initial placement of any Series of US Warrants it will obtain from each initial investor an investor representation letter, substantially in the form attached as Appendix E hereto, confirming such investor’s status as a QIB/QP/ECP.

The Master Subscription Agreement provides that the Manager may directly or through their US broker-dealer affiliates arrange for the offer and resale of US Warrants within the United States only to QIB/QP/ECPs.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of US Warrants, an offer or sale of such US Warrants within the United States by any dealer (whether or not participating in the offering of such tranche of Warrants) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

The exercise of a US Warrant or the payment of the Exercise Cash Settlement Amount, Early Cash Settlement Amount or other similar amount on exercise of a US Warrant will be conditional on certification that the person exercising the US Warrants, and each person on whose behalf the US Warrants are being exercised or who is the beneficial owner thereof, is a QIB/QP/ECP exercising US Warrants with a minimum exercise price of \$250,000.

The Base Prospectus has been prepared by the Issuers for use in connection with the offer and resale of US Warrants in the United States and, if applicable, for the listing of US Warrants on the Relevant Stock Exchange. The Issuers and the Manager reserve the right to reject any offer to purchase the US Warrants, in whole or in part, for any reason. The Base Prospectus does not constitute an offer to any person in the United States or to any US person other than any QIB/QP/ECP to whom an offer has been made directly by the Manager or its US broker-dealer affiliate. Distribution of the Base Prospectus by any QIB/QP/ECP in the United States to any person other than any QIB/QP/ECP and those persons, if any, retained to advise such QIB/QP/ECP with respect thereto is unauthorised and any disclosure without the prior written consent of the Issuers of any of its contents to any person other than any QIB/QP/ECP and those persons, if any, retained to advise such QIB/QP/ECP is prohibited.

Each issue of US Warrants shall be subject to such additional US or other selling restrictions as the Issuers and the relevant Manager may agree as a term of the issue and purchase of such US Warrants, which additional selling restrictions shall be set out in the applicable Final Terms.

### **Book-Entry Procedures for Rule 144A Global Warrants Deposited with DTC, Euroclear and/or Clearstream**

The Rule 144A Global Warrants will be issued in the form of Global Registered Securities, without Coupons or Talons. Upon issuance, one or more Rule 144A Global Warrants will be deposited with either (i) a custodian for DTC and registered in the name of Cede & Co., as nominee of DTC, or (ii) a common depository on behalf of Euroclear and/or Clearstream and registered in the name of such common depository's nominee. In all other respects the procedures described in "Book-entry Procedures for Rule 144A Global Securities Deposited with DTC" in the Base Prospectus will apply.

Any Rule 144A Global Warrant and beneficial interests in the Rule 144A Global Warrant will be subject to restrictions on transfer, as described under "Clearance, Settlement and Transfer Restrictions – Transfer Restrictions for US Warrants" in this Appendix C.

### **Clearance, Settlement and Transfer Restrictions**

#### **Book-Entry Ownership**

##### *Warrants*

If the Relevant Clearing System is DTC, the Issuer, and the NY Registrar appointed for such purpose that is an eligible DTC participant, shall make application to DTC for acceptance in its book-entry

settlement system of the US Warrants represented by a Rule 144A Global Warrant. Each such Rule 144A Global Warrant will have a CUSIP number.

If the Relevant Clearing System is Euroclear, the Issuer, and the Registrar appointed for such purpose that is an eligible Euroclear accountholder, shall make application to Euroclear for acceptance in its book-entry settlement system of the US Warrants represented by a Rule 144A Global Warrant. Each such Rule 144A Global Warrant will have an ISIN number and/or a common code.

If the Relevant Clearing System is Clearstream, the Issuer, and the Registrar appointed for such purpose that is an eligible Clearstream accountholder, shall make application to Clearstream for acceptance in its book-entry settlement system of the US Warrants represented by a Rule 144A Global Warrant. Each such Rule 144A Global Warrant will have an ISIN number and/or a common code.

Each Rule 144A Global Warrant will be subject to restrictions on transfer contained in a legend appearing on the front of such Rule 144A Global Warrant, as set out under “Transfer Restrictions for US Warrants” in this Appendix C.

The Custodian with whom the Rule 144A Global Warrants are deposited and the Relevant Clearing System will electronically record the aggregate nominal amount or number of Warrants, as applicable, represented by the Rule 144A Global Warrants held within the Relevant Clearing System. Investors may hold their beneficial interests in a Rule 144A Global Warrant directly through the Relevant Clearing System if they are participants or accountholders in the Relevant Clearing System, or indirectly through organisations which are participants or accountholders in the Relevant Clearing System.

Payments of amounts due on each Rule 144A Global Warrant registered in the name of the Relevant Clearing System’s nominee will be to, or to the order of, its nominee as the registered owner of such Rule 144A Global Warrant. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit the Relevant Clearing System’s participants’ or accountholders’ accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount, calculation amount or number of the US Warrants, as applicable, represented by the relevant Rule 144A Global Warrant as shown on the records of the Relevant Clearing System or the nominee. The Issuer also expects that payments by the Relevant Clearing System’s participants or accountholders to owners of beneficial interests in such Rule 144A Global Warrant held through such participants or accountholders will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants or accountholders. None of the Issuer, the Guarantor, the US Principal Warrant Agent, any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, ownership interests in any Rule 144A Global Warrant or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Warrants will initially be in the form of Rule 144A Global Warrants. Definitive US Warrants will only be available in minimum amounts of US\$250,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Manager(s)), or higher integral multiples of US\$1,000, in certain limited circumstances described below.

### *Transfers of US Warrants*

Transfers of interests in Global Securities within DTC, Euroclear or Clearstream will be in accordance with the usual rules and operating procedures of the Relevant Clearing System. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Rule 144A Global Warrant to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Rule 144A Global Warrant cleared through the facilities of DTC to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

On or after the Issue Date for any Series, transfers of Securities of such Series between accountholders in Euroclear and/or Clearstream and transfers of Securities of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

For a further description of restrictions on transfer of US Warrants, see “Transfer Restrictions for US Warrants” in this Appendix C. In all other respects the procedures described in “Clearance, Settlement and Transfer Restrictions” in the Base Prospectus will apply.

### *Definitive US Warrants*

Registration of title to US Warrants in a name other than a depository or its nominee for DTC or for Clearstream and/or Euroclear will be permitted only in the circumstances set out in Condition 1 of the Base Conditions. In such circumstances, the Issuer will cause sufficient individual US Warrants to be executed and delivered to the NY Registrar for completion, authentication and despatch to the relevant Warrantholder(s). A person having an interest in a Rule 144A Global Warrant must provide the NY Registrar with:

- (i) a written order containing instructions and such other information as the Issuer and the NY Registrar may require to complete, execute and deliver such Definitive US Warrants; and
- (ii) a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive US Warrants issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

### **Transfer Restrictions for US Warrants**

Each purchaser of US Warrants, by accepting delivery of the Base Prospectus and this Product Annex, will be deemed to have represented, agreed and acknowledged that:

- (i) It (a) is a QIB/QP/ECP, (b) is acquiring such US Warrants for its own account or for the account of a QIB/QP/ECP, (c) agrees to provide notice of the transfer restrictions applicable to the US Warrants (as described in (ii) below) to any subsequent transferee, and (d) is aware, and each beneficial owner of such US Warrants has been advised, that the sale of such US Warrants to it is being made in reliance on Rule 144A.

(ii) It understands that such US Warrants and the Guarantee (if any) have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred, except in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a QIB/QP/ECP purchasing for its own account or for the account of a QIB/QP/ECP, in accordance with any applicable securities laws of any State of the United States and any other applicable jurisdiction and it will, and each subsequent holder of the US Warrants is required to, notify any purchaser of the US Warrants from it of the resale restrictions on the US Warrants.

(iii) The Rule 144A Global Warrant representing such US Warrants will, unless the Issuer determines otherwise in accordance with applicable law, bear a legend in or substantially in the following form:

“THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY AND THE GUARANTEE (IF ANY) IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, HAVE NOT BEEN APPROVED BY THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE “COMMODITY EXCHANGE ACT”), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A “QIB”) THAT IS ALSO BOTH (I) A QUALIFIED PURCHASER (A “QP”) AS DEFINED IN SECTION 2(a)(51) OF THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED AND (II) AN ELIGIBLE CONTRACT PARTICIPANT (AN “ECP”) AS DEFINED IN THE COMMODITY EXCHANGE ACT (EACH QIB THAT IS BOTH A QP AND AN ECP, A “QIB/QP/ECP”) AND THAT IS ACQUIRING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIB/QP/ECPS, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION. EACH TRANSFEROR OF A BENEFICIAL INTEREST IN SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY SHALL PROVIDE THE TRANSFEREE THEREOF NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE TO THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY.

THE ISSUER HAS THE RIGHT TO COMPEL ANY HOLDER OF SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY OR BENEFICIAL OWNER OF ANY INTEREST THEREIN THAT IS NOT A QIB/QP/ECP TO SELL SUCH SECURITIES OR INTEREST THEREIN, OR MAY SELL SUCH SECURITIES OR INTEREST THEREIN ON BEHALF OF SUCH PERSON, AT THE LOWEST OF (X) THE PURCHASE PRICE THEREFOR PAID BY THE HOLDER OR BENEFICIAL OWNER, AS THE CASE MAY BE, (Y) 100 per cent. OF THE EXERCISE CASH SETTLEMENT AMOUNT THEREOF AND (Z) THE FAIR MARKET VALUE THEREOF.”

(iv) A Rule 144A Global Warrant held by a Custodian on behalf of DTC shall also bear the following legend:

“UNLESS THIS RULE 144A GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION

(“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

- (v) The Issuers, the NY Registrar, the Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any US Warrants for the account of one or more QIB/QP/ECPs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- (vi) It understands that the Issuer has the right to compel any Warrantholder or beneficial owner to sell its US Warrants or interest therein, or may sell such US Warrants or interest therein on behalf of such person, where such person does not satisfy the requirements set out in paragraph (i) above. Any such sale shall be made at the lowest of (a) the purchase price paid therefor by the Warrantholder or beneficial owner, as the case may be, (b) 100 per cent. of the Exercise Cash Settlement Amount thereof, and (c) the fair market value thereof.

The Issuer has agreed that any holder of US Warrants or prospective purchaser designated by a holder of US Warrants will have the right to obtain from the Issuer during any period in which the neither the Issuer nor the Guarantor is neither subject to section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, upon request, the information required by Rule 144A(d)(4) under the Securities Act.

**Prospective purchasers are hereby notified that sellers of US Warrants may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.**

APPENDIX D  
INVESTOR REPRESENTATION LETTER FOR TYPE 2 US WARRANTS  
LETTER OF REPRESENTATION (TYPE 2 US WARRANTS)

[ ]

[ ]

(as NY Registrar)

[ ]

(as Transfer Agent)

[Date]

Dear Sirs

We are delivering this letter in connection with the undersigned's proposed purchase of the principal amount set out above the undersigned's signature of the [ ] due [ ] (the "Warrants") of [ ] (the "Issuer") issued on [ ].

In connection with our proposed purchase of Warrants, we confirm and acknowledge that the following provisions of this letter apply to us:

- 1 We (i) are a "qualified institutional buyer" (a "QIB") as defined in Rule 144A ("Rule 144A") under the US Securities Act of 1933, as amended (the "Securities Act"), that is also an Eligible Contract Participant (an "ECP") as defined in the United States Commodity Exchange Act of 1936, as amended (a QIB that is an ECP, a "QIB/ECP"), (ii) are acquiring the Warrants for our own account or for the account of a QIB/ECP as to which we exercise sole investment discretion and not with a view to distribution thereof or with any present intention of offering or selling any of the Warrants or any other disposition thereof in violation of the Securities Act, (iii) agree to provide notice of the transfer restrictions applicable to the Warrants to any subsequent transferee (which transferee shall be required to make the same representations in this letter of representation), and (iv) are aware, and each beneficial owner of such Warrants has been advised, that the sale of such Warrants to us is being made in reliance on Rule 144A.
- 2 We understand that the Warrants have been offered in a transaction not involving any public offering within the United States within the meaning of the Securities Act, that the Warrants and the Guarantee (if any) have not been and will not be registered under the Securities Act and that the Warrants may not be offered, sold, pledged or otherwise transferred, except in accordance with Rule 144A to a person that we, and any person acting on our behalf, reasonably believe is a QIB/ECP purchasing for its own account or for the account of a QIB/ECP, in accordance with any applicable securities laws of any State of the United States and any other applicable jurisdiction; and we agree that if in the future we decide to offer, resell, pledge or otherwise transfer the Warrants or any beneficial interest in the Warrants, the Warrants may be offered, resold, pledged or otherwise transferred only to persons who deliver to the Issuer, the Registrar and the Transfer Agent a letter of representation substantially in the form of this letter of representation. We will, and each subsequent holder of the Warrants is required to, notify any purchaser of Warrants of the resale restrictions and

the requirement to deliver a letter of representation. We understand that the Issuer does not have any obligation to register any of the Warrants under the Securities Act or to comply with the requirements for any exemption from the registration requirements of the Securities Act (other than to supply information specified in Rule 144A(d)(4) of the Securities Act).

- 3 We understand that the exercise of a Warrant or the payment of the Exercise Cash Settlement Amount, Early Cash Settlement Amount or other similar amount on exercise of a Warrant will be conditional on certification that the person exercising the Warrants, and each person on whose behalf the Warrants are being exercised or who is the beneficial owner thereof, is a QIB/ECP exercising Warrants with a minimum exercise price of \$250,000. In addition, we understand that the Issuer may receive a list of participants holding positions in its securities from the Registrar.
- 4 In connection with the purchase of Warrants: (i) none of the Issuer, the Guarantor (if any), the Manager, the NY Registrar, any Agent or any subsidiary, holding or associated company of any of them (including any directors, officers or employees thereof) is acting as a fiduciary or financial or portfolio manager for us; (ii) we are not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Guarantor (if any), the Manager, the NY Registrar, any Agent or any subsidiary, holding or associated company of any of them (including any directors, officers or employees thereof) other than any representations expressly set forth in a written agreement with such party; (iii) none of the Issuer, the Guarantor (if any), the Manager, the NY Registrar, any Agent or any subsidiary, holding or associated company of any of them (including any directors, officers or employees thereof) has given to us (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Warrants; (iv) we have consulted with our own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent we have deemed necessary, and we have made our own investment decisions based upon our own judgement and upon any advice from such advisers as we have deemed necessary and not upon any view expressed by the Issuer, the Guarantor (if any), the Manager, the NY Registrar, any Agent or any subsidiary, holding or associated company of any of them (including any directors, officers or employees thereof); (v) we are a sophisticated investor, and have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of purchasing the Warrants; and (vi) we have evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Warrants with a full understanding of all of the risks thereof (economic and otherwise), and we are capable of assuming and willing to assume (financially and otherwise) those risks.
- 5 We acknowledge that the Issuer, the NY Registrar, the Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If we are acquiring any Warrants for the account of one or more QIB/ECPs, we represent that we have sole investment discretion with respect to each such account and that we have full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- 6 Any purported transfer in violation of paragraph (1) to (5) of these transfer restrictions will be null and void *ab initio* and will not operate to transfer any rights to the transferee, notwithstanding any instructions to the contrary to the Issuer or any intermediary. We understand that the Issuer has the right to compel any Warrantholder or beneficial owner that is not a QIB/ECP to sell its Warrants or

interest therein, or may sell such Warrants or interest therein on behalf of such owner, at the lowest of (i) the purchase price therefor paid by the Warrantholder or beneficial owner, as the case may be, (ii) 100 per cent. of the Exercise Cash Settlement Amount thereof and (iii) the fair market value thereof.

- 7 Each Rule 144A Global Warrant issued in respect of the Warrants will bear the following legend:

“THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY AND THE GUARANTEE (IF ANY) IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, HAVE NOT BEEN APPROVED BY THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE “COMMODITY EXCHANGE ACT”), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A “QIB”) THAT IS ALSO AN ELIGIBLE CONTRACT PARTICIPANT (AN “ECP”) AS DEFINED IN THE COMMODITY EXCHANGE ACT (EACH QIB THAT IS AN ECP, A “QIB/ECP”) AND THAT IS ACQUIRING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIB/ECPS, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION. EACH TRANSFEROR OF A BENEFICIAL INTEREST IN SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY SHALL PROVIDE THE TRANSFEREE THEREOF NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE TO THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY.

THE ISSUER HAS THE RIGHT TO COMPEL ANY HOLDER OF SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY OR BENEFICIAL OWNER OF ANY INTEREST THEREIN THAT IS NOT A QIB/ECP TO SELL SUCH SECURITIES OR INTEREST THEREIN, OR MAY SELL SUCH SECURITIES OR INTEREST THEREIN ON BEHALF OF SUCH PERSON, AT THE LOWEST OF (X) THE PURCHASE PRICE THEREFOR PAID BY THE HOLDER OR BENEFICIAL OWNER, AS THE CASE MAY BE, (Y) 100 per cent. OF THE EXERCISE CASH SETTLEMENT AMOUNT THEREOF AND (Z) THE FAIR MARKET VALUE THEREOF.”

- 8 A Rule 144A Global Warrant held by a Custodian on behalf of DTC will also bear the following legend:

“UNLESS THIS RULE 144A GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

We acknowledge that you will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements set forth herein, and we agree to notify you promptly in writing if any of our acknowledgments, representations or warranties herein ceases to be accurate and complete.

We hereby agree that this letter or a copy thereof may be produced to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

We understand that there may be certain consequences under United States and other tax laws resulting from an investment in the Warrants and we have made such investigation and have consulted such tax and other advisers with respect thereto as we deem appropriate.

We hereby certify that all necessary action has been taken to authorise the purchase of the Warrants and the execution of this letter.

THIS LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

This letter relates to [USD][ ] principal amount of the Warrants.

.....  
(Name of Purchaser)

By:.....

Name:

Title:

Address:

APPENDIX E  
INVESTOR REPRESENTATION LETTER FOR TYPE 3 US WARRANTS  
LETTER OF REPRESENTATION (TYPE 3 US WARRANTS)

[ ]

[ ]

(as NY Registrar)

[ ]

(as Transfer Agent)

[Date]

Dear Sirs

We are delivering this letter in connection with the undersigned's proposed purchase of the principal amount set out above the undersigned's signature of the [ ] due [ ] (the "Warrants") of [ ] (the "Issuer") issued on [ ].

In connection with our proposed purchase of Warrants, we confirm and acknowledge that the following provisions of this letter apply to us:

- 1 We (i) are a "qualified institutional buyer" (a "QIB") as defined in Rule 144A ("Rule 144A") under the US Securities Act of 1933, as amended (the "Securities Act") that is also (A) a "qualified purchaser (a "QP") as defined in Section 2(a)(51) of the United States Investment Company Act of 1940, as amended, and (B) an Eligible Contract Participant (an "ECP") as defined in the U.S. Commodity Exchange Act of 1936, as amended (a QIB that is both a QP and an ECP, a "QIB/QP/ECP"), (ii) are acquiring the Warrants for our own account or for the account of a QIB/QP/ECP as to which we exercise sole investment discretion and not with a view to distribution thereof or with any present intention of offering or selling any of the Warrants or any other disposition thereof in violation of the Securities Act, (iii) agree to provide notice of the transfer restrictions applicable to the Warrants to any subsequent transferee (which transferee shall be required to make the same representations in this letter of representation), and (iv) are aware, and each beneficial owner of such Warrants has been advised, that the sale of such Warrants to us is being made in reliance on Rule 144A.
- 2 We understand that the Warrants have been offered in a transaction not involving any public offering within the United States within the meaning of the Securities Act, that the Warrants and the Guarantee (if any) have not been and will not be registered under the Securities Act and that the Warrants may not be offered, sold, pledged or otherwise transferred, except in accordance with Rule 144A to a person that we, and any person acting on our behalf, reasonably believe is a QIB/QP/ECP purchasing for its own account or for the account of a QIB/QP/ECP, in accordance with any applicable securities laws of any State of the United States and any other applicable jurisdiction; and we agree that if in the future we decide to offer, resell, pledge or otherwise transfer the Warrants or any beneficial interest in the Warrants, the Warrants may be offered, resold, pledged or otherwise transferred only to persons who deliver to the Issuer, the Registrar and the Transfer Agent a letter of representation substantially in the form of this letter of representation. We will, and each subsequent

holder of the Warrants is required to, notify any purchaser of Warrants of the resale restrictions and the requirement to deliver a letter of representation. We understand that the Issuer does not have any obligation to register any of the Warrants under the Securities Act or to comply with the requirements for any exemption from the registration requirements of the Securities Act (other than to supply information specified in Rule 144A(d)(4) of the Securities Act).

- 3 We understand that the exercise of a Warrant or the payment of the Exercise Cash Settlement Amount, Early Cash Settlement Amount or other similar amount on exercise of a Warrant will be conditional on certification that the person exercising the Warrants, and each person on whose behalf the Warrants are being exercised or who is the beneficial owner thereof, is a QIB/QP/ECP exercising Warrants with a minimum exercise price of \$250,000. In addition, we understand that the Issuer may receive a list of participants holding positions in its securities from the Registrar.
- 4 In connection with the purchase of Warrants: (i) none of the Issuer, the Guarantor (if any), the Manager, the NY Registrar, any Agent or any subsidiary, holding or associated company of any of them (including any directors, officers or employees thereof) is acting as a fiduciary or financial or portfolio manager for us; (ii) we are not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Guarantor (if any), the Manager, the NY Registrar, any Agent or any subsidiary, holding or associated company of any of them (including any directors, officers or employees thereof) other than any representations expressly set forth in a written agreement with such party; (iii) none of the Issuer, the Guarantor (if any), the Manager, the NY Registrar, any Agent or any subsidiary, holding or associated company of any of them (including any directors, officers or employees thereof) has given to us (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Warrants; (iv) we have consulted with our own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent we have deemed necessary, and we have made our own investment decisions based upon our own judgement and upon any advice from such advisers as we have deemed necessary and not upon any view expressed by the Issuer, the Guarantor (if any), the Manager, the NY Registrar, any Agent or any subsidiary, holding or associated company of any of them (including any directors, officers or employees thereof); (v) we are a sophisticated investor, and have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of purchasing the Warrants; and (vi) we have evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Warrants with a full understanding of all of the risks thereof (economic and otherwise), and we are capable of assuming and willing to assume (financially and otherwise) those risks.
- 5 We acknowledge that the Issuer, the NY Registrar, the Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If we are acquiring any Warrants for the account of one or more QIB/QP/ECPs, we represent that we have sole investment discretion with respect to each such account and that we have full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- 6 Any purported transfer in violation of paragraph (1) to (5) of these transfer restrictions will be null and void *ab initio* and will not operate to transfer any rights to the transferee, notwithstanding any

instructions to the contrary to the Issuer or any intermediary. We understand that the Issuer has the right to compel any Warrantholder or beneficial owner that is not a QIB/QP/ECP to sell its Warrants or interest therein, or may sell such Warrants or interest therein on behalf of such owner, at the lowest of (i) the purchase price therefor paid by the Warrantholder or beneficial owner, as the case may be, (iii) 100 per cent. of the Exercise Cash Settlement Amount thereof and (ii) the fair market value thereof.

- 7 Each Rule 144A Global Warrant issued in respect of the Warrants will bear the following legend:

“THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY AND THE GUARANTEE (IF ANY) IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, HAVE NOT BEEN APPROVED BY THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE “COMMODITY EXCHANGE ACT”), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A “QIB”) THAT IS ALSO BOTH (I) A QUALIFIED PURCHASER (A “QP”) AS DEFINED IN SECTION 2(a)(51) OF THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED AND (II) AN ELIGIBLE CONTRACT PARTICIPANT (AN “ECP”) AS DEFINED IN THE COMMODITY EXCHANGE ACT (EACH QIB THAT IS BOTH A QP AND AN ECP, A “QIB/QP/ECP”) AND THAT IS ACQUIRING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIB/QP/ECPS, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION. EACH TRANSFEROR OF A BENEFICIAL INTEREST IN SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY SHALL PROVIDE THE TRANSFEREE THEREOF NOTICE OF THE TRANSFER RESTRICTIONS APPLICABLE TO THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY.

THE ISSUER HAS THE RIGHT TO COMPEL ANY HOLDER OF SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY OR BENEFICIAL OWNER OF ANY INTEREST THEREIN THAT IS NOT A QIB/QP/ECP TO SELL SUCH SECURITIES OR INTEREST THEREIN, OR MAY SELL SUCH SECURITIES OR INTEREST THEREIN ON BEHALF OF SUCH PERSON, AT THE LOWEST OF (X) THE PURCHASE PRICE THEREFOR PAID BY THE HOLDER OR BENEFICIAL OWNER, AS THE CASE MAY BE, (Y) 100 per cent. OF THE EXERCISE CASH SETTLEMENT AMOUNT THEREOF AND (Z) THE FAIR MARKET VALUE THEREOF.”

- 8 A Rule 144A Global Warrant held by a Custodian on behalf of DTC will also bear the following legend:

“UNLESS THIS RULE 144A GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS

WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

We acknowledge that you will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements set forth herein, and we agree to notify you promptly in writing if any of our acknowledgments, representations or warranties herein ceases to be accurate and complete. We hereby agree that this letter or a copy thereof may be produced to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

We understand that there may be certain consequences under United States and other tax laws resulting from an investment in the Warrants and we have made such investigation and have consulted such tax and other advisers with respect thereto as we deem appropriate.

We hereby certify that all necessary action has been taken to authorize the purchase of the Warrants and the execution of this letter.

THIS LETTER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

This letter relates to [USD][ ] principal amount of the Warrants.

.....  
(Name of Purchaser)

By:.....

Name:

Title:

Address:

## **DANISH SECURITIES ANNEX**

### **Table of Contents**

#### **PART A – DESCRIPTION**

1. Brief Description of Danish Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR DANISH SECURITIES**

1. Amendment to Condition 1.1 of the Base Conditions
2. Amendment to Condition 1.2 of the Base Conditions
3. Amendment to Condition 1.3 of the Base Conditions
4. Amendment to Condition 1.4 of the Base Conditions
5. Amendment to Condition 5.2 of the Base Conditions
6. Amendment to Condition 7 of the Base Conditions
7. Amendment to Condition 9 of the Base Conditions
8. Amendment to Condition 11 of the Base Conditions
9. Amendment to Condition 13 of the Base Conditions
10. Amendment to Condition 14 of the Base Conditions
11. Amendment to Condition 16 of the Base Conditions
12. Amendment to Condition 18 of the Base Conditions

#### **PART C – DEFINITIONS APPLICABLE TO DANISH SECURITIES**

1. Definitions

## Part A Description

### 1 Brief Description of Danish Securities

Danish Securities shall be issued as VP Notes. VP Notes will be issued in uncertificated and dematerialised book-entry form in accordance with the Consolidated Act No. 360 of 6 May 2009 on Trading in Securities of the Kingdom of Denmark (the Securities Trading Act), as amended from time to time, and Executive Order No. 369 of 16 May 2009 on, *inter alia*, the registration of fund assets in a securities centre (in Danish: “Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral”) (Danish VP Registration Order). No VP Note will be issued in global or definitive form. The holder of a VP Note will be the person evidenced as such by a book entry in the book-entry system registered and maintained by the Danish securities centre VP Securities A/S (VP). Where a nominee is so evidenced, it shall be treated as the holder of the relevant VP Note.

The VP Notes will not be evidenced by any physical note or document other than statements made by the VP or by an account controller (in Danish: “kontoførende institut”) in accordance with Section 76 of the Securities Trading Act. Ownership of the VP Notes will only be recorded and transfers effected only through the book-entry system and register maintained by the VP. VP Notes of one specified denomination may not be exchanged for VP Notes in another specified denomination or calculation amount as applicable.

## Part B

### Additional Terms and Conditions for Danish Securities

*The terms and conditions applicable to Danish Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “VP Notes Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the VP Notes Conditions set out below, the VP Notes Conditions shall prevail. This Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and the Securities if specified as such in the applicable Final Terms. Capitalised terms used herein, but not otherwise, shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

VP Notes will only be issued by the Bank. BCCL will not issue VP Notes and references in the Conditions of the VP Notes to the Issuer shall refer only to the Bank.

#### 1 Amendment to Condition 1.1 of the Base Conditions

Condition 1.1(a) of the Base Conditions (*Form, Title and Transfer – Form – Form of Securities*) shall be amended by addition of the following paragraph at the end of such Base Condition:

“Notwithstanding the above, the Issuer may issue securities cleared through the Danish securities centre VP Securities A/S (“VP Notes” and the “VP” respectively) which are in uncertificated book-entry form in accordance with Consolidated Act No. 360 of 6 May 2009 on Trading in Securities of the Kingdom of Denmark (the Securities Trading Act), as amended from time to time, and Executive Order No. 369 of 16 May 2009 on, *inter alia*, the registration of fund assets in a securities centre (in Danish: “Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral”) (Danish VP Registration Order). References in the Conditions to Coupons or Global Securities shall not apply to VP Notes.”

#### 2 Amendment to Condition 1.2 of the Base Conditions

Condition 1.2 of the Base Conditions (*Form, Title and Transfer – Denomination and Number*) shall be amended by addition of the following paragraph at the end of such Base Condition:

“VP Notes of one specified denomination may not be exchanged for VP Notes in another specified denomination”.

#### 3 Amendment to Condition 1.3 of the Base Conditions

The first line of the second paragraph of Condition 1.3(a) of the Base Conditions (*Form, Title and Transfer – Title – General*) shall be amended by deleting the word “except” and replacing it with the following words:

“except for VP Notes or”

The following paragraph at the end of Condition 1.3(a) of the Base Conditions (*Form, Title and Transfer – Title – General*):

“The holder of a VP Note will be the person evidenced as such by a book entry in the book-entry system and register maintained by VP. Ownership of the VP Notes will be transferred by registration in the register between the direct or nominee accountholders at VP in accordance with the Securities Trading Act and the VP Registration Order and the rules and procedures of the VP from time to time. Where a nominee is so evidenced, it shall be treated by the Issuer as the holder of the relevant VP Note”.

#### **4 Amendment to Condition 1.4 of the Base Conditions**

The following Condition 1.4(m) of the Base Conditions shall be added after Condition 1.4(l) of the Base Conditions (*Form, Title and Transfer – Transfers – Cessation of CREST Eligibility*):

“VP Notes will be transferable only in accordance with the Securities Trading Act, the VP Registration Order and the procedures applicable to and/or issued by VP from time to time”.

#### **5 Amendment to Condition 5.2 of the Base Conditions**

The following paragraph shall be added at the end of Condition 5.2 of the Base Conditions (*Redemption of Securities that are Notes or Certificates – Early Redemption at the Option of Securityholders*):

“Notwithstanding anything to the contrary in the Conditions, if securities are VP Notes, a Put Notice will not be effective against the Issuer before the date on which the relevant VP Notes have been transferred to the account designated by the relevant Issuing Agent and blocked for further transfer until the Optional Redemption Date by the VP Issuing Agent. In the case of VP Notes, the right to require redemption of such Notes in accordance with this Condition 5.2 must be exercised in accordance with the rules and procedures of the VP, and if there is any inconsistency between the foregoing and the rules and procedures of the VP, the rules and procedures of the VP shall prevail”.

#### **6 Amendment to Condition 7 of the Base Conditions**

The following sentence shall be added at the end of Condition 7.2 of the Base Conditions (*Settlement – Physical Settlement by Delivery of the Entitlement*):

“In respect of VP Notes, the Entitlements may not necessarily be registered in the VP.”

#### **7 Amendment to Condition 9 of the Base Conditions**

The following paragraph shall be added at the end of Condition 9.8 of the Base Conditions (*Payments and Deliveries – Payment and deliveries subject to Laws*):

“Payments of principal and interest in respect of VP Notes will be made to the Noteholders on the fifth Danish Business Day (or such other day which may become customary on the Danish bond market in respect of VP Notes, which, in respect of VP Notes denominated in Danish kroner is expected to be the third Danish Business Day) prior to the Interest Payment Date or the Maturity Date, as the case may be, all in accordance with the rules and procedures applied and/or issued by VP from time to time. If the date for payment of any amount in respect of VP Notes is not a Payment Day, the holder thereof shall not be entitled to payment until the next

following VP Payment Day and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, unless otherwise specified in the applicable Final Terms, VP Payment Day means any day which (subject to Condition 13) is a day on which commercial banks are open for general business in Denmark. As used herein, Danish Business Day means a day on which commercial banks and foreign exchange markets are open for business in Denmark.

At any time before the Issue Date, the Issuer may decide to (i) cancel the issue or postpone the Issue Date and other dates if any circumstances occur which, in the Issuer's opinion, may have a significant impact on the issue and the indicated terms and conditions; and (ii) cancel the issue and the indicated terms and conditions; and (iii) cancel the issue if the subscribed amount is less than the applicable minimum amount, if any, specified in the Final Terms or if the Issuer determines it likely that the subscribed amount should be less than such amount.

In the event of late payment not due to an obstacle mentioned in the previous or the following paragraph, penalty interest will be payable on the overdue amount from the due date up to and including the case of VP Notes CIBOR increased by one percentage point. No capitalisation of interest will be made.

Where the Issuer or any Agent or the VP Issuing Agent, due to a legal enactment (Danish or foreign), the intervention of a public authority (Danish or foreign), an act of war, strike, blockade, boycott, lockout or any other similar circumstance is prevented from effecting payment or to undertake other measures, such measures may be postponed until the time the impediment has ceased, with no obligation to pay penalty interest. The provisions of this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the Securities Trading Act.

"CIBOR" means the interest rate for the number of complete month(s) (or, if it is more accurate, complete week(s)) contained in the period to which the interest payment relates, as determined by DKK-CIBOR-DKNA13, meaning that the rate for a Reset Date will be the rate for deposits in Danish Kroner for a period of the Designated Maturity which appears on the Reuters Screen DKNA 13 Page as of 11:00 a.m., Copenhagen time, on that Reset Date. If such rate does not appear on the Reuters Screen DKNA 13 Page, the rate for that Reset Date will be determined as if the parties had specified "DKK-CIBOR-Reference Bank" as the applicable Floating Rate Option; or if no applicable Screen Rate is available, the DKK-CIBOR-Reference Banks meaning that the rate for a Reset Date will be determined on the basis of the rates at which deposits in Danish Kroner are offered by the Reference Banks (A) in the case of DKK-CIBOR-DKNA 13, at approximately 11:00 a.m., Copenhagen time, on that Reset Date, or (B) in the case of DKK-CIBOR2-DKNA 13, at approximately 11:00 a.m., Copenhagen time, on the day that is two Copenhagen Banking Days preceding that Reset Date to prime banks in the Copenhagen interbank market for a period of the Designated Maturity commencing on that Reset Date and in a Representative Amount. The Determination Agent will request the principal Copenhagen office of each of the Reference Banks to provide a quotation of its rate. If at least two quotations are provided, the rate for that Reset Date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that Reset Date will be the arithmetic mean of the rates quoted by major banks in Copenhagen, selected by the Determination Agent, at approximately 11:00 a.m., Copenhagen time on that Reset Date for

loans in Danish Kroner to leading European Banks for a period of the Designated Maturity commencing on that Reset Date and in a Representative Amount.

A VP Issuing Agent will be appointed by the Issuer and identified in the applicable Final Terms”.

## **8 Amendment to Condition 11 of the Base Conditions**

The following new Condition 11.4 of the Base Conditions shall be added after Condition 11.3 of the Base Conditions (*Agents – Responsibility of the Issuer, the Guarantor and the Agents*):

“In relation to VP Notes, the Issuer will, in accordance with the Securities Trading Act, the VP Registration Order and the procedures applicable to and/or issued by VP from time to time, appoint (i) VP as the central securities depository, and (ii) an issuing agent (the VP Issuing Agent). The VP Issuing Agent will be specified in the relevant Final Terms.

The Issuer is entitled to vary or terminate the appointment of VP or the VP Issuing Agent, provided that the Issuer will appoint another central securities depository or issuing agent, each of them to be duly authorised under the Securities Trading Act, the VP Registration Order and the procedures applicable to and/or issued by VP from time to time. The central securities depository and the VP Issuing Agent act solely as agents of the Issuer and do not assume any obligation to or relationship of agency or trust with, any Noteholders”.

## **9 Amendment to Condition 13 of the Base Conditions**

The following paragraph shall be added at the end of Condition 13 of the Base Conditions (*Prescription*):

“In the case of VP Notes, claims against the Issuer for the payment of principal and interest payable in respect of the VP Notes shall, in accordance with Section 73 of the Securities Trading Act, be void unless made within 10 years (in the case of principal) and three years (in the case of interest) of the Relevant Date therefore and thereafter any principal or interest in respect of such VP Notes shall be forfeited and revert to the Issuer.”

## **10 Amendment to Condition 14 of the Base Conditions**

Condition 14 of the Base Conditions (*Replacement of Securities*) shall not apply in the case of VP Notes.

## **11 Amendment to Condition 16 of the Base Conditions**

The following sub-paragraph (f) shall be added after Condition 16.1(e) of the Base Conditions (*Notices – To Securityholders*):

“or (f) in case of VP Notes, all notices to holders of VP Notes will be valid if mailed to their registered addresses appearing on the register of VP. Any such notice shall be deemed to have been given on the fourth day after the day on which it is mailed.”

## 12 Amendment to Condition 18 of the Base Conditions

The following words shall be added at the end of the first sentence of Condition 18 of the Base Conditions (*Governing Law and Jurisdiction*):

“(except VP Notes that, with respect to the question of the issue and clearing of VP Notes through the VP, must comply with the relevant regulations of the VP and the Consolidated Act No. 795 of 20 August 2009 on Trading in Securities of the Kingdom of Denmark (Securities Trading Act), as amended from time to time, and Executive Order No. 369 of 16 May 2009 on, *inter alia*, the registration of fund assets in a securities centre (in Danish: “Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral”) (Danish VP Registration Order))”.

**Part C**  
**Definitions Applicable to Danish Securities**

**1 Definitions**

The following definitions set out in Condition 24 of the Base Conditions (*Definitions*) shall be amended and restated as follows in relation to VP Notes:

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

“**Rules**” means the Clearstream Rules, the Euroclear Rules, the VP Rules and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System as may be specified in the Final Terms relating to a particular issue of securities.

The following definition shall be added to Condition 24 of the Base Conditions (*Definitions*):

“**VP**” means VP Securities A/S, Weidekampsgade 14, P.O. Box 4040, 2300 Copenhagen S, Denmark.

## **DUTCH SECURITIES ANNEX**

### **Table of Contents**

#### **PART A – DESCRIPTION**

- 1 Brief Description of Dutch Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS DUTCH SECURITIES**

- 1 Amendment to Condition 1.1 of the Base Conditions
- 2 Amendment to Condition 1.4 of the Base Conditions
- 3 Amendment to Condition 7 of the Base Conditions
- 4 Amendment to Condition 18.1 of the Base Conditions

#### **PART C – DEFINITIONS APPLICABLE TO DUTCH SECURITIES**

- 1 Definitions

## Part A Description

### 1 Brief Description of Dutch Securities

Dutch Securities will be in the form of Global Registered Securities which will be delivered to, registered in the name of, and cleared through, Euroclear Netherlands as specified in the relevant Final Terms (“**Dutch Securities**”). The rights of holders of (beneficial interests in) the Dutch Registered Securities will be exercised in accordance with the Wge. Dutch Global Registered Securities will not be exchangeable for Definitive Registered Securities and holders of beneficial interests in Dutch Global Registered Securities shall not have the right to request delivery (*uitlevering*) of Definitive Registered Securities under the Wge.

Interests in a Dutch Global Registered Security will be transferable only in accordance with the provisions of the Wge and the rules and procedures for the time being of Euroclear Netherlands and its participants (*aangesloten instellingen*).

Certain series of Dutch Securities may be admitted to listing and trading on Euronext Amsterdam by NYSE Euronext.

## Part B

### Additional Terms and Conditions for Dutch Securities

The terms and conditions applicable to Dutch Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “**Dutch Securities Conditions**”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Dutch Securities Conditions set out below, the Dutch Securities Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Dutch Securities Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Dutch Securities Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Dutch Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.

Dutch Securities will only be issued by the Bank. BCCL will not issue Dutch Securities, and references in the Conditions of the Dutch Securities to the “Issuer” shall refer only to the Bank.

#### 1 Amendment to Condition 1.1 of the Base Conditions

Condition 1.1(a) of the Base Conditions (*Form, Title and Transfer – Form*) shall be amended by the addition of the following paragraph at the end of such Condition:

“Notwithstanding the above, the Dutch Securities will be in the form of Global Registered Securities which will be delivered to, registered in the name of, and cleared through, Euroclear Netherlands as specified in the relevant Final Terms (“Dutch Securities”). The rights of holders of (beneficial interests in) the Dutch Securities will be exercised in accordance with the Wge. Dutch Global Registered Securities will not be exchangeable for Definitive Registered Securities and holders of beneficial interests in Dutch Global Registered Securities shall not have the right to request delivery (uitlevering) of Definitive Registered Securities under the Wge.”

#### 2 Amendment to Condition 1.4 of the Base Conditions

Condition 1.4(c) of the Base Conditions (*Form, Title and Transfer – Transfers – Transfer of Cleared Securities*) shall be amended by being replaced by the following paragraph:

“Interests in a Dutch Global Registered Security will be transferable only in accordance with the provisions of the Wge and the rules and procedures for the time being of Euroclear Netherlands and its participants (*aangesloten instellingen*).

Except as otherwise ordered by a court of competent jurisdiction or as otherwise required by law, each person (other than Euroclear Netherlands itself) who is for the time being shown in the records of Euroclear Netherlands or a participant (*aangesloten instelling*) within the meaning of the Wge as the holder of a particular nominal amount of Dutch Securities represented by the relevant Dutch Global Registered Security (in which regard any certificate or other document issued by Euroclear Netherlands or such participant as to the nominal amount of Dutch Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the relevant

Agents as the holder of such nominal amount of such Dutch Securities for all purposes other than with respect to the payment of principal or interest or deliveries on the Dutch Securities and the deposit or surrender of such Dutch Securities required in connection with any payment, redemption or exercise of any option or election under such Dutch Securities, for which purpose the registered holder of the relevant Dutch Global Registered Security shall be treated by the Issuer and any Agent as the holder of such Dutch Security in accordance with and subject to the terms of the relevant Dutch Global Registered Security (and the expressions Securityholder and holder of such Dutch Registered Security and related expressions shall be construed accordingly).”

### **3 Amendment to Condition 7 of the Base Conditions**

The following sentence shall be added at the end of Condition 7.2 of the Base Conditions (*Settlement – Physical Settlement by Delivery of the Entitlement*):

“In respect of Dutch Securities, the Entitlements may not necessarily be delivered to, registered in the name of, and cleared through, Euroclear Netherlands.”

### **4 Amendment to Condition 18.1 of the Base Conditions**

Condition 18.1 of the Base Conditions (*Governing Law*) shall be amended and replaced by the following paragraph:

“The Dutch Securities, Coupons and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law, except for the constitution of the Dutch Securities (including their form) which is governed by Dutch law.”

**Part C**  
**Definitions Applicable to Dutch Securities**

**1 Definitions**

The following definitions shall be added to Base Condition 24 of the Terms and Conditions of the securities:

“**Euroclear Netherlands**” means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., of Herengracht 459-469, 1017BS Amsterdam, The Netherlands.

“**Wge**” means the Dutch Act on Giro Transfers of Securities (*Wet giraal effectenverkeer*), as amended from time to time.

“**Euronext Netherlands**” means Euronext Nederlands N.V., of Beursplein 5, 1012 JW Amsterdam, The Netherlands.

“**Euronext Amsterdam by NYSE Euronext**” means the regulated market of Euronext Amsterdam, which is a regulated market for the purposes of Directive 2004/39/EC.

## **FINNISH SECURITIES ANNEX**

### **Table of Contents**

#### **PART A – DESCRIPTION**

- 1 Brief Description of Finnish Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR FINNISH SECURITIES**

- 1 Amendment to Condition 1.1 of the Base Conditions
- 2 Amendment to Condition 1.2 of the Base Conditions
- 3 Amendment to Condition 1.3 of the Base Conditions
- 4 Amendment to Condition 1.4 of the Base Conditions
- 5 Amendment to Condition 5.2 of the Base Conditions
- 6 Amendment to Condition 9 of the Base Conditions
- 7 Amendment to Condition 11 of the Base Conditions
- 8 Amendment to Condition 13 of the Base Conditions
- 9 Amendment to Condition 14 of the Base Conditions
- 10 Amendment to Condition 16 of the Base Conditions
- 11 Amendment to Condition 17 of the Base Conditions
- 12 Amendment to Condition 18 of the Base Conditions

#### **PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO FINNISH SECURITIES**

- 1 Definitions
- 2 Interpretation

## Part A Description

### 1 Brief Description of Finnish Securities

Finnish Securities shall be issued as APK Registered Securities. APK Registered Securities are Securities that are Notes, Warrants or Certificates (other than Exercisable Certificates) in uncertificated and dematerialised book-entry form issued in accordance with the provisions of the Finnish Act on the Book-Entry System (*Fin. laki arvo-osuusjärjestelmästä* (826/1991)) and with the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)). No Global Securities or Registered Securities representing APK Registered Securities will be issued and the Conditions of such Securities shall be construed accordingly. APK Registered Securities will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Finland Ltd (“APK”). Any references in the Conditions to Coupons or Global Securities, as the case may be, shall not apply to APK Registered Securities. APK Registered Securities of one Specified Denomination or Calculation Amount may not be exchanged for APK Registered Securities of another Specified Denomination or Calculation Amount, as applicable.

## Part B

### Additional Terms and Conditions for Finnish Securities

*The terms and conditions applicable to APK Registered Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Finnish Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Finnish Conditions set out below, the Finnish Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Finnish Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Finnish Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be APK Registered Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

APK Registered Securities will only be issued by the Bank. BCCL will not issue APK Registered Securities, and references in the Conditions of the APK Registered Securities to the “Issuer” shall refer only to the Bank.

#### 1 Amendment to Condition 1.1 of the Base Conditions

Condition 1.1(a) of the Base Conditions (*Form, Title and Transfer – Form of Securities*) shall be amended by the addition of the following paragraph at the end of such Condition:

“Notwithstanding the above, the Issuer may issue securities in uncertificated and dematerialised book-entry form (“APK Registered Securities”). No Global Securities or Definitive Securities representing APK Registered Securities will be issued and the Conditions of such Securities shall be construed accordingly. APK Registered Securities will be transferable only in accordance with the provisions of the Finnish Act on the Book-Entry System (*Fin. laki arvo-osuusjärjestelmästä* (826/1991)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)), other applicable Finnish legislation and the rules and regulations applicable to, and/or issued by, APK. References in the Conditions to Coupons and to Global Securities shall not apply to APK Registered Securities.”

#### 2 Amendment to Condition 1.2 of the Base Conditions

Condition 1.2 of the Base Conditions (*Denomination and Number*) shall be amended by the addition of the following paragraph at the end of such Condition:

“APK Registered Securities of one Specified Denomination or Calculation Amount, as applicable, may not be exchanged for APK Registered Securities of another Specified Denomination or Calculation Amount.”

#### 3 Amendment to Condition 1.3 of the Base Conditions

The first line of the second paragraph of Condition 1.3(a) of the Base Conditions (*Title – General*) shall be amended by deleting the word “except” and replacing it with the following words:

“except for APK Registered Securities or”.

The following paragraph shall be added at the end of Base Condition 1.3(a) (*Title – General*):

“The holder of an APK Registered Security will be the person in whose name an APK Registered Security is registered in a book-entry account in the book-entry system of APK (including a nominee account holder, as the case may be) in accordance with Finnish laws, rules, regulations and operating procedures applicable to, and/or issued by, APK (the “**EFi Rules**”), and the term “**Securityholder**” shall be construed accordingly. Where a nominee is so evidenced, it shall be treated as the holder of the relevant APK Registered Securities.”

#### **4 Amendment to Condition 1.4 of the Base Conditions**

The following Condition 1.4(m) shall be added after Condition 1.4(l) of the Base Conditions (*Transfers – Cessation of CREST Eligibility*):

“(m) *Transfers of APK Registered Securities*

Title to the APK Registered Securities shall pass by transfer from a Securityholder’s book-entry account to another person’s, whether legal or individual, book-entry account within the APK (except where the APK Registered Securities are nominee-registered and are transferred from one account to another account with the same nominee). Notwithstanding any secrecy obligation, the Issuer shall be entitled to obtain information (including, but not limited to, information on Securityholders) from the register (the “**APK Register**”) maintained by the APK as registrar (the “**APK Registrar**”) on behalf of the Issuer in accordance with the EFi Rules, and the APK shall be entitled to provide such information to the Issuer notwithstanding any secrecy obligation. The Issuer shall be entitled to pass such information to the APK Issue and Paying Agent or to authorise such Agent to acquire such information from the APK directly. Except as ordered by a court of competent jurisdiction or as required by law, the Securityholder of any APK Registered Securities shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the Securityholder.”

#### **5 Amendment to Condition 5.2 of the Base Conditions**

The following paragraphs shall be added at the end of Condition 5.2 of the Base Conditions (*Redemption of Securities that are Notes or Certificates – Early Redemption at the Option of Securityholders*):

“Notwithstanding anything to the contrary in the Conditions, if Securities are APK Registered Securities, the exercise of this option will not be effective against the Issuer before the date on which the relevant Securities have been transferred to the account designated by the APK Issue and Paying Agent, which, for the purposes of the relevant APK Registered Securities, is an account operator specifically authorised by APK and appointed by the Issuer in relation to a specific issue or issues to process and register issues in the system of the relevant central securities depository and clearing institution, and blocked for further transfer as of the earlier of the Optional Cash Redemption Date or Optional Physical Redemption Date by the APK Issue and Paying Agent.

In the case of the relevant APK Registered Securities, the right to require redemption of such Securities in accordance with this Condition 5.2 must be, notwithstanding the above, exercised in accordance with the EFi Rules and, if there is any inconsistency between the terms set out herein and the EFi Rules, then the EFi Rules shall prevail.”

## 6 Amendment to Condition 9 of the Base Conditions

The following new Condition 9.9 shall be added after Condition 9.8 of the Base Conditions (*Payments – Payment and deliveries subject to Laws*):

### “9.9 APK Registered Securities

Payments of principal and interest in respect of the APK Registered Securities will be made to the holders of the APK Registered Securities recorded in the relevant Securityholder’s book-entry account in accordance with the EFi Rules (appearing on the APK Register at the close of business on the third Helsinki Banking Day before the relevant due date) on the first Helsinki Banking Day (or in accordance with the rules and procedures applied by APK from time to time), prior to the due date for such payment. If the date for payment of any amount in respect of APK Registered Securities is not a Helsinki Banking Day, the holder thereof shall not be entitled to payment until the next following Helsinki Banking Day and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Helsinki Banking Day**” means, any day (other than a Saturday or a Sunday) on which commercial banks are generally open for business, including dealings in foreign exchange and foreign currency deposits in Helsinki and on which APK and the relevant system in which the APK Registered Securities are registered are open for business in accordance with the EFi Rules.

At any time before the Issue Date, the Issuer may decide to (i) cancel the issue or postpone the Issue Date and other dates if any event or circumstance occurs which, in the Issuer’s opinion, may have a significant impact on the issue and the indicated Conditions; and (ii) cancel the issue if the subscribed amount is less than the applicable minimum amount, if any, specified in the applicable Final Terms or if the Issuer determines it likely that the subscribed amount will be less than such amount.

In the event of late payment not due to an event or circumstance mentioned in the previous or in the following paragraph, penalty interest will be payable on the overdue amount from the due date for payment thereof up to and including the date on which payment is made at an interest rate corresponding to, in the case of Helsinki Banking Day, EURIBOR increased by one percentage point. Interest will not be capitalised.

Where the Issuer, any Agent or the APK Issue and Paying Agent, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the provisions of the Finnish Act on the Book-Entry System (*Fin. laki arvo-osuusjärjestelmästä* (826/1991)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)).

In respect of each Series of APK Registered Securities, the Issuer shall at all times maintain a registrar which shall be the duly authorised Finnish central securities depository under the Finnish Act on the Book-Entry System (*Fin. laki arvo-osuusjärjestelmästä* (826/1991)) and an APK Issue and Paying Agent duly authorised as an account operator (*Fin. tilinhoitajayhteisö*) under the Finnish Act on Book-Entry System (*Fin. laki arvo-osuusjärjestelmästä* (826/1991)).

An APK Issue and Paying Agent will be appointed by the Issuer and identified in the applicable Final Terms.”

## **7 Amendment to Condition 11 of the Base Conditions**

The following new Condition 11.4 shall be added after Condition 11.3 of the Base Conditions (*Responsibility of the Issuer, the Guarantor and the Agents*)

### **“11.4 APK Issue and Paying Agent**

In relation to APK Registered Securities, APK will act as the central securities depository and clearing institution and the Issuer will appoint an APK Issue and Paying Agent for Finnish purposes as specified in the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of the relevant central securities depository and clearing institution or the APK Issue and Paying Agent, provided that the Issuer will appoint another central securities depository and clearing institution or APK Issue and Paying Agent, each of them to be duly authorised under the Finnish Act on the Book-Entry System (*Fin. laki arvo-osuusjärjestelmästä* (826/1991)). APK and the APK Issue and Paying Agent act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with the Securityholders.”.

## **8 Amendment to Condition 13 of the Base Conditions**

The following paragraph shall be added at the end of Condition 13 of the Base Conditions (*Prescription*):

“In the case of APK Registered Securities, claims against the Issuer for the payment of principal and interest payable in respect of the Securities shall be prescribed unless made within three years of the Relevant Date therefore and thereafter any principal or interest payable in respect of such Securities shall be forfeited and revert to the Issuer.”.

## **9 Amendment to Condition 14 of the Base Conditions**

Condition 14 of the Base Conditions (*Replacement of Securities*) shall not apply in the case of APK Registered Securities.

## **10 Amendment to Condition 16 of the Base Conditions**

The following paragraph (f) shall be added after Condition 16.1(e) of the Base Conditions (*Notices – To Securityholders*):

“or (f) in the case of APK Registered Securities, sent by mail to a Securityholder on the address registered for such Securityholder in the APK Register maintained by the APK Registrar in accordance with the EFi Rules.”.

#### **11 Amendment to Condition 17 of the Base Conditions**

The following sentence shall be added at the end of Condition 17.2 of the Base Conditions (*Substitution – The Guarantor*):

“For APK Registered Securities such substitution may only take place if the APK gives its consent to the substitution of the Issuer for the New Issuer.”.

#### **12 Amendment to Condition 18 of the Base Conditions**

The following words shall be added at the end of the first sentence of Condition 18 of the Base Conditions (*Governing Law and Jurisdiction*):

“(except that, for APK Registered Securities, the legal effects of registration in EFi shall be governed by, and construed in accordance with the provisions of, the Finnish Act on the Book-Entry System (*Fin. laki arvo-osuusjärjestelmästä (826/1991)*) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä (827/1991)*), other Finnish legislation and the rules and regulations applicable to, and/or issued by the Finnish Financial Supervisory Authority and EFi applicable from time to time).”

## Part C

### Definitions and Interpretation Applicable to Finnish Securities

#### 1 Definitions

The following definitions set out in Condition 24 of the Base Conditions (*Definitions*) shall be amended and restated as follows in relation to APK Registered Securities:

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

“**Rules**” means the Clearstream Rules, the Euroclear Rules, the EFi Rules and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System as may be specified in the Final Terms relating to a particular issue of Securities.

The following definitions shall be added to Condition 24 of the Base Conditions (*Definitions*):

“**APK**” means Euroclear Finland Ltd., Visiting Address, Urho Kekkosen katu 5C, PO Box 1110, 00101 Helsinki, Finland.

“**APK Issue and Paying Agent**” means the issue and paying agent appointed in respect of any Series of APK Registered Securities as specified in the applicable Final Terms.

#### 2 Interpretation

All references to “Agents” in the Base Prospectus and the Conditions for APK Registered Securities shall be deemed to include the APK Issue and Paying Agent as applicable.

## FRENCH CLEARED SECURITIES ANNEX

### Table of Contents

#### PART A – DESCRIPTION

Brief Description of French Cleared Securities

#### PART B – INTERPRETATION

#### PART C – BASE CONDITIONS

- 1 Additional Terms and Conditions for French Cleared Securities
  - 1.1 Amendments to Condition 1.1 of the Base Conditions
  - 1.2 Amendments to Condition 1.2 of the Base Conditions
  - 1.3 Amendments to Condition 1.4 of the Base Conditions
  - 1.4 Amendments to Condition 5.2 of the Base Conditions
  - 1.5 Amendments to Condition 5.3 of the Base Conditions
  - 1.6 Amendments to Condition 6.3 of the Base Conditions
  - 1.7 Amendments to Condition 6.4 of the Base Conditions
  - 1.8 Amendments to Condition 6.6 of the Base Conditions
  - 1.9 Amendments to Condition 7.1 of the Base Conditions
  - 1.10 Amendments to Condition 7.2 of the Base Conditions
  - 1.11 Amendments to Condition 7.3 of the Base Conditions
  - 1.12 Amendments to Condition 10 of the Base Conditions
  - 1.13 Amendments to Condition 16.1 of the Base Conditions
  - 1.14 Amendments to Condition 16.3 of the Base Conditions
- 2 Definitions

#### PART D – EQUITY LINKED ANNEX

- 1 Additional Terms and Conditions for French Cleared Securities
  - 1.1 Amendments to Condition 6.1 of the Additional Terms and Conditions for Equity Linked Securities
  - 1.2 Amendments to Condition 6.2 of the Additional Terms and Conditions for Equity Linked Securities

- 1.3 Amendments to Condition 6.3 of the Additional Terms and Conditions for Equity Linked Securities
- 1.4 Amendments to Condition 6.4 of the Additional Terms and Conditions for Equity Linked Securities
- 2 Definition applicable to French Cleared Securities
- 3 Interpretation

## Part A Description

### **Brief Description of French Cleared Securities**

French cleared Securities are English law Bearer Securities that are Notes, Warrants or Certificates represented by Global Bearer Securities and in CGN Form (the “**French Cleared Securities**”).

French Cleared Securities will be deposited with Euroclear France acting as central depository and may be listed and admitted to trading on Euronext Paris as specified in the relevant Final Terms. French Cleared Securities will only be issued by the Bank.

Securities which are French Cleared Securities shall be identified as such in the applicable Final Terms.

## Part B Interpretation

French Cleared Securities will only be issued by the Bank. BCCL will not issue French Cleared Securities. All references to the “Issuer”, “Issuers”, “relevant Issuer”, “an Issuer” or “any Issuer”, as the case may be, in the Base Prospectus shall be construed accordingly.

All references in the Base Prospectus and the Conditions for French Cleared Securities to the Issue and Paying Agent shall, unless otherwise specified in the applicable Final Terms, be to Barclays Bank PLC.

Any reference to the Paying Agent(s) shall, in respect of French Cleared Securities, include Barclays Bank PLC.

In respect of French Cleared Securities, all delivery of Entitlements will be effected by the Issue and Paying Agent. All references in the Product Annexes to such delivery being effected by the Issuer shall be construed accordingly. In respect of French Cleared Securities, all Delivery Entitlement Instructions shall be sent by the relevant Securityholder(s) to the Issue and Paying Agent. All references in the Product Annexes to such instructions being sent to the Issuer shall be construed accordingly.

All references in the Base Prospectus to Cleared Securities shall include the French Cleared Securities.

All references in the Base Prospectus to the Master Agency Agreement (as amended from time to time) shall be construed as references to the Agency Agreement as defined in Section 2 of Part C – Base Conditions (*Definitions*).

Any references in the Conditions to Registered Securities, CREST Securities, CBF Securities or NGN Form shall not apply to French Cleared Securities.

## Part C Base Conditions

### 1 Additional Terms and Conditions for French Cleared Securities

*The terms and conditions applicable to French Cleared Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “French Clearing Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the French Clearing Conditions set out below, the French Clearing Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the French Clearing Conditions and (ii) the Final Terms, the Final Terms shall prevail. This French Cleared Securities Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be French Cleared Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

#### 1.1 Amendments to Condition 1.1 of the Base Conditions

The following sentence shall be added at the end of Condition 1.1(a) of the Base Conditions (*Form – Form of Securities*):

“French Cleared Securities will be issued in bearer form as Bearer Securities.”

Condition 1.1(b) of the Base Conditions (*Form – Initial Issue of Global Securities*) shall be replaced with respect to French Cleared Securities by the following:

“In respect of French Cleared Securities, the Global Security will be deposited on or prior to the original issue date of the Tranche with Euroclear France as central depository. Such Securities will be in CGN form.

Upon the initial deposit of such Global Security with Euroclear France and payment of the relevant amount in respect of the subscribed Securities, the relevant nominal amount or number, as the case may be, of Securities will be credited to the account of Account Holders who have purchased the Securities and/or to the account of the Account Holder designated by the relevant purchaser(s). In respect of French Cleared Securities represented by a Global Security, the records of Euroclear France shall be conclusive evidence of the nominal amount, in the case of Securities that are Notes, or the number of Securities, in case of Securities that Certificates and Warrants, represented by such Global Security and a statement issued by Euroclear France at any time shall be conclusive evidence of the records of Euroclear France at that time.”

The first two paragraphs of Condition 1.1(c) of the Base Conditions (*Form – Exchange of Global Securities*) shall be replaced with respect to French Cleared Securities by the following:

“Each Series of French Cleared Securities will be initially issued in the form of a temporary global security in bearer form (a “**Temporary Global Security**”) and will be exchangeable, free of charge to the holder, on and after its Exchange Date in whole or in part upon certification as to non-US beneficial ownership in the form set out in the

Agency Agreement for interests in a permanent bearer global security (a “Permanent Global Security”).”

#### **1.2 Amendments to Condition 1.2 of the Base Conditions**

The following sentence shall be added at the end of the first paragraph of Condition 1.2 of the Base Conditions (*Denomination and Number*):

“French Cleared Securities of Series that are Notes shall have the same Specified Denomination.”

#### **1.3 Amendments to Condition 1.4 of the Base Conditions**

In respect of French Cleared Securities, the expression “on behalf of” in the second paragraph of Condition 1.4(c) of the Base Conditions (*Transfers – Transfer of Cleared Securities*) shall be replaced by “by”.

#### **1.4 Amendments to Condition 5.2 of the Base Conditions**

The second and third sentences of the sixth paragraph of Condition 5.2 of the Base Conditions (*Early Redemption at the Option of Securityholders*) shall be replaced with respect to French Cleared Securities by the following:

“If the Securities are Cleared Securities, such option may be exercised by the relevant Securityholder giving an Option Exercise Notice to the Issue and Paying Agent stating the nominal amount of the Notes or the number of Certificates in respect of which the Put Option is exercised and the relevant Securityholder shall transfer the relevant Securities to the Issue and Paying Agent. Such Option Exercise Notice must be accompanied by a copy of instructions given to the relevant financial intermediary by the relevant accountholder that the relevant Securities be transferred to the Issue and Paying Agent. No transfers of interests in Cleared Securities in respect of which an Option Exercise Notice has been delivered will be valid.”

The seventh paragraph of Condition 5.2 of the Base Conditions (*Early Redemption at the Option of Securityholders*) shall be replaced with respect to French Cleared Securities by the following:

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

#### **1.5 Amendments to Condition 5.3 of the Base Conditions**

The following sentences shall be added at the end of the last paragraph of Condition 5.3 of the Base Conditions (*Early Redemption at the Option of the Issuer or following the occurrence of a Nominal Call Event*):

“In respect of French Cleared Securities, in the event that any option of the Issuer is exercised with respect to some but not all of the Securities of any Series and such

*Securities are Cleared Securities, the Issuer shall decide in respect of Notes whether such partial exercise of an option shall be effected by reducing the nominal amount or the number of the Notes. In respect of Warrants and Certificates, such partial exercise of an option shall be effected by reducing the number of Warrants and Certificates. Where the number of Securities is reduced, the choice between those Securities that will be redeemed or cancelled, as the case may be, shall be made pursuant to the procedure described in article R. 213-16 of the French Code Monétaire et Financier.”*

#### **1.6 Amendments to Condition 6.3 of the Base Conditions**

The first sentence of the second paragraph of Condition 6.3(a) of the Base Conditions (*Exercise and Cancellation Procedure – Exercise*) shall be replaced with respect to French Cleared Securities by the following:

“If the Securities are Cleared Securities, a Warrant or Exercisable Certificate may be exercised by the relevant Securityholder giving a Security Exercise Notice to the Issue and Paying Agent stating the number of Securities or, if applicable, Units to be exercised. Such Security Exercise Notice must be accompanied by a copy of instructions given to the relevant financial intermediary by the relevant accountholder that the relevant Securities be transferred to the Issue and Paying Agent. No transfers of interests in Cleared Securities in respect of which a Security Exercise Notice has been delivered will be valid.”

The fourth paragraph of Condition 6.3(a) of the Base Conditions (*Exercise and Cancellation Procedure – Exercise*) shall be replaced with respect to French Cleared Securities by the following:

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

#### **1.7 Amendments to Condition 6.4 of the Base Conditions**

The third paragraph of Condition 6.4(b) of the Base Conditions (*Automatic Exercise – Conditions to Settlement following Automatic Exercise*) shall be replaced with respect to French Cleared Securities by the following:

“If the Securities are Cleared Securities, this Condition 6.4 may be satisfied by the relevant Securityholder giving a Security Exercise Notice to the Issue and Paying Agent stating the number of Securities or, if applicable, Units in respect of which Automatic Exercise has occurred together with payment and delivery instructions, as applicable, for payment to the Issuer of the relevant Exercise Price, Taxes and any Settlement Expenses and/or delivery instructions for any Entitlement, as applicable.”

### 1.8 Amendments to Condition 6.6 of the Base Conditions

The following sentence shall be added at the end of Condition 6.6 of the Base Conditions (*Time*) with respect to French Cleared Securities to read as follows:

“In respect of French Cleared Securities, references to Luxembourg or Brussels time shall be deemed to refer to Paris time.”

### 1.9 Amendments to Condition 7.1 of the Base Conditions

Paragraph (a) of Condition 7.1 of the Base Conditions (*Settlement at Option of Securityholder*) shall be replaced with respect to French Cleared Securities by the following:

“(a) deposit and surrender the relevant Bearer Securities (together with all unmatured or unexchanged Talons and Coupons) with the Issue and Paying Agent or, with respect to Cleared Securities, with the Issue and Paying Agent provided that, if the Securities are Cleared Securities, the relevant Securities shall be transferred to the Issue and Paying Agent; and”

### 1.10 Amendments to Condition 7.2 of the Base Conditions

Condition 7.2(a) of the Base Conditions (*Physical Settlement by delivery of the Entitlement – Delivery of Entitlement*) shall be replaced with respect to French Cleared Securities by the following:

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

- (i) Subject to prior delivery of the relevant Entitlement by the Issuer, the Issue and Paying Agent shall, subject to Conditions 7, 8 and 9, on any relevant Physical Delivery Date, deliver or procure the delivery of the relevant Entitlement in respect of each Security or Unit, at the risk and expense of the relevant Securityholder, on such account as may be specified by the relevant Securityholder to the Issue and Paying Agent in the relevant Delivery Entitlement Instruction or Exercise Notice, as applicable. If a Securityholder does not provide the Issue and Paying Agent with sufficient instructions in a timely manner to enable the Issue and Paying Agent to effect any required delivery of the Entitlement, the due date for such delivery shall be postponed accordingly. The Issue and Paying Agent, if applicable, shall determine whether any instructions received by it are sufficient and whether they have been received in time to enable delivery on any given date. As used herein, “**delivery**” in relation to any Entitlement means the carrying out of the steps required of the Issuer or the Issue and Paying Agent (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Entitlement and “**deliver**” shall be construed accordingly. Neither the Issuer nor the Issue and Paying Agent shall be responsible for any delay or failure in the transfer of any Entitlement once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars or otherwise, and shall have no responsibility for the lawfulness of the acquisition or

transfer of the Entitlement or any interest therein by any Securityholder or any other person.

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

respect of such equity unit) to or to the order of the Securityholder or to such bank or broker as the Securityholder has specified in the relevant Delivery Entitlement Instruction.

- (vi) All Entitlements will be delivered at the risk of the relevant Securityholder.”

Condition 7.2(b) of the Base Conditions (*Physical Settlement by delivery of the Entitlement – Settlement Disruption Event*) shall be replaced with respect to French Cleared Securities by the following:

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

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

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

Item (ii) of Condition 7.2(c) of the Base Conditions (*Physical Settlement by delivery of the Entitlement – Substitute Assets*) shall be replaced with respect to French Cleared Securities by the following:

“(ii) not procure the delivery of the Affected Entitlement Components to the relevant Securityholders, but, subject to Conditions 7, 8 and 9, in lieu thereof to make payment of the Alternate Cash Amount to the relevant Securityholders on the Alternate Cash Amount Settlement Date.”

#### **1.11 Amendments to Condition 7.3 of the Base Conditions**

The first and second paragraphs of Condition 7.3 of the Base Conditions (*Conditions to Settlement*) shall be replaced with respect to French Cleared Securities by the following:

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

The conditions to settlement to be satisfied by a Securityholder include, without limitation, (i) receipt of all instructions, certifications (including pursuant to Condition 7.5) and information by the Issue and Paying Agent to effect payment or delivery of the relevant Settlement Amount or Entitlement to the Securityholder (or to its order) within the required time period, (ii) the condition to settlement in Condition 9.6, (iii) the deposit of a duly completed Exercise Notice, Settlement Election Notice, Delivery Entitlement Instruction or any other applicable notice in accordance with the Conditions, as applicable, and (iv) the deposit, presentation, surrender or transfer of the relevant Security, as applicable.”

#### **1.12 Amendments to Condition 10 of the Base Conditions**

The first paragraph of Condition 10 of the Base Conditions (*Events of Default*) shall be replaced with respect to French Cleared Securities by the following:

“If any of the following events occurs and is continuing, any Securityholder may give notice (together with evidence from the relevant financial intermediary that the relevant Securities are inscribed in the Securityholder’s securities accounts held by such financial intermediary) to the Issue and Paying Agent at its specified office and such Security shall, accordingly, immediately become due and repayable at the Early Cash Settlement Amount (and, notwithstanding that “Physical Settlement” is specified as the Settlement Method in the applicable Final Terms or elected for the purposes of Conditions 5, 6 or 7, Cash Settlement shall be deemed to be the Settlement Method):”

#### **1.13 Amendments to Condition 16.1 of the Base Conditions**

Paragraph (a) of Condition 16.1 of the Base Conditions (*To Securityholders*) shall be replaced with respect to French Cleared Securities by the following:

“(a) in the case of French Cleared Securities, if published in a daily newspaper of general circulation in France (which is expected to be *Les Echos* or *La Tribune*) and will be deemed to have been given on the date of first publication; and/or”

### 1.14 Amendments to Condition 16.3 of the Base Conditions

The first two paragraphs and the first sentence of the third paragraph of Condition 16.3 of the Base Conditions (*Validity of Notices*) shall be replaced with respect to French Cleared Securities by the following:

“Any determinations as to whether any notice is valid, effective and/or duly completed and in the proper form shall be made, in the case of French Cleared Securities, by the Issuer and the Issue and Paying Agent and shall be conclusive and binding on the Issuer, the Agents and the relevant Securityholder(s).

Any notice determined not to be valid, effective, complete and in proper form shall be null and void unless the Issuer and the Issue and Paying Agent agree otherwise. This provision shall not prejudice any right of the person delivering the notice to deliver a new or corrected notice.

The Issue and Paying Agent shall use all reasonable endeavours promptly to notify any Securityholder submitting a notice if it is determined that such notice is not valid, effective, complete or in the proper form.”

## 2 Definitions

“**Account Holder**” means any intermediary institution entitled to hold accounts directly or indirectly on behalf of its customers with Euroclear France, and includes Euroclear and the depositary bank for Clearstream.

“**Agency Agreement**” means the English law governed Master Agency Agreement dated 5 August 2009, as amended and restated most recently on 5 August 2011 (and as may be further amended from time to time) between the Bank, BCCL, the Guarantor and certain agents.

“**Business Day**” means a day which is each of:

- (a) a day other than a Saturday or Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in London, Paris and any Additional Business Centre specified in the applicable Final Terms;
- (b) in respect of Cleared Securities, a Clearing System Business Day for the Relevant Clearing System;
- (c) in relation to any sum payable in a Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in the principal financial centre of the country of the relevant Currency (if other than London and any Additional Business Centre specified in the applicable Relevant Annex and/or the applicable Final Terms); and
- (d) in relation to any sum payable in euro, a TARGET Business Day.

“**Settlement Disruption Event**” means, in the opinion of the Determination Agent, that an event beyond the control of the Issuer or the Guarantor, if applicable, has occurred as a result of which the Issuer or the Guarantor, as the case may be, cannot procure delivery of the Reference Assets.

“Euroclear France” means Euroclear France S.A., 115 rue Réaumur, 75081 Paris Cedex 02, France.

“Euronext Paris” means Euronext Paris S.A.

“Relevant Clearing System” means Euroclear France.

“Rules” means the Euroclear France Rules and/or the terms and conditions and any procedures governing the use of such Relevant Clearing System.

“Payment Day” means any day which is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in:
  - (i) the relevant place of presentation (except in respect of Global Bearer Securities that are Cleared Securities);
  - (ii) London;
  - (iii) Paris;
  - (iv) any Additional Business Centre specified in the applicable Final Terms; and
- (b) either
  - (i) in relation to any sum payable in a Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign Currency deposits) in the principal financial centre of the country of the relevant Currency; or
  - (ii) in relation to any sum payable in euro, a day on which the TARGET System is open.

## Part D Equity Linked Annex

In respect of French Cleared Securities, Part B of the Equity Linked Annex (*Additional Terms and Conditions for Equity Linked Securities*) shall be amended as follows:

### 1 Additional Terms and Conditions for French Cleared Securities

#### 1.1 Amendments to Condition 6.1 of the Additional Terms and Conditions for Equity Linked Securities

Condition 6.1.4 of the Additional Terms and Conditions for Equity Linked Securities (*Cash Dividends*) shall be replaced with respect to French Cleared Securities by the following:

“6.1.4 In order to receive the Cash Dividend Amount, in relation to Securities represented by a Global Bearer Security held by Euroclear France, a Securityholder must deliver to the Issue and Paying Agent a duly completed notice (a “Cash Dividend Notice”) in the applicable form set out in Schedule 4 Part E to the Agency Agreement on or prior to the Cash Dividend Notice Cut-off Date.”

Condition 6.1.6 of the Additional Terms and Conditions for Equity Linked Securities (*Cash Dividends*) shall be replaced with respect to French Cleared Securities by the following:

“6.1.6 The relevant Cash Dividend Amount will be paid to the Securityholder’s account specified by such Securityholder in the Cash Dividend Notice.”

Conditions 6.1.8 and 6.1.9 of the Additional Terms and Conditions for Equity Linked Securities (*Cash Dividends*) shall be replaced with respect to French Cleared Securities by the following:

“6.1.8 In the event that a Securityholder fails to deliver a duly completed Cash Dividend Notice on or prior to the Cash Dividend Notice Cut-off Date as provided above, such Securityholder’s right to receive the Cash Dividend Amount in respect of its Securities shall lapse and neither the Issuer nor the Issue and Paying Agent shall have further liability in respect thereof.

6.1.9 A Cash Dividend Notice may not be withdrawn after receipt thereof by the Issue and Paying Agent and, after delivery of a Cash Dividend Notice, the relevant Securityholder may not transfer the Securities which are the subject of such Cash Dividend Notice until after the payment of the relevant Cash Dividend Amounts in respect of the relevant Securities.

*Securityholders should note that, in the event that a duly completed Cash Dividend Notice is duly delivered as provided above, the Issuer’s only obligation in respect thereof is to pay or procure payment of the relevant Cash Dividend Amount(s) to the account specified in such Cash Dividend Notice and to no other person or account.”*

## 1.2 Amendments to Condition 6.2 of the Additional Terms and Conditions for Equity Linked Securities

Condition 6.2.3 of the Additional Terms and Conditions for Equity Linked Securities (*Stock Dividends*) shall be replaced with respect to French Cleared Securities by the following:

“6.2.3 In the event that the Stock Delivery Date falls on or prior to the Stock Dividend Cut-off Date, the Issue and Paying Agent shall, subject as provided below, deliver to each Securityholder an amount of Securities equal to the New Security Amount in respect of each Security held by him as soon as practicable after the Stock Delivery Date.”

Condition 6.2.5 of the Additional Terms and Conditions for Equity Linked Securities (*Stock Dividends*) shall be replaced with respect to French Cleared Securities by the following:

“6.2.5 In order to receive the New Security Amount or the Cash Amount, as the case may be, in relation to Securities represented by a Global Bearer Security held by Euroclear France, a Securityholder must deliver to the Issue and Paying Agent a duly completed notice (a “**Stock Dividend Notice**”) in the applicable form set out in Schedule 4 Part E to the Agency Agreement on or prior to the Stock Dividend Notice Cut-off Date.”

Condition 6.2.7 of the Additional Terms and Conditions for Equity Linked Securities (*Stock Dividends*) shall be replaced with respect to French Cleared Securities by the following:

“6.2.7 The Issue and Paying Agent, subject to the receipt of the relevant New Security Amount, shall deliver the New Security Amount to such Account Holder’s account specified by such Securityholder in the Stock Dividend Notice or pay the relevant Cash Amount to the relevant Securityholder’s cash account specified by such Securityholder in the Stock Dividend Notice.”

Conditions 6.2.9, 6.2.10 and 6.2.11 of the Additional Terms and Conditions for Equity Linked Securities (*Stock Dividends*) shall be replaced with respect to French Cleared Securities by the following:

“6.2.9 In the event that a Securityholder fails to deliver a Stock Dividend Notice prior to the Stock Dividend Notice Cut-off Date as provided above, such Securityholder’s right to receive the New Security Amount or the Cash Amount in respect of its Securities shall lapse and neither the Issuer nor the Issue and Paying Agent shall have further liability in respect thereof.

6.2.10 A Stock Dividend Notice may not be withdrawn after receipt thereof by the Issue and Paying Agent and, after delivery of the Stock Dividend Notice, the relevant Securityholder may not transfer the Securities which are the subject of such Stock Dividend Notice until after the delivery of the New Security Amounts or payment of the Cash Amounts, as the case may be, in respect of the relevant Securities.

6.2.11 Delivery of the New Security Amount in respect of each Security is subject to compliance with all applicable securities laws and, in the event that any such delivery of the New Security Amount would result in non-compliance with any

applicable securities laws, in lieu of such delivery, the Issuer shall pay to the relevant Securityholder the Cash Amount.

*Securityholders should note that, in the event that a duly completed Stock Dividend Notice is duly delivered as provided above, the Issuer's only obligation in respect thereof is to procure delivery by the Issue and Paying Agent of the relevant New Security Amount(s) or to pay or procure payment of the relevant Cash Amount(s), as the case may be, in each case as provided above and to no other person or account."*

### 1.3 Amendments to Condition 6.3 of the Additional Terms and Conditions for Equity Linked Securities

Condition 6.3.3 of the Additional Terms and Conditions for Equity Linked Securities (*Rights Issue*) shall be replaced with respect to French Cleared Securities by the following:

"6.3.3 In the event that the Rights Delivery Date falls on or prior to the Rights Cut-off Date, the Issue and Paying Agent shall, subject as provided below, deliver to each Securityholder an amount of Securities equal to the Rights Security Amount in respect of each Security held by him as soon as practicable after the Rights Delivery Date."

Condition 6.3.5 of the Additional Terms and Conditions for Equity Linked Securities (*Rights Issue*) shall be replaced with respect to French Cleared Securities by the following:

"6.3.5 In order to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in relation to Securities represented by a Global Bearer Security held by Euroclear France, a Securityholder must (i) deliver to the Issue and Paying Agent a duly completed notice (a "**Central Depository Rights Notice**") in the applicable form set out in Schedule 4 Part E to the Agency Agreement and (ii) pay to the Issue and Paying Agent (in favour of the Issuer) the relevant Rights Amount, in each case on or prior to the Rights Subscription Cut-off Date."

Condition 6.3.7 of the Additional Terms and Conditions for Equity Linked Securities (*Rights Issue*) shall be replaced with respect to French Cleared Securities by the following:

"6.3.7 The Issue and Paying Agent shall deliver, subject to the prior receipt of the relevant Rights Security Amount, the Rights Security Amount to such Account Holder's account specified by such Securityholder in the Stock Dividend Notice or pay the relevant Rights Cash Amount to the relevant Securityholder's cash account specified by such Securityholder in the Rights Notice."

Conditions 6.3.9, 6.3.10 and 6.3.11 of the Additional Terms and Conditions for Equity Linked Securities (*Rights Issue*) shall be replaced with respect to French Cleared Securities by the following:

"6.3.9 In the event that a Securityholder fails to deliver a duly completed Rights Notice and pay the relevant Rights Amount prior to the Rights Subscription Notice Cut-off Date as provided above, such Securityholder's rights to receive the Rights Security Amount or the Rights Cash Amount, as the case may be, in respect of its Securities

shall lapse and neither the Issuer nor the Issue and Paying Agent shall have further liability in respect thereof.

6.3.10 A Rights Notice may not be withdrawn after receipt thereof by the Issue and Paying Agent and, after delivery of a Rights Notice, the relevant Securityholder may not transfer the Securities which are the subject of such Rights Notice until after the delivery of the Rights Security Amounts or payment of the Rights Cash Amounts, as the case may be, in respect of the relevant Securities.

6.3.11 Delivery of the Rights Security Amount in respect of each Security is subject to compliance with all applicable securities laws and, in the event that any such delivery of the Rights Security Amount would result in non-compliance with any applicable securities laws, in lieu of such delivery, the Issuer shall pay to the relevant Securityholder the Rights Cash Amount.

*Securityholders should note that, in the event that a duly completed Rights Notice is duly delivered and the relevant Rights Amount(s) are paid by or on behalf of the relevant Securityholder in each case as provided above, the Issuer's only obligation in respect of such Rights Notice is to procure delivery by the Issue and Paying Agent of the relevant Rights Security Amount(s) or pay or procure payment of the relevant Rights Cash Amount(s) as provided above and to no other person or account."*

#### **1.4 Amendments to Condition 6.4 of the Additional Terms and Conditions for Equity Linked Securities**

Conditions 6.4.1, 6.4.2, 6.4.3 and 6.4.4 of the Additional Terms and Conditions for Equity Linked Securities (*General*) shall be replaced with respect to French Cleared Securities by the following:

“6.4.1 Any determination as to whether a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice is duly completed and in proper form shall be made, in the case of Securities represented by a Global Bearer Security held by Euroclear France, by the Issue and Paying Agent, and shall be conclusive and binding on the Issuer, the Agents and the relevant Securityholder. Subject as set out below, any Cash Dividend Notice, Stock Dividend Notice or Rights Notice so determined to be incomplete or not in proper form shall be null and void.

6.4.2 If a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice is subsequently corrected to the satisfaction of the Issue and Paying Agent, it shall be deemed to be a new Cash Dividend Notice, Stock Dividend Notice or Rights Notice, as the case may be, submitted at the time such correction was delivered to the Issue and Paying Agent.

6.4.3 The Issue and Paying Agent shall notify the Securityholder submitting a Cash Dividend Notice, a Stock Dividend Notice or a Rights Notice if it has determined that such Cash Dividend Notice, Stock Dividend Notice or Rights Notice, as the case may be, is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Issue and Paying Agent or Euroclear France shall be liable to any person with respect to any action taken or

omitted to be taken by it in connection with such determination or the notification of such determination to a Securityholder.

6.4.4 Copies of the Cash Dividend Notice, Stock Dividend Notice and Rights Notice may be obtained during normal business hours from the specified office(s) of the Issue and Paying Agent.”

## **2 Definition applicable to French Cleared Securities**

“Rights Notice” means a Central Depository Rights Notice.

## **3 Interpretation**

Any delivery of Rights Security Amount(s) or New Security Amount(s) to Securityholders will be made (subject to prior delivery by the Issuer of such Rights Security Amount(s) or New Security Amount(s) to the Issue and Paying Agent) by the Issue and Paying Agent. All references in the Equity Linked Annex to Rights Security Amount(s) or New Security Amount(s) being delivered by the Issuer shall be construed accordingly.

## ITALIAN SECURITIES ANNEX

### Table of Contents

#### **Part A – BRIEF DESCRIPTION OF ITALIAN SECURITIES**

#### **Part B – RISK FACTORS RELATING TO ITALIAN SECURITIES**

1. Option Risk
2. Valuation of Italian Securities in the secondary market
3. Potential conflicts of interest relating to distributors
4. Possible illiquidity of Italian Securities in the secondary market where there is no offer to institutional investors
5. Certain considerations relating to public offers of Italian Offered Securities
6. Securities with foreign exchange risks – emerging market jurisdictions
7. The Securities may be cancelled prior to the Expiration Date
8. Risks relating to modifications to the Conditions of Italian Securities

#### **Part C – ADDITIONAL TERMS AND CONDITIONS FOR ITALIAN SECURITIES**

##### **PART C1 – Base Conditions**

##### **I. Amendments to the Base Conditions in respect of Italian Listed Securities**

1. Amendments to Condition 6.2 of the Base Conditions
2. Amendments to Condition 6.3 of the Base Conditions
3. Amendments to Condition 6.4 of the Base Conditions
4. Amendments to Condition 7.3 of the Base Conditions
5. Amendments to Condition 9.6 of the Base Conditions
6. Amendments to Condition 15 of the Base Conditions
7. Amendments to Condition 17 of the Base Conditions
8. Amendments to Condition 20 of the Base Conditions
9. Amendments to Condition 24 of the Base Conditions

##### **II. Amendments to the Base Conditions in respect of Italian Dematerialised Securities**

1. Amendments to Condition 1.1 of the Base Conditions
2. Amendments to Condition 1.2 of the Base Conditions
3. Amendments to Condition 1.3 of the Base Conditions

4. Amendments to Condition 1.4 of the Base Conditions
5. Amendments to Condition 6.3 of the Base Conditions
6. Amendments to Condition 6.4 of the Base Conditions
7. Amendments to Condition 7.3 of the Base Conditions
8. Insertion of a new Condition 9.4A of the Base Conditions
9. Amendments to Condition 11 of the Base Conditions
10. Amendments to Condition 14 of the Base Conditions
11. Amendments to Condition 16 of the Base Conditions
12. Amendments to Condition 20 of the Base Conditions
13. Amendments to Condition 22 of the Base Conditions
14. Amendments to Condition 24 of the Base Conditions

**III. Amendments to the Base Conditions in respect of Italian Securities for which "Issuer Call" and/or "Early Exercise Trigger Event" is/are specified as "Applicable" in the applicable Final Terms:**

1. Amendments to Condition 6.2 of the Base Conditions
2. Amendments to Condition 7.3 of the Base Conditions
3. Amendments to Condition 24 of the Base Conditions

**IV. Amendments to the Base Conditions in respect of all Italian Securities**

1. Amendments to Condition 20 of the Base Conditions

**PART C2 – COMMODITY LINKED ANNEX**

**Amendments to the Commodity Linked Annex in respect of Italian Listed Securities**

1. Description and Risk Factors
2. Additional Terms and Conditions for Commodity Linked Securities
3. Definitions and Interpretation Applicable to Commodity Linked Securities

**PART C3 – EQUITY LINKED ANNEX**

**Amendments to the Equity Linked Annex in respect of Italian Listed Securities**

1. Additional Terms and Conditions for Equity Linked Securities
2. Definitions and Interpretation Applicable to Equity Linked Securities

**PART D – ITALIAN TAX DISCLOSURE**

**PART D1 – NOTES**

**PART D2 – WARRANTS AND CERTIFICATES**

## Part A

### Brief Description of Italian Securities

Italian Securities are Securities which are specified to be "Italian Securities" in the applicable Final Terms. Italian Securities may take the form of Notes, Warrants or Certificates which are offered to the public in Italy ("**Italian Offered Securities**") and/or Warrants or Exercisable Certificates which are to be listed on the Italian Stock Exchange and admitted to trading on the electronic "Securitized Derivatives Market" (the "**SeDeX**") organised and managed by the Italian Stock Exchange, or in respect of which the Issuer reserves the right to apply for listing on the Italian Stock Exchange and admission to trading on the SeDeX ("**Italian Listed Securities**") and/or Warrants or Exercisable Certificates which are to be issued in dematerialised form, as specified below ("**Italian Dematerialised Securities**"), as indicated in the applicable Final Terms.

Italian Dematerialised Securities will be cleared through Monte Titoli S.p.A. and issued in registered, uncertificated and dematerialised form, in accordance with the Financial Services Act (*Testo Unico della Finanza*) and the relevant implementing legislation, as amended from time to time. Italian Dematerialised Securities will be issued in book-entry form and registered in the books of Monte Titoli S.p.A. As such, Italian Dematerialised Securities are not constituted by any physical document of title and no Global Security or Definitive Security shall be issued in respect thereof, provided however that a holder of Italian Dematerialised Securities has the right to obtain certification of such holding pursuant to articles 83-quinquies and 83-novies, paragraph 1, letter b) of the Financial Services Act. The Deed of Covenant shall not apply to Italian Dematerialised Securities.

Italian Securities will only be issued by the Bank. BCCL will not issue Italian Securities. Any reference in this Base Prospectus to "Issuer", "Issuers", "relevant Issuer", "an Issuer" or "any Issuer" shall be construed accordingly.

Italian Listed Securities and Italian Dematerialised Securities will only be either European Style Warrants, American Style Warrants or Exercisable Certificates and Cash Settlement and Automatic Exercise will apply thereto.

Italian Securities which are Warrants or Exercisable Certificates may also, if so specified in the applicable Final Terms, provide (i) that the Issuer has the right to cancel the relevant Securities during a specified period and/or (ii) that a Securityholder may exercise some or all of the Securities held by such Securityholder following the occurrence of an Early Exercise Trigger Event.

The Italian Securities Agent in respect of Italian Dematerialised Securities will be specified in the applicable Final Terms and shall be appointed pursuant to the agency agreement specified in the applicable Final Terms. Any such agency agreement may be governed by Italian Law and shall be an "Agency Agreement" for the purposes of the Base Conditions.

## Part B

### Risk Factors relating to Italian Securities

This section describes additional factors to which prospective investors should have regard when considering an investment in Italian Securities. Prospective investors are also referred to the factors set out in the section headed "Risk Factors" of the Base Prospectus.

#### 1. Option Risk

Italian Securities are financial instruments which may include option rights and which, therefore, have many characteristics in common with options. Transactions in options involve a high level of risk. Investors who intend to trade in options must first of all understand the types of contracts in which they intend to trade (for example, call options and put options). An investment in options constitutes a highly volatile investment and there is a high probability that the option may have no value at expiration. In such circumstances, an investor would lose the entire purchase price of the options (known as the "premium").

The amount which may be payable on redemption, exercise or any early redemption or early termination will depend on the value of options included in the Italian Securities. Prior to the expiration of an Italian Security, variations in the value of the relevant options may reduce the value of such Italian Security.

An investor who is considering the purchase of a call option over a Reference Asset, the market price of which is significantly lower than the price at which the exercise of the option would have a value greater than zero (known as "deep out of the money"), must consider the fact that the possibility that the exercise of the option will be profitable is remote. Likewise, an investor who is considering the purchase of a put option over a Reference Asset, the market price of which is significantly higher than the price at which the exercise of the option would have a value greater than zero must consider the fact that the possibility that the exercise of the option will be profitable is remote.

#### 2. Valuation of Italian Securities in the secondary market

Investors should note that, in certain circumstances immediately following an issue of Italian Securities, the secondary market price of such Italian Securities may be less than the Issue Price if the Issue Price included commissions and/or fees paid by the Issuer to the relevant distributor(s).

Where so specified in the Final Terms, the liquidity of Italian Securities may be supported by one or more entities active in the secondary market (e.g. specialist, liquidity provider, price maker) pursuant to agreements entered into with the Issuer and/or any Manager and/or any distributor, whereby such entities undertake to purchase the relevant Securities in the secondary market at a price calculated according to pre-determined conditions and for a pre-determined maximum amount.

Therefore, in such case, there is a risk that the purchase price of the relevant Securities may be primarily affected by the activity of such entities where the purchase price is formulated according to pre-determined criteria (such as, without limitation, the creditworthiness of the Issuer on the issue date of the relevant Securities). In that case, the price may not reflect all the market variables and may not be indicative of such variables (for instance, it might not reflect changes in the creditworthiness of

the Issuer compared to that as at the issue date of the relevant Securities) and may, therefore, appear to be higher, or much higher, than the price that would have formed in the market independently.

### **3. Potential conflicts of interest relating to distributors**

Potential conflicts of interest may arise in relation to Italian Offered Securities as the manager(s) and any distributor(s) will act pursuant to a mandate granted by the Issuer and will receive commissions and/or fees on the basis of the services performed and the outcome of the placement of the Italian Offered Securities.

Any further risk factors relating to additional conflicts of interest with respect to the Italian Offered Securities will be specified in the applicable Final Terms.

### **4. Possible illiquidity of Italian Offered Securities in the secondary market where there is no offer to institutional investors**

There may be less liquidity in the secondary market for Italian Offered Securities if the Italian Offered Securities are exclusively offered to retail investors without any offer being made to institutional investors.

In respect of Italian Offered Securities which are also Italian Listed Securities, after the listing of such Securities on the SeDeX, the Issuer (or an entity on behalf of the Issuer) will, for so long as the rules of the SeDeX so require, display continuous "bid" and "offer" prices for such Securities, in accordance with the rules of the SeDeX.

The appointment of an entity acting as market-maker or liquidity provider with respect to the Italian Offered Securities on the secondary market, may, under certain circumstances, have an impact on the price of the Italian Offered Securities on the secondary market.

### **5. Certain considerations relating to public offers of Italian Offered Securities**

In respect of Italian Offered Securities, under certain circumstances indicated in the applicable Final Terms, the Issuer and/or the other entities indicated in the Final Terms, will have the right to withdraw the offer and the offer will be deemed to be null and void in accordance with the terms set out in the applicable Final Terms. In such a case, investors who have already paid or delivered the subscription amounts in respect of such Italian Offered Securities will be entitled to the reimbursement of such subscription amounts but there may be a time lag in making any reimbursements, no amount will be payable as compensation and the applicant may be subject to reinvestment risk.

Unless otherwise provided in the applicable Final Terms, an offer of Italian Offered Securities may be terminated early by the Issuer and/or such other entities as are specified in the applicable Final Terms, even if the maximum amount for subscription in relation to such offer specified in the applicable Final Terms has not been reached, by suspending the acceptance of further subscription requests and by giving notice as soon as possible to the public in the manner specified in the applicable Final Terms. Any such early closure will have an impact on the aggregate number of the Italian Offered Securities issued and the liquidity of such Securities.

Unless otherwise provided in the relevant Final Terms, an offer of Italian Offered Securities may be extended by the Issuer and/or such other entities as are specified in the applicable Final Terms which may result in a postponement of the issue date of such Securities and the terms of such Securities may be further amended to reflect such postponement (which, for the avoidance of doubt, may

include a postponement of the maturity date or expiration date, as the case may be, of the relevant Securities). Any such extension and (if applicable) delay of the issue date and amendment will be communicated to the public in the manner specified in the applicable Final Terms.

In the event the Issuer publishes a supplement to the Base Prospectus which gives rise to walk-away rights in relation to an issue of Italian Offered Securities, pursuant to the Prospectus Directive and Article 94, paragraph 7, 95-bis paragraph 2 and 113, paragraph 2 of the Financial Services Act, the issue date of such Securities may be postponed and the terms of such Securities may be further amended to reflect such postponement (which, for the avoidance of doubt, may include a postponement of the maturity date or expiration date, as the case may be, of the relevant Securities). Any such delay and/or amendment will be communicated to the public in the manner specified in the applicable Final Terms.

Investors should note that, if the issue date and/or the maturity date or expiration date, as the case may be, of an issue of Italian Offered Securities are postponed, the payment of the amounts which are due under such Securities would be made on dates which are different from the dates initially considered by investors and this would have an impact on such investor's investment plan. In addition, where the issue date of an issue of Italian Offered Securities is postponed, any amounts which were held by the relevant Distributor(s) as intended payment of the relevant offer price in respect of the relevant subscribed Securities may or may not accrue interest to the delayed issue date, but this will depend on the agreement between the investor and the relevant Distributor. Investors should therefore check the terms of their agreement with the relevant Distributor to determine whether any such interest would be payable.

#### **6. Securities with foreign exchange risks – emerging market jurisdictions**

Prospective investors should be aware that the risks set out in the risk factor headed "Securities with foreign exchange risks" in the section headed "Risk Factors" of the Base Prospectus may be amplified in respect of Italian Securities where any relevant currency is the currency of an emerging market jurisdiction.

#### **7. Securities may be cancelled prior to the Expiration Date**

If the applicable Final Terms for an issue of Italian Securities provides that the Issuer has a right to cancel such Securities by giving notice during the specified Issuer Call Notice Period and a Security is so cancelled, depending on the prevailing market conditions and the relevant terms of such Security in relation to the cancellation, the relevant Settlement Amount in respect of such Security may be lower than the purchase price of such Security paid by the Securityholder and may be zero. As a consequence, the Securityholder may not receive the total amount of the capital invested. In addition, investors that choose to reinvest monies they receive in respect of a cancellation may only be able to reinvest such monies in securities with a lower yield than the cancelled Securities.

#### **8. Risks relating to modifications to the Conditions of Italian Securities**

The Conditions of Italian Securities may be modified in order to comply with amendments to any applicable laws and regulations (including, *inter alia*, any regulations of the Commissione Nazionale per le Società e la Borsa ("CONSOB"), the rules of the markets organised and managed by Borsa Italiana S.p.A., the instructions relating thereto and interpretations of such regulations, rules and

instructions, and all the regulations and rules of any other stock exchange, market or quotation system, trading facility or clearing system applicable to such Italian Securities).

**Part C**  
**Additional Terms and Conditions for Italian Securities**

**PART C1 – BASE CONDITIONS**

*Italian Securities will only be issued by the Bank. BCCL will not issue Italian Securities and references in the Conditions of Italian Securities to the “Issuer” shall be construed to refer only to the Bank.*

**I. AMENDMENTS TO THE BASE CONDITIONS IN RESPECT OF ITALIAN LISTED SECURITIES:**

In respect of Italian Listed Securities, the Base Conditions shall be amended as follows:

**1 Amendments to Condition 6.2 of the Base Conditions**

Condition 6.2 of the Base Conditions (*Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates – Cancellation or Adjustment following the occurrence of an Additional Disruption Event or Cancellation following the occurrence of a Nominal Call Event or Cancellation following the occurrence of a Specified Early Cancellation Event*) shall be amended by:

- 1.1 the deletion of the words “at its sole and absolute discretion” in Condition 6.2(a) thereof and the substitution of the words “in good faith and in a reasonable manner” therefor;
- 1.2 the deletion of the words “at its sole and absolute discretion” in Condition 6.2(a)(i) thereof and the substitution of the words “in good faith and in a reasonable manner” therefor;
- 1.3 the deletion of the word “commercially” in Condition 6.2(a)(i) thereof; and

**2 Amendments to Condition 6.3 of the Base Conditions**

Condition 6.3(a) of the Base Conditions (*Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates – Exercise and Cancellation Procedure – Exercise*) shall be amended by:

- 2.1 the deletion of the words “, Settlement Expenses,” in the fourth line of the penultimate paragraph thereof.

**3 Amendments to Condition 6.4 of the Base Conditions**

Condition 6.4 of the Base Conditions (*Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates – Automatic Exercise*) shall be amended by:

- 3.1 the addition of the words “and to the provisions of Condition 6.4(c)” after the words “(subject to the Exercise Parameters” in Condition 6.4(a)(ii);
- 3.2 the addition of the following as a new penultimate paragraph in Condition 6.4(b):

“Notwithstanding the above, if the Securities are Italian Listed Securities, the relevant conditions to settlement for the purpose of this Condition 6.4 will be satisfied by (a) receipt of all instructions, certifications and information by the Issuer, the Issue and Paying Agent (in the case of Securities other than Italian Dematerialised Securities), the Italian Securities Agent (in the case of Italian Dematerialised Securities) and the Relevant Clearing System to effect payment of the relevant Settlement Amount to the Securityholder (or to its order) within the required time period, (b) the condition to settlement in Condition 9.6 being satisfied, (c) the

deposit of a duly completed Security Exercise Notice (in the form available from any Paying Agent, the Registrar or any Transfer Agent (in respect of Securities other than Italian Dematerialised Securities) or from the Italian Securities Agent (in respect of Italian Dematerialised Securities) and which includes, for the avoidance of doubt, the representations required pursuant to Condition 6.3 of the Base Conditions) in accordance with the Conditions and (d) in respect of Securities other than Italian Dematerialised Securities, the deposit, presentation or surrender of the relevant Security, as applicable.”

3.3 the addition of the following as a new Condition 6.4(c) after Condition 6.4(b) of the Base Conditions:

“(c) Italian Listed Securities

For so long as the Securities are admitted to listing on the Italian Stock Exchange and to trading on the Electronic Securitised Derivatives Market (SeDeX) of Borsa Italiana S.p.A., then at any time prior to the Renouncement Notice Cut-Off Time, any Securityholder may renounce Automatic Exercise of any Securities held by such Securityholder in accordance with the rules of the Italian Stock Exchange applicable from time to time by the giving of a duly completed Renouncement Notice (a) to the Relevant Clearing System, with a copy to the Issuer and the Issue and Paying Agent, in the case of Securities other than Italian Dematerialised Securities; and (b) to the Italian Securities Agent, in the case of Italian Dematerialised Securities. Once delivered a Renouncement Notice shall be irrevocable and a Securityholder will not transfer the Securities the subject of the Renouncement Notice. If a duly completed Renouncement Notice is validly delivered prior to the Renouncement Notice Cut-off Time, the relevant Securityholder will not be entitled to receive any amounts payable by the Issuer in respect of relevant Securities and the Issuer shall have no further liability in respect of such amounts.

Any determination as to whether a Renouncement Notice is valid, effective and/or duly completed and in proper form shall be made by (a) the Relevant Clearing System (in consultation with the Issuer and the Issue and Paying Agent), in the case of Securities other than Italian Dematerialised Securities; or (b) the Italian Securities Agent (in consultation with Monte Titoli S.p.A.), in the case of Italian Dematerialised Securities) and shall be conclusive and binding on the Issuer, the Agents and the relevant Securityholder(s), as the case may be.

Subject as follows, any Renouncement Notice determined not to be valid, effective, complete and in proper form shall be null and void unless the Issuer and, in the case of Italian Dematerialised Securities, the Italian Securities Agent agree otherwise. This provision shall not prejudice any right of the person delivering the notice to deliver a new or corrected notice.

The Issuer or, in the case of Italian Dematerialised Securities, the Italian Securities Agent shall use all reasonable endeavours promptly to notify any Securityholder submitting a Renouncement Notice if it is determined that such Renouncement Notice is not valid, effective, complete or in the proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Relevant Clearing System, or any Agent, as the case may be, shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with any notification to a Securityholder or determination that a Renouncement Notice is not valid, effective, complete or in the proper form.”

#### 4 Amendments to Condition 7.3 of the Base Conditions

The third paragraph of Condition 7.3 of the Base Conditions (*Settlement – Conditions to Settlement*) shall not apply to Italian Listed Securities.

#### 5 Amendments to Condition 9.6 of the Base Conditions

Condition 9.6 of the Base Conditions (*Taxes, Settlement Expenses and Exercise Price Conditions to Settlement*) shall be amended by:

- 5.1 the deletion of the words “, Settlement Expenses” in the heading thereof;
- 5.2 the deletion of the words “and Settlement Expenses” after the words “applicable Taxes” in the third line thereof; and
- 5.3 the deletion of the words “Settlement Expenses,” after the words “such applicable Taxes,” in the penultimate line thereof.

#### 6 Amendments to Condition 15 of the Base Conditions

Condition 15 of the Base Conditions (*Unlawfulness or impracticability*) shall be amended by the deletion of the words “in its sole and absolute discretion” and the substitution of the words “in good faith and in a reasonable manner” therefor.

#### 7 Amendments to Condition 17 of the Base Conditions

Condition 17.2 of the Base Conditions (*Substitution – The Bank*) shall be amended by the insertion of the following as a new third paragraph thereof:

“The provisions of this Condition 17.2 shall not apply to the Securities for so long as (a) the Securities are admitted to listing on Borsa Italiana S.p.A. and to trading on the Electronic Securitised Derivatives Market (SeDeX) of Borsa Italiana S.p.A. and (b) the rules of Borsa Italiana S.p.A., as interpreted by it, so require.”

#### 8 Amendments to Condition 24 of the Base Conditions

Condition 24 of the Base Conditions (*Definitions*) shall be amended by:

- 8.1 the deletion of the definition of “Additional Disruption Event” therein and the substitution of the following therefor:

““**Additional Disruption Event**” means, with respect to a Series of Securities, each of Change in Law and Issuer Tax Event. For the avoidance of doubt, in the event of any inconsistency between any applicable Relevant Annex(es) and the applicable Final Terms as to what constitutes an Additional Disruption Event for the purposes of the Securities, the Final Terms shall prevail.”;

- 8.2 the deletion of the definition of “Change in Law” therein and the substitution of the following therefor:

““**Change in Law**” means that, on or after the Trade Date (a) due to the adoption or announcement of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or

regulation (including any action taken by a taxing authority), the Issuer determines in good faith and in a reasonable manner that it has become illegal for the Issuer and/or any of its Affiliates to hold, acquire, deal in or dispose of the Hedge Positions relating to the Securities or contracts in securities, options, futures, derivatives or foreign exchange relating to such Securities.”;

- 8.3 the deletion of the definition of “Disruption Cash Settlement Price” therein and the substitution of the following therefor:

“**Disruption Cash Settlement Price**” means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount, determined by the Determination Agent as the pro rata proportion of the market value of the Securities on or about the Disruption Cash Settlement Date (which shall take into account, where some but not all of the Reference Assets comprising the Entitlement have been duly delivered pursuant to Condition 7.2(a), the value of such Reference Assets).”;

- 8.4 the deletion of the definition of “Early Cash Settlement Amount” therein and the substitution of the following therefor:

“**Early Cash Settlement Amount**” means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, in respect of any early redemption or cancellation of the Securities, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities following the event triggering the early redemption or cancellation. In determining the Early Cash Settlement Amount, the Determination Agent may take into account prevailing market prices and/or exchange rates and/or the price or level of any Reference Asset(s) The Early Cash Settlement Amount will be determined by the Determination Agent on or as soon as reasonably practicable following the event giving rise to the early redemption or cancellation of the Securities. For the purposes of calculating any Early Cash Settlement Amount at any time following an Event of Default, the Determination Agent will ignore the effect of such Event of Default upon the market value of the Securities.”;

- 8.5 the deletion of the definition of “Local Market Expenses” therein;

- 8.6 the deletion of the definition of “Settlement Amount” therein and the substitution of the following therefor:

“**Settlement Amount**” means the Final Cash Settlement Amount, the Optional Cash Settlement Amount, the Alternate Cash Settlement Amount, the Early Cash Settlement Amount, the Specified Early Cash Settlement Amount, the Trigger Early Cash Settlement Amount, the Issuer Call Optional Cash Settlement Amount, the Exercise Cash Settlement Amount, or the Disruption Cash Settlement Price, as applicable.”;

- 8.7 the deletion of the definition of “Settlement Expenses” therein;

- 8.8 the deletion of the definition of “Specified Early Cash Settlement Amount” therein and the substitution of the following therefor:

“**Specified Early Cash Settlement Amount**” means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount

determined by the Determination Agent as the pro rata proportion of the market value of the Securities on or about the date the Specified Early Redemption Notice or Specified Early Cancellation Notice, as possible, is given by the Issuer, and in any event no later than the last day of the Specified Early Redemption Notice Period or Specified Early Cancellation Notice Period, as applicable. In determining the Specified Early Cash Settlement Amount, the Determination Agent may take into account prevailing market prices and/or exchange rates and/or the price or level of any Reference Asset(s).”; and

8.9 the insertion of the following definitions in alphabetical order:

“**Italian Stock Exchange**” means the Italian Stock Exchange organised and managed by Borsa Italiana S.p.A.

“**Renouncement Notice**” means a notice to be completed in accordance with the Rules of the Italian Stock Exchange and delivered as provided in Condition 6.4 of the Base Conditions, which allows the relevant Securityholder to renounce Automatic Exercise of the Securities.

“**Renouncement Notice Cut-Off Time**” means, in respect of a Series of Securities, the time on a designated date, specified as the Renouncement Notice Cut-off Time in the applicable Final Terms, which shall be the latest time at which a Securityholder can deliver a duly completed Renouncement Notice in accordance with the Conditions.

## II. AMENDMENTS TO THE BASE CONDITIONS IN RESPECT OF ITALIAN DEMATERIALIZED SECURITIES:

In respect of Italian Dematerialised Securities, the Base Conditions shall be amended as follows:

### 1 Amendments to Condition 1.1 of the Base Conditions

Condition 1.1(a) of the Base Conditions (*Form, Title and Transfer – Form – Form of Securities*) shall be amended by the addition of the following paragraph as a new final paragraph thereof:

“Notwithstanding the above, the Issuer may issue Securities cleared through Monte Titoli S.p.A. in registered, uncertificated and dematerialised form, which are issued in accordance with the Financial Services Act (*Test Unico della Finanza*) and the relevant implementing legislation, as amended from time to time. In such circumstances, the Securities will be specified to be “Italian Dematerialised Securities” in the applicable Final Terms. Italian Dematerialised Securities will be issued in book-entry form and registered in the books of Monte Titoli S.p.A. As such, Italian Dematerialised Securities are not constituted by any physical document of title and no Global Security or Definitive Security shall be issued in respect thereof and these Base Conditions shall be construed accordingly.”.

### 2 Amendments to Condition 1.2 of the Base Conditions

Condition 1.2 of the Base Conditions (*Form, Title and Transfer – Denomination and Number*) shall be amended by the addition of the following as a new final paragraph thereof:

“All Italian Dematerialised Securities of a Series shall have the same Calculation Amount per Security as at the Issue Date.”.

### 3 Amendments to Condition 1.3 of the Base Conditions

Condition 1.3(a) of the Base Conditions (*Title – General*) shall be amended by the addition of the following as a new final paragraph thereof:

“Notwithstanding the above, if the Securities are Italian Dematerialised Securities, “**Securityholder**” and “**holder**” means the person who is for the time being shown in the records of Monte Titoli S.p.A. as the holder of a particular number of the Securities (in which regard, any certificate, record or other document issued by Monte Titoli S.p.A. as to the number of Securities standing to the account of any person shall be conclusive and binding for all purposes except in the case of manifest error. Any such person shall (except as otherwise required by law) be treated for all purposes by the Issuer and the relevant Agents as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary. The Issuer shall cause the Italian Dematerialised Securities to be dematerialised and centralised with Monte Titoli S.p.A. pursuant to the Financial Services Act (*Testo Unico della Finanza*) and the relevant implementing legislation, as amended from time to time.”

#### 4 Amendment to Condition 1.4 of the Base Conditions

Condition 1.4 of the Base Conditions (*Form, Title and Transfer – Transfers*) shall be amended by:

4.1 the addition of the following as a new final subparagraph (m) thereof:

“(m) *Transfer of Italian Dematerialised Securities*

“Title to Italian Dematerialised Securities passes upon registration of the transfer in the accounts of Monte Titoli S.p.A.”

#### 5 Amendments to Condition 6.3 of the Base Conditions

Condition 6.3(a) of the Base Conditions (*Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates – Exercise and Cancellation Procedure – Exercise*) shall be amended by:

5.1 the insertion of the following as a new paragraph after the eighth paragraph thereof:

“Notwithstanding the above, if the Securities are Italian Dematerialised Securities, then a Securityholder wishing to exercise any of its Securities must, on or prior to 10:00 a.m., Milan time on an Eligible Exercise Date, deliver a Security Exercise Notice to the Italian Securities Agent through the Relevant Clearing System in accordance with the Relevant Rules. Such Security Exercise Notice must state the number of Securities or, if applicable, Units being exercised. No transfer of interests in Italian Dematerialised Securities in respect of which a Security Exercise Notice has been delivered will be valid. On receipt of a Security Exercise Notice, the Italian Securities Agent shall verify that the person exercising the Italian Dematerialised Securities is the holder thereof according to the records of Monte Titoli S.p.A. Subject thereto, Monte Titoli S.p.A. will confirm to the Italian Securities Agent the series number and the number of Italian Dematerialised Securities being exercised and the account details for the payment of the Settlement Amount. Upon such verification, the Italian Securities Agent will inform the Issuer thereof. Monte Titoli S.p.A. will on or before the settlement date debit the securities account of the relevant Securityholder with the Securities being exercised and accordingly reduce the number of Italian Dematerialised Securities of the relevant series by the cancellation *pro tanto* of the Italian Dematerialised Securities so exercised. If a Security Exercise Notice is delivered after 10:00 a.m., Milan time on a given Eligible Exercise Date, it shall be deemed to be delivered on the next Eligible Exercise Date (and, if there is no such date, such

Italian Dematerialised Security will be automatically exercised on the Expiration Date as provided in Condition 6.4 of the Base Conditions).”

## **6 Amendments to Condition 7.3 of the Base Conditions**

Condition 7.3 of the Base Conditions (*Settlement – Conditions to Settlement*) shall be amended by:

- 6.1 the insertion of the words “in respect of Securities other than Italian Dematerialised Securities” at the beginning of sub-paragraph (d) of the second paragraph thereof;
- 6.2 where the Securities are not also Italian Listed Securities, the insertion of the words “or Italian Dematerialised Securities” after the words “not Cleared Securities” in the second line of the third paragraph thereof.

## **7 Insertion of a new Condition 9.4A of the Base Conditions**

Condition 9 of the Base Conditions (*Payments and Deliveries*) shall be amended by the insertion of the following as a new Condition 9.4A thereof, and all subsequent Conditions (and related cross-references to them) shall be renumbered accordingly:

### **“9.4A Italian Dematerialised Securities**

The Issuer shall procure that all payments in respect of Italian Dematerialised Securities are made by credit or transfer to the relevant Securityholder’s account in accordance with the Rules of Monte Titoli S.p.A. The Issuer will be discharged by payment to, or to the order of, Monte Titoli S.p.A. in respect of the amount so paid. Each of the persons shown in the records of Monte Titoli S.p.A. as the holder of a particular amount of the Italian Dematerialised Securities must look solely to Monte Titoli S.p.A for his share of each such payment so made to, or to the order of, Monte Titoli S.p.A.”

## **8 Amendments to Condition 11 of the Base Conditions**

Condition 11.1 of the Base Conditions (*Appointment of Agents*) shall be amended by:

- 8.1 the insertion of the words “, the Italian Securities Agent” after “Transfer Agents on the first and second lines thereof and the words “any Transfer Agent” on the sixth line thereof;
- 8.2 the insertion of the words “or Italian Securities Agent” after the words “additional or other CREST Agent” on the seventh line thereof;
- 8.3 the insertion of the words “and (ix) an Italian Securities Agent where the Securities are Italian Dematerialised Securities”.

## **9 Amendments to Condition 14 of the Base Conditions**

Condition 14 of the Base Conditions (*Replacement of Securities*) shall not apply to Italian Dematerialised Securities.

## **10 Amendments to Condition 16 of the Base Conditions**

Condition 16 of the Base Conditions (*Notices*) shall be amended by:

- 10.1 the insertion of the following as a new Condition 16.1(f):

“and/or (f) in the case of Dematerialised Italian Securities, notices to Securityholders may be given to the Relevant Clearing System provided that any publication or other requirements

required pursuant to Condition 16.1(b) shall also be complied with if applicable and provided further that, in the case of Italian Dematerialised Securities which are also Italian Listed Securities, any notices shall be published by the Italian Stock Exchange. In such cases notices will be deemed given on the first date of transmission to the applicable Relevant Clearing System (regardless of any subsequent publication or mailing).”;

10.2 the deletion of Condition 16.3 and substitution of the following therefor:

“Any determinations as to whether any notice is valid, effective and/or duly completed and in the proper form shall be made by the Italian Securities Agent (in consultation with the Relevant Clearing System) and shall be conclusive and binding on the Issuer, the Agents and the relevant Securityholder(s).

Any notice determined not to be valid, effective, complete and in proper form shall be null and void unless the Issuer and the Italian Securities Agent agree otherwise. This provision shall not prejudice any right of the person delivering the notice to deliver a new or corrected notice.

The Italian Securities Agent shall use all reasonable endeavours promptly to notify any Securityholder submitting a notice if it is determined that such notice is not valid, effective, complete or in the proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Relevant Clearing System, or any Agent, as the case may be, shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with any notification to a Securityholder or determination that a notice is not valid, effective, complete or in the proper form.”.

## 11 Amendments to Condition 20 of the Base Conditions

Condition 20.2 of the Base Conditions (*Modifications and Meetings – Meetings of Securityholders*) shall be amended by the insertion of the following as a new Condition 20.2(c) thereof:

“Notwithstanding the above, if the Securities are Italian Dematerialised Securities, the relevant Agency Agreement contains provisions for convening meetings of the Securityholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in such Agency Agreement) of a modification to the Conditions or such Agency Agreement.”.

## 12 Amendments to Condition 22 of the Base Conditions

Condition 22 of the Base Conditions (*Purchases and Cancellations*) shall be amended by the insertion of the following paragraph after the penultimate paragraph thereof:

“Notwithstanding the above, Italian Dematerialised Securities so purchased by or on behalf of the Issuer or any of its subsidiaries may (but need not) be cancelled in accordance with the Relevant Rules. Any Italian Dematerialised Securities so cancelled may not be re-issued or resold and the obligations of the Issuer in respect of any such Italian Dematerialised Securities shall be discharged.”.

## 13 Amendments to Condition 24 of the Base Conditions

Condition 24 of the Base Conditions (*Definitions*) shall be amended by:

13.1 the insertion of the words “or Italian Dematerialised Securities” after the words “Cleared Securities” in sub-paragraph (b) of the definition of “Business Day”;

- 13.2 the insertion of the words “or Italian Dematerialised Securities” after the words “Cleared Securities” in sub-paragraph (a)(i) of the definition of “Payment Day”;
- 13.3 the insertion of the following definition in alphabetical order:

“**Italian Securities Agent**” means the entity specified in the applicable Final Terms and appointed pursuant to the Agency Agreement specified therein, or any Successor.

“**Relevant Clearing System**” means Monte Titoli S.p.A. and/or such other clearing system specified in any applicable Relevant Annex or in the applicable Final Terms, as the case may be, through which interests in Securities are to be held and/or through an account at which the Securities are to be cleared.”

### III. AMENDMENTS TO THE BASE CONDITIONS IN RESPECT OF ITALIAN SECURITIES FOR WHICH “ISSUER CALL” AND/OR “EARLY EXERCISE TRIGGER EVENT” IS/ARE SPECIFIED AS “APPLICABLE” IN THE APPLICABLE FINAL TERMS:

In respect of Italian Securities which are Warrants or Exercisable Certificates for which “Issuer Call” and/or “Early Exercise Trigger Event” is/are specified as “Applicable” in the applicable Final Terms, the Base Conditions shall be amended as follows:

#### 1 Amendments to Condition 6.2 of the Base Conditions

Condition 6.2 of the Base Conditions (*Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates – Cancellation or Adjustment following the occurrence of an Additional Disruption Event or Cancellation following the occurrence of a Nominal Call Event or Cancellation following the occurrence of a Specified Early Cancellation Event*) shall be amended by:

- 1.1 the amendment of the title thereof to read: “Cancellation or Adjustment following the occurrence of an Additional Disruption Event or Cancellation following the occurrence of a Nominal Call Event or Cancellation following the occurrence of a Specified Early Cancellation Event or Cancellation at the option of the Issuer or Cancellation following the occurrence of an Early Exercise Trigger Event”;
- 1.2 the insertion of the following paragraph as paragraphs (d) and (e) thereof:

- (i) “(d) In relation to Italian Securities, if “Call Option” is specified as applicable in the applicable Final Terms, the Issuer may, on giving not less than 15 Business Days’ irrevocable notice to Securityholders (such notice an “**Issuer Call Cancellation Notice**”) (or such other notice period as may be specified in the applicable Final Terms) (such period, the “**Issuer Call Notice Period**”) in accordance with Condition 16, provided that such notice is delivered within the Issuer Call Option Exercise Period, cancel some or all of the Securities (in whole but not in part), subject to Conditions 7, 8 and 9 at its Issuer Call Optional Cash Settlement Amount together with accrued interest (if applicable) on the relevant Optional Cash Settlement Date.

*In the event that any option of the Issuer is exercised with respect to some but not all of the Securities of any Series and any such Securities are Cleared Securities or Italian Dematerialised Securities, the rights of accountholders*

*with the Relevant Clearing System in respect of the Securities will be governed by the standard procedures and Relevant Rules (to be reflected in the records of the Relevant Clearing Systems as either a pool factor or a reduction in number, as applicable at their discretion);*

- (e) In relation to Italian Securities, if “Early Exercise Trigger Event” is specified as applicable in the applicable Final Terms and an Early Exercise Trigger Event occurs, the Issuer shall give notice (a “**Trigger Event Notice**”) to Securityholders in accordance with Condition 16 and any Securityholder may, on any of the dates specified in the relevant Trigger Event Notice, exercise some or all of the Securities held by it by the delivery of a Security Exercise Notice in accordance with Condition 6.3(a) of the Base Conditions. Any such date on which the Securities may be exercised shall also be an “**Eligible Exercise Date**” for the purposes of the Conditions.

Following such exercise, each relevant Security will be settled by the Issuer at its Trigger Early Cash Settlement Amount specified in the applicable Final Terms on the Trigger Early Cash Settlement Date specified in the applicable Final Terms.”.

## 2 Amendments to Condition 7.3 of the Base Conditions

Condition 7.3 of the Base Conditions (*Settlement – Conditions to Settlement*) shall be amended by:

- 2.1 the insertion of the words “, the Trigger Early Cash Settlement Date, the Issuer Call Optional Cash Settlement Date” after the words “the Early Physical Cancellation Date” in the eighth line of the final paragraph thereof.

## 3 Amendments to Condition 24 of the Base Conditions

Condition 24 of the Base Conditions (*Definitions*) shall be amended by:

- 3.1 the insertion of the following definitions in alphabetical order:

“**Issuer Call Cancellation Notice**” as defined in Condition 6.2(d).

“**Issuer Call Notice Period**” as defined in Condition 6.2(d).

“**Issuer Call Optional Cash Settlement Amount**” means, unless otherwise specified in any applicable Relevant Annex or the applicable Final Terms, an amount per Calculation Amount determined by the Determination Agent as the pro rata proportion of the market value of the Securities on or about the date the Issuer Call Cancellation Notice is given by the Issuer and in any event no later than the last day of the relevant Issuer Call Notice Period. In determining the Issuer Call Optional Cash Settlement Amount, the Determination Agent may take into account prevailing market prices and/or exchange rates and/or the price or level of any Reference Asset(s).

“**Issuer Call Option Exercise Period**” means the period specified as such in the applicable Final Terms.

“**Optional Cash Settlement Date**” means the last day of the relevant Issuer Call Notice Period or such other date specified in or determined in accordance with the applicable Final Terms.

“**Trigger Early Cash Settlement Amount**” is as defined in the applicable Final Terms.

“**Trigger Early Cash Settlement Date**” is as defined in the applicable Final Terms.”

#### IV. AMENDMENTS TO THE BASE CONDITIONS IN RESPECT OF ALL ITALIAN SECURITIES:

##### 1 Amendments to Condition 20 of the Base Conditions

Condition 20.1 (*Modification and Meetings – Modifications to the Conditions*) shall be amended by the insertion of the following as the final paragraph thereof:

“Notwithstanding the above, if the Securities are Italian Securities, the Conditions may also be modified in order to comply with amendments to any applicable laws and regulations (including, *inter alia*, any regulations of the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”), the rules of the markets organised and managed by Borsa Italiana S.p.A., the instructions relating thereto and interpretations of such regulations, rules and instructions, and all the regulations and rules of any other stock exchange, market or quotation system, trading facility or clearing system applicable to such Italian Securities)”.

## PART C2 – COMMODITY LINKED ANNEX

### Amendments to the Commodity Linked Annex in respect of Italian Listed Securities

In respect of Italian Listed Securities, Part A “Description and Risk Factors”, Part B “Additional Terms and Conditions for Commodity Linked Securities” and Part C “Definitions and Interpretation Applicable to Commodity Linked Securities” shall be amended as follows:

#### 1 Description and Risk Factors

The word “commercially” shall be deleted from the Risk Factor headed “If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities” in Part A of the Commodity Linked Annex.

#### 2 Additional Terms and Conditions for Commodity Linked Securities

The only Commodity Business Day Convention applicable to Italian Securities is the Following Commodity Business Day Convention. Accordingly, the definitions of “Modified Following”, “Nearest” and “Preceding” in Commodity Linked Condition 7 (*Commodity Business Day Convention*) of the shall not be relevant for the purpose of the Securities.

#### 3 Definitions and Interpretation Applicable to Commodity Linked Securities

The word “commercially” in subsection (b)(iv) of the definition of “Disruption Fallback” in Section 2 (*Terms relating to Commodity Market Disruption Events and Disruption Fallback*) of Part C of the Commodity Linked Annex shall be deleted.

## PART C3 – EQUITY LINKED ANNEX

### Amendments to the Equity Linked Annex in respect of Italian Listed Securities

In respect of Italian Listed Securities, Part B “Additional Terms and Conditions for Equity Linked Securities” and Part C “Definitions and Interpretation Applicable to Equity Linked Securities” of the Equity Linked Annex shall be amended as follows:

#### 1 Additional Terms and Conditions for Equity Linked Securities

- 1.1 the word “substantially” in the title and in the third line of Equity Linked Condition 1.2 (*Successor Index Sponsor or Substitution of Index with substantially similar calculation*) shall be deleted;
- 1.2 Equity Linked Condition 1.5 (*Futures Price Valuation*) shall be deleted;
- 1.3 Equity Linked Condition 2.1 (*Potential Adjustment Events*) shall be deleted and the following substituted therefor:

##### “2.1 Potential Adjustment Events

The Issuer may at any time determine and declare that a Potential Adjustment Event has occurred. Following such declaration by the Issuer of any Potential Adjustment Event, the Determination Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will (i) make the corresponding adjustment(s), relevant to the exercise, settlement, payment or other terms of the Securities as the Determination Agent determines appropriate to account for the diluting or concentrative effect of such Potential Adjustment Event (the “**Adjustment(s)**”) and (ii) determine the effective date(s) of the Adjustment(s). The Determination Agent may (but need not) determine the appropriate Adjustment(s) by reference to the Adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on the relevant Shares traded on that options exchange.

Notwithstanding the above, the Issuer may alternatively, on giving notice to the Securityholders in accordance with Condition 16 of the Base Conditions, elect, in lieu of the Determination Agent making an Adjustment in respect of a Potential Adjustment Event, to deliver to each Securityholder one or more additional Securities (the “**Adjustment Event Securities**”) and/or pay to each Securityholder a cash amount (the “**Adjustment Event Amount**”) to account for the diluting or concentrative effect of such Potential Adjustment Event. Where the Issuer elects to deliver Adjustment Event Securities, such Adjustment Event Securities will be issued on the same (or substantially the same) terms as the relevant Securities as the Determination Agent may determine. In such notice the Issuer will set out the amount of Securities to be delivered and/or cash to be paid and the manner in which such delivery and/or payment is to be made.

For the avoidance of doubt, if the Issuer determines and declares that a certain event constitutes a Potential Adjustment Event, then Equity Linked Condition 6 below shall not apply in respect of such event.”;

- 1.4 Equity Linked Condition 2.5.1 (*Substitution of Shares*) shall be deleted and the following substituted therefor:

“2.5.1 If “Substitution of Shares - Standard” is specified as applicable in the applicable Final Terms, if any Share shall be affected by a Merger Event, Tender Offer, Nationalisation, Insolvency or Delisting, as the case may be, (the “**Affected Shares**”) then without prejudice to the rights that the Securityholder has under the Securities (as described above), the Issuer or the Determination Agent on its behalf shall have the discretion to substitute the Affected Shares with substitute shares (the “**Substitute Shares**”) as selected by the Determination Agent in its sole discretion for inclusion in the Basket of Shares as of the Announcement Date or the Tender Offer Date, as the case may be.

The Substitute Shares shall have such criteria as the Determination Agent deems appropriate including, but not limited to, the following:

- (i) the Substitute Shares shall be of same broad economic sector as the Share Company of the Affected Shares;
- (ii) the issuer of the Substitute Share shall be of a similar international standing and creditworthiness as the Share Company of the Affected Shares;
- (iii) the Substitute Share shall be listed on a stock exchange, market or quotation system which, for so long as the Italian Securities are admitted to listing on Borsa Italiana S.p.A. and to trading on the Electronic Securitised Derivatives Market (SeDeX) of Borsa Italiana S.p.A., is acceptable to Borsa Italiana S.p.A.; and
- (iv) the Substitute Share shall not be a Share already in the Basket of Shares.

The Initial Price of the Substitute Shares shall be determined in accordance with the following:

$$\text{Initial Price} = \text{Substitute Price} \times (\text{Affected Share}(k) / \text{Affected Share}(j))$$

where:

“**Substitute Price**” means the official closing price per Share of the relevant Substitute Shares as of the Valuation Time on the dates on which the Affected Share(j) is determined or if such date is not a Scheduled Trading Date on the relevant Exchange in respect of the Substitute Shares, the following Scheduled Trading Date of the Substitute Shares;

“**Affected Share(k)**” means the “Initial Price” of the relevant Affected Shares as specified in the applicable Final Terms; and

“**Affected Share(j)**” means the last closing price per Share of the Affected Shares on or prior to the Announcement Date or the Tender Offer Date (as the case may be).

The Determination Agent shall notify the Securityholders as soon as practicable after the selection of the Substitute Shares and the failure by the Determination Agent to give such notice shall not however prejudice or invalidate the Substitute Shares being included as of the time and date specified above.

If Physical Settlement is specified in the Settlement Method in the applicable Final Terms or is elected by the Issuer or Securityholder pursuant to Condition 5 or 6 of the

Base Conditions (as the case may be), Entitlement Substitution shall be deemed to be applicable with respect to a series of Share Linked Securities.”;

- 1.5 Equity Linked Condition 3.1 (*Consequences of Disrupted Days following a Market Disruption Event*) shall be amended by the deletion of the word “commercially” in:
  - a) the fifth line of Condition 3.1.1 thereof;
  - b) the penultimate line of Condition 3.1.2 thereof; and
  - c) the penultimate line of Condition 3.1.3 thereof;
- 1.6 Equity Linked Condition 5 (*FX Disruption Event*) shall be amended by the deletion of Condition 5.1.2 thereof and the subsequent Equity Linked Condition 5.1.3 (and any related cross-references) shall be renumbered accordingly; and
- 1.7 no Additional Disruption Events shall be applicable to Italian Securities. Accordingly, Equity Linked Condition 8 (*Additional Disruption Events*) shall not be relevant for the purpose of the Securities.

## **2 Definitions and Interpretation applicable to Equity Linked Securities**

- 2.1 the words “in its sole and absolute discretion” shall be deleted in the definition of “Cash Amount” in Section 1 and the words “in a reasonable manner” substituted therefor;
- 2.2 the words “and Expenses” shall be deleted in the definition of “Cash Amount” in Section 1;
- 2.3 the definition of “Expenses” in Section 1 shall be deleted and the following substituted therefor:

“**Expenses**” means, in respect of a Security, all Taxes arising in connection with the redemption of such Security and/or delivery or transfer of the Relevant Assets.

Part D  
Italian Tax Disclosure

PART D1 – NOTES

*The following is a summary of current Italian law and practice relating to the taxation of Italian Securities that take the form of Notes (the “Italian Notes”). The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Italian Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Italian Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Italian Notes.*

*This summary does not describe the tax consequences for an investor with respect to Italian Notes that will be redeemed by physical delivery. This summary does not describe the tax consequences for an investor with respect to Italian Notes that provide payout linked to the profits of the Issuer, profits of other company of the group or profits of the business in relation to which they are issued. Prospective investors are advised to consult their own tax advisers concerning the overall tax consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of Italian Notes and receiving payments of yield, principal and/or other amounts under the Italian Notes, including in particular the effect of any state, regional or local tax laws.*

**Tax treatment of Italian Notes qualifying as debentures similar to bonds**

Legislative Decree No. 239 of 1 April 1996, as subsequently amended (“Decree 239”), provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) from Italian Notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by non-Italian resident issuers.

For these purposes, debentures similar to bonds are defined as debt instruments that incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value (whether or not providing for internal payments) and that do not give any right to directly or indirectly participate in the management of the issuer or of the business in relation to which they are issued nor any type of control on the management.

*Italian Resident investor*

Where the Italian Notes have an original maturity of at least 18 months and an Italian resident investor is (i) an individual not engaged in an entrepreneurial activity to which the Italian Notes are connected (unless he has opted for the application of the “*risparmio gestito*” regime – see “Capital Gains Tax” below), (ii) a non-commercial partnership pursuant to article 5 of the Italian Income Consolidated Code (“**TUIR**”) (with the exception of general partnership, limited partnership and similar entities), (iii)

a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, interest, premium and other income relating to the Italian Notes, accrued during the relevant holding period, are subject to a withholding tax, referred to as “*imposta sostitutiva*”, levied at the rate of 12.5 per cent. In the event that the investor described under (i) and (iii) above are engaged in an entrepreneurial activity to which the Italian Notes are connected, the *imposta sostitutiva* applies as a provisional tax.

Where an Italian resident investor is a company or similar commercial entity pursuant to article 73 of TUIR or a permanent establishment in Italy of a foreign company to which the Italian Notes are effectively connected and the Italian Notes are deposited with an authorised intermediary, interest, premium and other income from the Italian Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant investor's income tax return and are therefore subject to general Italian corporate taxation (“IRES” levied at the rate of 27.5 per cent.) and, in certain circumstances, depending on the “status” of the investor, also to the regional tax on productive activities (“IRAP”, generally levied at the rate of 3.90 per cent., even though regional surcharges may apply).

If the investor is resident in Italy and is an open-ended or closed-ended investment fund (subject to the regime provided for by Law No. 77 of 23 March 1983, a “Fund”) or a SICAV, and the Italian Notes are held by an authorised intermediary, interest, premium and other income accrued during the holding period on the Bonds will not be subject to *imposta sostitutiva* but must be included in the management result of the Fund or the SICAV. The Fund or SICAV will not be subject to taxation on such result, but a substitutive tax of 12.5 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the “**Collective Investment Fund Substitutive Tax**”).

Where an Italian resident investor is a pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005) and the Italian Notes are deposited with an authorised intermediary, interest, premium and other income relating to the Italian Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 11 per cent. substitute tax.

Pursuant to Decree No. 239, *imposta sostitutiva* is applied by banks, *Società di intermediazione mobiliare* (“SIMs”), fiduciary companies, *Società di gestione del risparmio* (“SGRs”), stockbrokers and other entities identified by a decree of the Ministry of Economics and Finance (each, an “Intermediary”).

For the Intermediary to be entitled to apply the *imposta sostitutiva*, it must (i) be (a) resident in Italy or (b) resident outside Italy, with a permanent establishment in Italy or (c) an entity or a company not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Italian Ministry of Finance having appointed an Italian representative for the purposes of Decree 239; and (ii) intervene, in any way, in the collection of interest or in the transfer of the Italian Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Italian Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Italian Notes.

Where the Italian Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying interest to an investor. If interest and other proceeds on the Italian Notes are not collected through an Intermediary or any entity paying interest and as such no *imposta*

*sostitutiva* is levied, the Italian resident beneficial owners listed above under (i) to (iv) will be required to include interest and other proceeds in their yearly income tax return and subject them to a final substitute tax at a rate of 12.5 per cent.

If the Italian Notes are issued for an original maturity of less than 18 months, the *imposta sostitutiva* applies at the rate of 27 per cent. The 27 per cent. *imposta sostitutiva* is also applied to any payment of interest or premium relating to the Italian Notes made to (i) Italian pension funds, (ii) Italian Funds and (iii) Italian SICAVs.

#### *Non-Italian Resident investor*

No Italian *imposta sostitutiva* is applied on payments to a non-Italian resident investor of interest or premium relating to the Italian Notes provided that, if the Italian Notes are held in Italy, the non-Italian resident investor declares itself to be a non-Italian resident according to Italian tax regulations.

#### *Early redemption*

Without prejudice to the above provisions, in the event that Italian Notes having an original maturity of at least 18 (eighteen) months are redeemed, prior to 18 (eighteen) months from their Issue Date, or, at certain conditions, if repurchased by the Issuer within this period (Resolution No. 11 of 31 January 2011 of Italian Revenue Agency (*Agenzia delle Entrate*)) Italian resident investors will be required to pay, by way of a withholding to be applied by the Italian Intermediary responsible for payment of interest or the redemption of the Italian Notes, an amount equal to 20 per cent. of the interest and other amounts accrued.

#### *Capital Gains Tax*

Where the Italian resident investor is (i) an individual not engaged in an entrepreneurial activity to which the Italian Notes are connected, (ii) a non-commercial partnership, pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities) (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of Italian Notes are subject to a 12.5 per cent. substitute tax (*imposta sostitutiva*).

The recipient may opt for three different taxation criteria.

- (1) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Italian Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any off-settable capital loss, realised by the Italian resident individual holding the Italian Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Italian Notes carried out during any given tax year. Italian resident individuals holding the Italian Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.
- (2) As an alternative to the tax declaration regime, Italian resident individuals holding the Italian Notes not in connection with an entrepreneurial activity may elect to pay the *imposta*

*sostitutiva* separately on capital gains realised on each sale or redemption of the Italian Notes (the “*risparmio amministrato*” regime provided for by article 6 of Decree No. 461). Such separate taxation of capital gains is allowed subject to (i) the Italian Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the *risparmio amministrato* regime being punctually made in writing by the relevant investor. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Italian Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the investor or using funds provided by the investor for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Italian Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the investor is not required to declare the capital gains in the annual tax return.

- (3) Any capital gains realised or accrued by Italian resident individuals holding the Italian Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Italian Notes, to an authorised intermediary and have validly opted for the so-called “*risparmio gestito*” regime (regime provided for by article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the investor is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident investor is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Italian Notes are effectively connected, capital gains arising from the Italian Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant investor's income tax return and are therefore subject to Italian corporate tax and, in certain circumstances, depending on the "status" of the investor, also as a part of the net value of production for IRAP purposes.

Any capital gains realised by an investor which is a Fund or a SICAV will not be subject to *imposta sostitutiva*, but will be included in the result of the relevant portfolio. Such result will not be taxed with the Fund or SICAV, but subsequent distributions in favour of unitholders or shareholders may subject to the Collective Investment Fund Substitute Tax.

Any capital gains realised by an investor which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. ad hoc substitute tax.

Capital gains realised by non-Italian resident beneficial owner are not subject to Italian taxation provided that the Italian Notes (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

### **Tax treatment of Italian Notes qualifying as Atypical securities**

Italian Notes that cannot be qualified as securitised derivatives or instruments similar to bonds under TUIR could be considered 'atypical' securities pursuant to article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Italian Notes may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Italian Notes and to an Italian resident holder of the Italian Notes which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Italian Notes.

### **Inheritance and gift taxes**

Pursuant to Law Decree No. 262 of 3 October 2006, converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

- (i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;
- (ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and
- (iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

### **Transfer Tax**

Article 37 of Law Decree No 248 of 31 December 2007, converted into Law No. 31 of 28 February 2008, published on the Italian Official Gazette No. 51 of 29 February 2008, has abolished the Italian transfer tax, provided for by Royal Decree No. 3278 of 30 December 1923, as amended and supplemented by the Legislative Decree No. 435 of 21 November 1997.

Following the repeal of the Italian transfer tax, as from 31 December 2007 contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarized deeds are subject to fixed registration tax at rate of EUR 168; and (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

### **Implementation in Italy of the EU Savings Directive**

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (“**Decree No. 84**”). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

## PART D2 – WARRANTS AND CERTIFICATES

*The following is a summary of current Italian law and practice relating to the taxation of Italian Securities that take the form of Warrants or Certificates (the “Italian Warrants and Certificates”). The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of Italian Warrants and Certificates and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Italian Warrants and Certificates are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of Italian Warrants and Certificates.*

*This summary does not describe the tax consequences for an investor with respect to Italian Warrants and Certificates that will be redeemed by physical delivery. This summary does not describe the tax consequences for an investor with respect to Italian Warrants and Certificates that provide payout linked to the profits of the Issuer, profits of other company of the group or profits of the business in relation to which they are issued. Prospective investors are advised to consult their own tax advisers concerning the overall tax consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of Italian Warrants and Certificates and receiving payments of yield, principal and/or other amounts under Italian Warrants and Certificates, including in particular the effect of any state, regional or local tax laws.*

### *Securitised derivatives*

Pursuant to the generally followed interpretation if the Italian Warrants and Certificates qualifies as securitised derivatives, where the Italian resident investor is (i) an individual not engaged in an entrepreneurial activity to which the Italian Warrants and Certificates are connected, (ii) a non-commercial partnership, pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities) (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of Italian Warrants and Certificates are subject to a 12.5 per cent. substitute tax (*imposta sostitutiva*) (article 67 of Presidential Decree No. 917 of 22 December 1986 (the “TUIR”) and Legislative Decree No. 461 of 21 November 1997 (“Decree No. 461”). The recipient may opt for three different taxation criteria.

- (1) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Italian Warrants and Certificates are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any off-settable capital loss, realised by the Italian resident individual holding the Italian Warrants and Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of Italian Warrants and Certificates carried out during any given tax year. Italian resident individuals holding Italian Warrants and Certificates not in

connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

- (2) As an alternative to the tax declaration regime, Italian resident individuals holding Italian Warrants and Certificates not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of Italian Warrants and Certificates (the “*risparmio amministrato*” regime provided for by article 6 of Decree No. 461). Such separate taxation of capital gains is allowed subject to (i) the Italian Warrants and Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the *risparmio amministrato* regime being punctually made in writing by the relevant investor. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of Italian Warrants and Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the investor or using funds provided by the investor for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of Italian Warrants and Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the investor is not required to declare the capital gains in the annual tax return.
- (3) Any capital gains realised or accrued by Italian resident individuals holding Italian Warrants and Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Italian Warrants and Certificates, to an authorised intermediary and have validly opted for the so-called “*risparmio gestito*” regime (regime provided for by article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the investor is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident investor is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Italian Warrants and Certificates are effectively connected, capital gains arising from Italian Warrants and Certificates will not be subject to *imposta sostitutiva*, but must be included in the relevant investor's income tax return and are therefore subject to Italian corporate tax and, in certain circumstances, depending on the “status” of the investor, also as a part of the net value of production for IRAP purposes.

Any capital gains realised by a investor which is an open-ended or close-ended investment fund (subject to the tax regime provided by Law No. 77 of 23 March 1983, a “Fund”) or a SICAV will be

included in the result of the relevant portfolio accrued and will not be subject neither to substitutive tax nor to any other income tax in the hands of the Fund or the SICAV.

Any capital gains realised by an investor which is an Italian pension fund (subject to the regime provided by article 17 of the Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11 per cent. *ad hoc* substitute tax.

Capital gains realised by non-Italian resident beneficial owner are not subject to Italian taxation provided that Italian Warrants and Certificates (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside of Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

In accordance with a different interpretation of current tax law, it is possible that Italian Warrants and Certificates would be considered as "atypical securities" pursuant to article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Italian Warrants and Certificates may be subject to the tax treatment applicable to the "atypical Securities" as indicated below.

#### *Atypical Securities*

Payments relating to atypical securities may be subject to an Italian withholding tax levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Italian Warrants and Certificates and to an Italian resident holder of the Italian Warrants and Certificates which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Italian Warrants and Certificates.

#### **Inheritance and gift taxes**

Pursuant to Law Decree No. 262 of 3 October 2006, converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

- (i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;
- (ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and

- (iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

### **Transfer Tax**

Article 37 of Law Decree No 248 of 31 December 2007, converted into Law No. 31 of 28 February 2008, published on the Italian Official Gazette No. 51 of 29 February 2008, has abolished the Italian transfer tax, provided for by Royal Decree No. 3278 of 30 December 1923, as amended and supplemented by the Legislative Decree No. 435 of 21 November 1997.

Following the repeal of the Italian transfer tax, as from 31 December 2007 contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarized deeds are subject to fixed registration tax at rate of EUR 168; and (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

### **Implementation in Italy of the EU Savings Directive**

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 (“**Decree No. 84**”). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

## NORWEGIAN SECURITIES ANNEX

### Table of Contents

#### **PART A – DESCRIPTION**

- 1 Brief Description of Norwegian Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR NORWEGIAN SECURITIES**

- 1 Amendment to Condition 1.1 of the Base Conditions
- 2 Amendment to Condition 1.2 of the Base Conditions
- 3 Amendment to Condition 1.3 of the Base Conditions
- 4 Amendment to Condition 1.4 of the Base Conditions
- 5 Amendment to Condition 5.2 of the Base Conditions
- 6 Amendment to Condition 7 of the Base Conditions
- 7 Amendment to Condition 9 of the Base Conditions
- 8 Amendment to Condition 11 of the Base Conditions
- 9 Amendment to Condition 13 of the Base Conditions
- 10 Amendment to Condition 14 of the Base Conditions
- 11 Amendment to Condition 16 of the Base Conditions
- 12 Amendment to Condition 17 of the Base Conditions
- 13 Amendment to Condition 18 of the Base Conditions

#### **PART C – DEFINITIONS APPLICABLE TO NORWEGIAN SECURITIES**

## Part A Description

### 1 Brief Description of Norwegian Securities

*Norwegian Securities shall be issued as VPS Registered Securities. VPS Registered Securities are Securities that are Notes, Warrants or Certificates (other than Exercisable Certificates) in uncertificated and dematerialised book-entry form, issued and registered in accordance with the provisions of the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter). No Global Securities or Definitive Securities will be issued in respect of VPS Registered Securities and the Conditions of such Securities shall be construed accordingly. VPS Registered Securities will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, Verdipapirsentralen ASA ("VPS"). Any references in the Conditions of the Securities to Coupons or Global Securities shall not apply to VPS Registered Securities. VPS Registered Securities of one Specified Denomination or Calculation Amount may not be exchanged for VPS Registered Securities of another Specified Denomination or Calculation Amount, as applicable.*

## Part B

### Additional Terms and Conditions for Norwegian Securities

*The terms and conditions applicable to Norwegian Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “VPS Registered Securities Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the VPS Registered Securities Conditions set out below, the VPS Registered Securities Conditions shall prevail. This Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and the Securities, if specified as such in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

VPS Registered Securities will only be issued by the Bank. BCCL will not issue VPS Registered Securities and references in the Conditions of the VPS Registered Securities to the “Issuer” shall refer only to the Bank.

#### 1 Amendment to Condition 1.1 of the Base Conditions

Condition 1.1(a) of the Base Conditions (*Form – Form of Securities*) shall be amended by the addition of the following paragraph at the end of such Condition:

“Notwithstanding the above, the Issuer may issue securities in uncertificated and dematerialised book-entry form (“VPS Registered Securities”). No Global Securities or Definitive Securities will be issued in respect of VPS Registered Securities and the Conditions of such Securities shall be construed accordingly. VPS Registered Securities will be transferable only in accordance with the provisions of the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter), other applicable Norwegian legislation and the rules and regulations applicable to, and/or issued by, VPS. References in the Conditions to Coupons or Global Securities shall not apply to VPS Registered Securities.”

#### 2 Amendment to Condition 1.2 of the Base Conditions

Condition 1.2 of the Base Conditions (*Denomination and Number*) shall be amended by the addition of the following paragraph at the end of such Base Condition:

“VPS Registered Securities of one Specified Denomination may not be exchanged for VPS Registered Securities of another Specified Denomination.”

#### 3 Amendment to Condition 1.3 of the Base Conditions

The first line of the second paragraph of Condition 1.3(a) of the Base Conditions (*Title – General*) shall be amended by deleting the word “except” and replacing it with the following words:

“except for VPS Registered Securities or”.

The following paragraph shall be added at the end of Condition 1.3(a) of the Base Conditions (*Title – General*):

“The holder of a VPS Registered Security will be the person appearing in the register that the Issuer will procure to be kept by VPS, and operated by an Account Manager appointed by the Issuer, in accordance with the legislation, rules and regulations applicable to the VPS Registered Securities, and the term “Securityholder” shall be construed accordingly. Where a nominee is so evidenced, it shall be treated as the holder of the relevant VPS Registered Securities.”

#### **4 Amendment to Condition 1.4 of the Base Conditions**

The following Condition 1.4(m) of the Base Conditions shall be added after Condition 1.4(l) of the Base Conditions (*Transfers – Cessation of CREST Eligibility*):

*“1.4(m) Transfers of VPS Registered Securities*

Title to VPS Registered Securities will pass by registration in the register that the Issuer will procure to be kept by VPS, and operated by the Account Manager, on behalf of the Issuer. Where a nominee is so evidenced, it shall be treated as the holder of the relevant VPS Registered Securities.”

#### **5 Amendment to Condition 5.2 of the Base Conditions**

The following paragraph shall be added at the end of Condition 5.2 of the Base Conditions (*Early Redemption at the Option of Securityholders*):

“Notwithstanding anything to the contrary in the Conditions, if Securities are VPS Registered Securities, the exercise of this option will not be effective against the Issuer before the date on which the relevant Securities have been transferred to the Securityholder’s VPS account, as designated by the Account Manager, which, for the purposes of the relevant VPS Registered Securities, is an account operator specifically authorised by VPS, and appointed by the Issuer in relation to a specific issue or issues to process and register issues in the system of the relevant central securities depository and clearing institution, and blocked for further transfer as of the Optional Redemption Date by the Account Manager.

In the case of the relevant VPS Registered Securities, the right to require redemption of such Securities in accordance with this Condition 5.2 must be, notwithstanding the above, exercised in accordance with Norwegian law, hereunder the rules and procedures of VPS, and if there is any inconsistency between the above and the rules and procedures of VPS, then Norwegian law, hereunder the rules and procedures of VPS, shall prevail.”

#### **6 Amendment to Condition 7 of the Base Conditions**

The following sentence shall be added at the end of the paragraph of Condition 7.2 of the Base Conditions (*Physical Settlement by delivery of the Entitlement*):

“In respect of VPS Registered Securities, the Entitlements may not necessarily be registered in the VPS.”

#### **7 Amendment to Condition 9 of the Base Conditions**

The following new Condition 9.9 of the Base Conditions shall be added after Condition 9.8 of the Base Conditions (*Payment and deliveries subject to Laws*):

## “9.9 VPS Registered Securities

Payments of interest in respect of VPS Registered Securities will be made to the persons registered as Securityholders in the register maintained by the VPS on the fourteenth calendar day (or in accordance with the rules and procedures applied by VPS from time to time), prior to the due date for such payment, or the last Banking Day prior to such date if the fourteenth calendar day is not a Banking Day. Payments of principal in respect of VPS Registered Securities will be made to the persons registered as Securityholders in the register maintained by the VPS on the second Oslo Banking Day (or in accordance with the rules and procedures applied by VPS from time to time), prior to the due date for such payment. If the date for payment of any amount in respect of VPS Registered Securities is not an Oslo Banking Day, the holder thereof shall not be entitled to payment until the next following Oslo Banking Day and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Oslo Banking Day**” means, any day (other than a Saturday or a Sunday) on which commercial banks are generally open for business, including dealings in foreign exchange and foreign currency deposits in Oslo.

At any time before the Issue Date, the Issuer may decide to (i) cancel the issue or postpone the Issue Date and other dates if any circumstance occurs, which, in the Issuer’s opinion, may have a significant impact on the issue and the indicated terms and conditions and (ii) cancel the issue if the subscribed amount is less than the applicable minimum amount, if any, specified in the Final Terms or if the Issuer determines it likely that the subscribed amount will be less than such amount.

In the event of late payment not due to an obstacle mentioned in the previous or in the following paragraph, penalty interest will be payable on the overdue amount from the due date up to and including the date on which payment is made at an interest rate corresponding to, in the case of VPS Registered Securities, NIBOR increased by one percentage point. No capitalisation of interest will be made.

Where the Issuer or any Agent or the Account Manager, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar circumstance, is prevented from effecting payment or to undertake other measures, such measures may be postponed until the time the impediment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the provisions of the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter).

“**NIBOR**” means the interest rate quoted at 11:00 a.m. London time on the first Banking Day after the Redemption Date in each commenced seven-day period on Reuter’s page “NIBQ” (or through any other system or on any other page as shall replace the system or page stated) for one-week -funds or, if no such quotation is given, the interest rate which is stated by three first ranking Norwegian banks selected by Barclays Bank PLC to be its funding cost at that time for one-week- funds in Norwegian Kroner in the Oslo interbank

market; if the interest for a certain period cannot be determined as stated, then the interest rate for such period shall correspond to the average of the latest interest rate determined under the alternatives above before such event occurred and the first interest rate determined after the event has ceased.

An Account Manager will be appointed by the Issuer and identified in the applicable Final Terms”.

## **8 Amendment to Condition 11 of the Base Conditions**

The following new Condition 11.4 of the Base Conditions shall be added after Condition 11.3 of the Base Conditions (*Responsibility of the Issuer, the Guarantor and the Agents*):

### **“11.4 Account Manager**

In relation to VPS Registered Securities, the Issuer will, in accordance with the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter), appoint (i) VPS as the central securities depository and (ii) an Account Manager. The Account Manager appointed by the Issuer will be specified in the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of the Account Manager provided that the Issuer will appoint another Account Manager that is duly authorised under the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter) and the relevant VPS regulations. VPS and the Account Manager act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, the Securityholders.”.

## **9 Amendment to Condition 13 of the Base Conditions**

The following paragraph shall be added at the end of Condition 13 of the Base Conditions (*Prescription*):

“In the case of VPS Registered Securities that are Notes or Certificates (other than Exercisable Certificates), claims against the Issuer for the payment of principal and interest payable in respect of the Securities shall be prescribed unless made within 10 years (in case of principal) and three years (in case of interest) of the Relevant Date therefor and thereafter any principal or interest payable in respect of such Securities shall be forfeited and revert to the Issuer. In the case of Warrants, claims against the Issuer shall be prescribed unless exercised within the Exercise Date.”.

## **10 Amendment to Condition 14 of the Base Conditions**

Condition 14 of the Base Conditions (*Replacement of Securities*) shall not apply in the case of VPS Registered Securities.

## **11 Amendment to Condition 16 of the Base Conditions**

The following sub-paragraph (f) shall be added after Condition 16.1(e) of the Base Conditions (*To Securityholders*):

“or (f) in the case of VPS Registered Securities, sent by mail to a Securityholder on the address registered for such Securityholder in the system of VPS or in accordance with the legislation, rules and regulations applicable to, and/or issued by, VPS. Any such notice shall be deemed to have been given, if sent by mail to the Securityholders, on the fourth day following the day the notice was sent by mail.”.

## **12 Amendment to Condition 17 of the Base Conditions**

The following sentence shall be added at the end of Condition 17.2 of the Base Conditions (*The Bank*):

“For VPS Registered Securities, such substitution may only take place if neither the VPS nor the Account Manager objects to the substitution of the Issuer for the New Issuer.”.

## **13 Amendment to Condition 18 of the Base Conditions**

The following words shall be added at the end of the first sentence of Condition 18.1 of the Base Conditions (*Governing Law and Jurisdiction*):

“(except VPS Registered Securities, for which the legal effects of registration in VPS shall be governed by, and construed in accordance with the provisions of the Norwegian Securities Registration Act of 5 July 2002 no. 64 (Nor: lov av 5. juli 2002 nr. 64 om registrering av finansielle instrumenter), other Norwegian legislation and the rules and regulations applicable to, and/or issued by VPS applicable from time to time)”.

**Part C**  
**Definitions Applicable to Norwegian Securities**

- 1 The following definitions set out in Condition 24 of the Base Conditions (*Definitions*) shall be amended and restated as follows in relation to VPS Registered Securities:

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

“**Rules**” means the Clearstream Rules, the Euroclear Rules, the VPS Rules and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System as may be specified in the Final Terms relating to a particular issue of Securities.

The following definition shall be added to Condition 24 of the Base Conditions (*Definitions*):

“**VPS**” means Verdipapirsentralen ASA, Biskop Gunnerus’ gate 14A, 0185 Oslo, Norway.

## **SPANISH SECURITIES ANNEX**

### **Table of Contents**

#### **PART A – DESCRIPTION**

- 1 Brief Description of Spanish Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR SPANISH SECURITIES**

- 1 Amendment to Condition 1.3 of the Base Conditions
- 2 Amendment to Condition 1.4 of the Base Conditions
- 3 Amendment to Condition 11 of the Base Conditions
- 4 Amendment to Condition 18 of the Base Conditions

#### **PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO SPANISH SECURITIES**

- 1 Definitions
- 2 Interpretation

## Part A Description

### 1 Brief Description of Spanish Securities

Spanish Securities are Securities to be listed on any Spanish stock exchange, including, *inter alia*, AIAF, the fixed income and registered debt electronic market and the Warrants, Certificates and Other structured products trading platform of the electronic trading platform SIBE (*Sistema de Interconexión Bursátil Español*), in accordance with the Spanish Securities Market Act of 24 July 1988 and in accordance with Iberclear regulations (Circular 6/1999, SCLV). Securities which are Spanish Securities shall be identified as such in the applicable Final Terms.

**Part B**  
**Additional Terms and Conditions for Spanish Securities**

*The terms and conditions applicable to Spanish Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Spanish Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Spanish Conditions set out below, the Spanish Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Spanish Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Spanish Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Spanish Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

**1 Amendment to Condition 1.3 of the Base Conditions**

Paragraph (b) of Condition 1.3 of the Base Conditions (*Form, Title and Transfer – Title – CREST Securities*) shall be amended with respect to Spanish Securities to read as follows:

*“Spanish Securities*

For so long as any of the Securities are represented by a Global Security held on behalf of a depositary member of Iberclear, each person (other than Iberclear) who is for the time being shown in the book-entry system in charge of Iberclear and its member entities as the holder of a particular nominal amount or number, as the case may be, of such Securities (in which regard any certificate or other document issued by Iberclear as to the nominal amount or number, as the case may be, of such Securities standing to the account of any person shall be conclusive and binding for all purposes, save in the case of manifest error) shall be treated by the Issuer, the Guarantor (if applicable) and the Agents as the holder of such nominal amount or number, as the case may be, of such Securities for all purposes in accordance with Spanish laws, Rules and regulations and operating procedures applicable by Iberclear.”

**2 Amendment to Condition 1.4 of the Base Conditions**

The following new Condition (i) shall be added after Condition 1.4(h) of the Base Conditions (*Form, Title and Transfer – Transfers – Minimum Tradable Amount*):

*“(i) Transfers of Spanish Securities*

Spanish Securities shall be transferable only in accordance with the Spanish Securities Market Act of 28 July 1988 (as amended), Spanish Royal Decree 116/1992 of 14 February and other applicable Spanish legislation and the Rules and regulations applicable to, and/or issued by, the CNMV and Iberclear.

Title to the Spanish Securities shall pass by transfer from a Securityholder’s book-entry account to another person’s, whether legal or individual, book-entry account within Iberclear.”

### 3 Amendment to Condition 11 of the Base Conditions

The following new Condition 11.4 shall be added after Condition 11.3 of the Base Conditions (*Agents – Responsibility of the Issuer, the Guarantor and the Agents*):

*“11.4 Spanish Securities intermediary and agency roles*

In relation to Spanish Securities, the Issuer may, in accordance with the Spanish Securities Market Act of 24 July 1988 and in accordance with Iberclear regulations (Circular 6/1999, SCLV) appoint, if applicable, (i) Iberclear as the original depositary system (*sistema depositario originario*), (ii) a Spanish Securities Paying Agent (*Agente de Pagos*), (iii) a Spanish Securities Intermediary Entity (*Entidad de Enlace*) and/or (iv) a Spanish Securities Custodian Entity (*Entidad de Custodia*). Where applicable, the Spanish Securities Paying Agent, the Spanish Securities Intermediary Entity and/or the Spanish Securities Custodian Entity appointed by the Issuer will be specified in the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of the Spanish Securities Paying Agent, the Spanish Securities Intermediary Entity and the Spanish Securities Custodian Entity.”.

### 4 Amendment to Condition 18 of the Base Conditions

The following words shall be added in relation to Spanish Securities at the end of the first sentence of Condition 18 of the Base Conditions (*Governing Law and Jurisdiction*):

“(except for the transfer of Spanish Securities, which shall be governed by and construed in accordance with provisions of the Spanish Securities Market Act of 24 July 1988, Royal Decree 116/1992 of 14 February and other applicable Spanish legislation and the Rules and regulations applicable to, and/or issued by, Iberclear).”.

## Part C

### Definitions and Interpretation Applicable to Spanish Securities

#### 1 Definitions

“**AIAF**” means AIAF Mercado de Renta Fija, S.A., Spanish Official Fixed Income Market, Plaza de la Lealtad, 1, 28014 Madrid, Spain.

“**CNMV**” means the Spanish Securities Market Commission.

“**Iberclear**” means Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear), Plaza de la Lealtad, 1, 28014 Madrid, Spain.

“**Relevant Stock Exchange**” means, as appropriate, AIAF, the fixed income and registered debt electronic market, or the Warrants, Certificates and Other structured products trading platform of the electronic trading platform SIBE (*Sistema de Interconexión Bursátil Español*), or any other Spanish stock exchange as specified in the applicable Final Terms.

“**Spanish Securities Custodian Entity**” means the depository, if any, appointed in respect of any Series of Spanish Securities as specified in the applicable Final Terms.

“**Spanish Securities Intermediary Entity**” means the intermediary entity, if any, appointed in respect of any Series of Spanish Securities as specified in the applicable Final Terms.

“**Spanish Securities Paying Agent**” means the issue and paying agent, if any, appointed in respect of any Series of Spanish Securities as specified in the applicable Final Terms.

#### 2 Interpretation

All references to “Agents” in the Base Prospectus and the Conditions for Spanish Securities shall be deemed to include the Spanish Securities Custodian Entity, the Spanish Securities Intermediary Entity and the Spanish Securities Paying Agent, as applicable.

## SWEDISH SECURITIES ANNEX

### Table of Contents

#### **PART A – DESCRIPTION**

- 1 Brief Description of Swedish Registered Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS FOR SWEDISH REGISTERED SECURITIES**

- 1 Amendment to Condition 1.1 of the Base Conditions
- 2 Amendment to Condition 1.2 of the Base Conditions
- 3 Amendment to Condition 1.3 of the Base Conditions
- 4 Amendment to Condition 1.4 of the Base Conditions
- 5 Amendment to Condition 5.2 of the Base Conditions
- 6 Amendment to Condition 9 of the Base Conditions
- 7 Amendment to Condition 11 of the Base Conditions
- 8 Amendment to Condition 13 of the Base Conditions
- 9 Amendment to Condition 14 of the Base Conditions
- 10 Amendment to Condition 16 of the Base Conditions
- 11 Amendment to Condition 17 of the Base Conditions
- 12 Amendment to Condition 18 of the Base Conditions
- 13 Amendment to Condition 20 of the Base Conditions

#### **PART C – DEFINITIONS AND INTERPRETATION APPLICABLE TO SWEDISH REGISTERED SECURITIES**

- 1 Definitions
- 2 Interpretation

## Part A Description

### 1 Brief Description of Swedish Registered Securities

Swedish Registered Securities are Securities that are Notes, Warrants or Certificates (other than Exercisable Certificates) in uncertificated and dematerialised book-entry form issued in accordance with the Swedish Financial Instruments Act (*Sw. lag om kontoföring av finansiella instrument* (1998:1479)). No Global Securities or Definitive Securities will be issued in respect of Swedish Registered Securities and the Conditions of the Securities shall be construed accordingly. Swedish Registered Securities will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Sweden AB (“**Euroclear Sweden**”). Any references in the Conditions to Coupons, or Global Securities, as the case may be, shall not apply to Swedish Registered Securities. Swedish Registered Securities of one Specified Denomination or Calculation Amount may not be exchanged for Swedish Registered Securities of another Specified Denomination, as applicable.

## Part B

### Additional Terms and Conditions for Swedish Registered Securities

*The terms and conditions applicable to Swedish Registered Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Swedish Registered Securities Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Swedish Registered Securities Conditions set out below, the Swedish Registered Securities Conditions shall prevail. In the event of any inconsistency between the Base Conditions and/or the Swedish Registered Securities Conditions the Swedish Registered Securities Conditions shall prevail. This Swedish Annex is a Clearing Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Swedish Registered Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

Swedish Registered Securities will only be issued by the Bank. BCCL will not issue Swedish Registered Securities, and references in the Conditions of Swedish Registered Securities to the “Issuer” shall refer only to the Bank.

#### 1 Amendment to Condition 1.1 of the Base Conditions

Condition 1.1(a) of the Base Conditions (*Form, Title and Transfer – Form – Form of Securities*) shall be amended by the addition of the following paragraph at the end of such Condition:

“Notwithstanding the above the Issuer may issue securities in uncertificated and dematerialised book-entry form (“Swedish Registered Securities”). No Global Securities or Definitive Securities representing the Securities will be issued in respect of Swedish Registered Securities and these Base Conditions shall be construed accordingly. Swedish Registered Securities will be transferable only in accordance with the provisions of the Swedish Financial Instruments Accounts Act (1998:1479), other applicable Swedish legislation and the rules and regulations applicable to, and/or issued by, Euroclear Sweden. References in these Base Conditions to Coupons, Talons and to Global Securities shall not apply to Swedish Registered Securities.”

#### 2 Amendment to Condition 1.2 of the Base Conditions

Condition 1.2 of the Base Conditions (*Denomination and Number*) shall be amended by the addition of the following paragraph at the end of such Condition:

“Swedish Registered Securities of one Specified Denomination may not be exchanged for Swedish Registered Securities of another Specified Denomination.”

#### 3 Amendment to Condition 1.3 of the Base Conditions

The first line of the second paragraph of Condition 1.3(a) of the Base Conditions (*Title – General*) shall be amended by deleting the word “except” and replacing it with the following words:

“except for Swedish Registered Securities or”

The following paragraph shall be added at the end of Condition 1.3(a) of the Base Conditions (*Title – General*):

“The holder of a Swedish Registered Security will be the person appearing in the relevant register in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear (the “Euroclear Sweden Rules”) and the term “Securityholder” shall be construed accordingly. Where a nominee is so evidenced it shall be treated as the holder of the relevant Swedish Registered Securities.”

#### **4 Amendment to Condition 1.4 of the Base Conditions**

The following Condition 1.4(m) of the Base Conditions shall be added after Condition 1.4(l) of the Base Conditions (*Transfers – Cessation of CREST Eligibility*):

##### **“1.4(m) Transfers of Swedish Registered Securities”**

“Title to Swedish Registered Securities will pass by registration in the register that the Issuer will procure to be kept by Euroclear Sweden on behalf of the Issuer. Where a nominee is so evidenced it shall be treated as the holder of the relevant Swedish Registered Securities.”

#### **5 Amendment to Condition 5.2 of the Base Conditions**

The following paragraph shall be added at the end of Condition 5.2 of the Base Conditions (*Redemption of Securities that are Notes or Certificates – Early Redemption at the option of Securityholders*):

“Notwithstanding anything to the contrary in the Conditions, if Securities are Swedish Registered Securities, the exercise of this option will not be effective against the Issuer before the date on which the relevant Securities have been transferred to the account designated by the Swedish Issue and Paying Agent, which, for the purposes of the relevant Swedish Registered Securities, is an account operator specifically authorised by Euroclear Sweden and appointed by the Issuer in relation to a specific issue or issues to process and register issues in the system of the relevant central securities depository and clearing institution, and blocked for further transfer as of the Optional Redemption Date by the Swedish Issue and Paying Agent.

In the case of the relevant Swedish Registered Securities, the right to require redemption of such Securities in accordance with this Condition 5.2 must be, notwithstanding the above, exercised in accordance with the rules and procedures of Euroclear Sweden and if there is any inconsistency between the terms set out herein and the rules and procedures of Euroclear Sweden, then the rules and procedures of Euroclear Sweden shall prevail.”

#### **6 Amendment to Condition 9 of the Base Conditions**

The following new Condition 9.9 of the Base Conditions shall be added after Condition 9.8 of the Base Conditions (*Payments and Deliveries – Payments and deliveries subject to Laws*):

##### **“9.9 Swedish Registered Securities**

Any amounts payable in respect of the Swedish Registered Securities shall be made to the Securityholders registered as such on (a), in the case of Swedish Registered Securities settled

on the basis of notional amount, the fifth business day or (b), in the case of Swedish Registered Securities settled on the basis of number of Securities, on the fourth business day before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in the CSD Rules (and in each case as business day is defined by the then applicable CSD Rules). Such day shall be the Record Date in respect of the Swedish Securities in accordance with the CSD Rules. Payments in respect of Swedish Registered Securities will be made to the persons registered as Securityholders in the register maintained by Euroclear Sweden. If the date for payment of any amount in respect of Swedish Registered Securities is not a Stockholm Banking Day, the holder thereof shall not be entitled to payment until the next following Stockholm Banking Day and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Stockholm Banking Day**” means, any day (other than a Saturday or a Sunday) on which commercial banks are generally open for business, including dealings in foreign exchange and foreign currency deposits in Stockholm.

At any time before the Issue Date, the Issuer may decide to (i) cancel the issue or postpone the Issue Date and other dates if any event or circumstance occurs which, in the Issuer’s opinion, may have a significant impact on the issue and the indicated terms and conditions; and (ii) cancel the issue if the subscribed amount is less than the applicable minimum amount, if any, specified in the applicable Final Terms or if the Issuer determines it likely that the subscribed amount will be less than such amount.

In the event of late payment not due to an event or circumstance mentioned in the previous or in the following paragraph, penalty interest will be payable on the overdue amount from the due date for payment thereof up to and including the date on which payment is made at an interest rate corresponding to, in the case of Euroclear Sweden, STIBOR increased by one percentage point. Interest will not be capitalised.

Where the Issuer or any Agent or the Swedish Issue and Paying Agent, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the provisions of the Swedish Financial Instruments Accounts Act (SFS 1998:1479).

“**STIBOR**” means the average of the interest rates quoted at approximately 11:00 a.m. on the first Banking Day after the Redemption Date in each seven-day period or part thereof on Reuter’s page “SIDE” (or through any other system or on any other page as shall replace the system or page stated) for one-week-funds or, if no such quotation is given, the interest rate which is stated by three first ranking Swedish banks selected by the Bank to be their funding cost at that time for one-week-funds in Swedish Kronor in the Stockholm interbank market; if the interest rate for a certain period cannot be determined as stated as a result of any disruption, then the interest rate for such period shall correspond to the average of the latest interest rate determined under the alternatives above before such disruption occurred and the first interest rate determined after the disruption has ceased.

A Swedish Issue and Paying Agent will be appointed by the Issuer and identified in the applicable Final Terms.”.

## **7 Amendment to Condition 11 of the Base Conditions**

The following new Condition 11.4 of the Base Conditions shall be added after Condition 11.3 of the Base Conditions (*Responsibility of the Issuer, the Guarantor and the Agents*):

### **“11.4 Swedish Issue and Paying Agent**

In relation to Swedish Registered Securities the Issuer will, in accordance with the Swedish Financial Instruments Accounts Act (1998:1479) appoint (i) Euroclear Sweden as the central securities depository, and (ii) a Swedish Issue and Paying Agent. The Swedish Issue and Paying Agent appointed by the Issuer will be specified in the relevant Final Terms.

The Issuer is entitled to vary or terminate the appointment of the Swedish Issue and Paying Agent, provided that the Issuer will appoint another Swedish Issue and Paying Agent that is duly authorised under the Swedish Financial Instruments Accounts Act (1998:1479). Euroclear Sweden and the Swedish Issue and Paying Agent act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with the Securityholders.”.

## **8 Amendment to Condition 13 of the Base Conditions**

The following paragraph shall be added at the end of Condition 13 of the Base Conditions (*Prescription*):

“In the case of Swedish Registered Securities, claims against the Issuer for the payment of principal and interest payable in respect of the Securities shall be prescribed, unless made within 10 years (in case of principal) and five years (in case of interest) of the Relevant Date therefore, and thereafter any principal or interest payable in respect of such Securities shall be forfeited and revert to the Issuer.”

## **9 Amendment to Condition 14 of the Base Conditions**

Condition 14 of the Base Conditions (*Replacement of Securities*) shall not apply in the case of Swedish Registered Securities.

## **10 Amendment to Condition 16 of the Base Conditions**

The following sub-paragraph (f) shall be added after Condition 16.1(e) of the Base Conditions (*Notices – To Securityholders*):

“or (f) in the case of Swedish Registered Securities, sent by mail to a Securityholder on the address registered for such Securityholder in the system of Euroclear Sweden or in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Sweden. Any such notice shall be deemed to have been given, if sent by mail to the Securityholders, on the fourth day following the day the notice was sent by mail.”.

## 11 Amendment to Condition 17

The following sentence shall be added at the end of Condition 17.2 of the Base Conditions (*Substitution – The Bank*):

“For Swedish Registered Securities such substitution may only take place if the Euroclear Sweden gives its consent to the substitution of the Issuer for the New Issuer.”

## 12 Amendment to Condition 18 of the Base Conditions

The following words shall be added at the end of the first sentence of Condition 18 of the Base Conditions (*Governing Law and Jurisdiction*):

“(except Swedish Registered Securities, for which the legal effects of registration shall be governed by, and construed in accordance with the provisions of the Swedish Financial Instruments Accounts Act (1998:1479), other Swedish legislation and the rules and regulations applicable to, and/or issued by Euroclear Sweden, applicable from time to time).”

## 13 Amendment to Condition 20 of the Base Conditions

The following paragraph shall be added at the end of Condition 20.1 of the Base Conditions (*Modifications to the Conditions*):

“In respect of Swedish Registered Securities, the Issuer may, without the consent of the Securityholders, make (i) any modification of the Securities which is not materially prejudicial to the interests of the Securityholders; or (ii) any modification of the Securities which is of formal, minor or technical nature or is made to correct a manifest error or proven error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated. Any such modification shall be binding on the relevant Securityholders and any such modification shall be notified to such Securityholders in accordance with Condition 16.”

The following paragraph shall be added at the end of Condition 20.2(a) of the Base Conditions (*Meetings of Securityholders – Definitive Securities in Bearer or Registered Form and CREST Securities*)

“Permitted to vote on a meeting of Securityholders will be the Securityholders appearing as such in the relevant register of Euroclear Sweden on the record date stated in the notice.

Any decision or Extraordinary Resolution passed by a Meeting of Securityholders must always comply with Swedish law and Euroclear Sweden Rules. Amendments made are subject to what is permitted or otherwise possible to amend in the system of Euroclear Sweden.”

Condition 20.2(b) of the Base Conditions (*Meetings of Securityholders – Global Securities in Bearer or Registered Form*) shall not apply in the case of Swedish Registered Securities.

## Part C

### Definitions and Interpretation Applicable to Swedish Registered Securities

#### 1 Definitions

The following definitions set out in Condition 24 of the Base Conditions (*Definitions*) shall be amended and restated as follows in relation to Swedish Registered Securities:

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

**“Rules”** means the Clearstream Rules, the Euroclear Rules, the Euroclear Sweden Rules and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System as may be specified in the Final Terms relating to a particular issue of Securities.

The following definitions shall be added to Condition 24 of the Base Conditions (*Definitions*):

**“Euroclear Sweden”** means Euroclear Sweden AB, Box 7822, SE-103 97 Stockholm, Sweden.

**“Swedish Issue and Paying Agent”** means the issue and paying agent appointed in respect of any Series of Swedish Registered Securities as specified in the applicable Final Terms.

#### 2 Interpretation

All references to “Agents” in the Base Prospectus and the Conditions for Swedish Registered Securities shall be deemed to include the Swedish Issue and Paying Agent.

## SWISS SECURITIES ANNEX

### Table of Contents

#### **PART A – DESCRIPTION**

- 1 Brief Description of Swiss Securities

#### **PART B – ADDITIONAL TERMS AND CONDITIONS OF SWISS SECURITIES**

- 1 Amendment to Condition 1.1 of the Base Conditions
- 2 Amendment to Condition 1.3 of the Base Conditions
- 3 Amendment to Condition 1.4 of the Base Conditions
- 4 Amendment to Condition 5.2 of the Base Conditions
- 5 Amendment to Condition 6.3 of the Base Conditions
- 6 Amendment to Condition 9 of the Base Conditions
- 7 Amendment to Condition 12 of the Base Conditions
- 8 Amendment to Condition 13 of the Base Conditions
- 9 Amendment to Condition 16 of the Base Conditions
- 10 Amendment to Condition 18.1 of the Base Conditions
- 11 Amendment to Condition 18.2 of the Base Conditions

#### **PART C – DEFINITIONS APPLICABLE TO SWISS SECURITIES**

- 1 Definitions

## Part A Description

### 1 Brief Description of Swiss Securities

Securities governed by Swiss law (“**Swiss Securities**”) may be issued either in bearer form or in the form of uncertificated securities (*Wertrechte*). If Swiss Securities are issued in bearer form, they will be represented by a permanent global certificate (*Globalurkunde*) in bearer form in terms of article 973b of the Swiss Federal Code of Obligations (“**SCO**”) (“**Global Securities**”). Swiss Securities which are to be issued in the form of uncertificated securities are created in accordance with article 973c SCO (“**Uncertificated Securities**”) and have the same function as physical securities (*Wertpapiere*). The debtor runs a register of Uncertificated Securities (*Wertrechtbuch*) that specifies number and denomination of the Uncertificated Securities and their first holders. Uncertificated Securities are created by registration in such a register and transferred by means of a written assignment.

By registering Uncertificated Securities in the main register (*Hauptregister*) of, or depositing Global Securities with, SIX SIS Ltd, Olten, Switzerland (“**SIS**”) and crediting them to a securities account (*Effektenkonto*), intermediated securities (*Bucheffekten*) (“**Intermediated Securities**”) pursuant to the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) (“**FISA**”) are created. The holder and legal owner of the Intermediated Securities is the person holding the Intermediated Securities in a securities account in its own name and for its own account with a depositary (*Verwahrungsstelle*) in terms of the FISA. In accordance with the provisions of the FISA, Intermediated Securities are transferred and otherwise disposed of by instruction of the account holder to his depositary to transfer and credit the Intermediated Securities to the account of the transferee’s depositary.

If Swiss Securities are issued as Uncertificated Securities, unless otherwise stated in the relevant Final Terms, the Securityholders shall at no time have the right to demand the conversion of Uncertificated Securities into, or the delivery of, a permanent global certificate or physical securities. By contrast, the Issuer shall have the right to effect the conversion of the Uncertificated Securities into a permanent global certificate or physical securities and *vice versa*.

## Part B

### Additional Terms and Conditions for Swiss Securities

*The terms and conditions applicable to Swiss Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “Swiss Securities Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the Base Conditions and the Swiss Securities Conditions set out below, the Swiss Securities Conditions shall prevail. In the event of any inconsistency between (i) the Base Conditions and/or the Swiss Securities Conditions and (ii) the Final Terms, the Final Terms shall prevail. This Swiss Securities Annex is a Foreign Law Annex and a Relevant Annex for the purposes of the Base Conditions and any Securities specified to be Swiss Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

*Swiss Securities will only be issued by the Bank. BCCL will not issue Swiss Securities, and references in the Conditions of the Swiss Securities to the “Issuer” shall refer only to the Bank.*

The Final Terms for Swiss Securities that are offered in or from Switzerland shall comply with any applicable Swiss legal and regulatory requirements, as amended from time to time.

#### 1 Amendment to Condition 1.1 of the Base Conditions

Condition 1.1(a) of the Base Conditions (*Form, Title and Transfer – Form – Form of Securities*) shall be amended by addition of the following paragraph at the end of such Base Condition in case of Swiss Securities:

“Swiss Securities may be issued either in bearer form or in the form of uncertificated securities (*Wertrechte*). Swiss Securities which shall be issued in bearer form will be represented by a permanent global certificate (*Globalurkunde*) in bearer form pursuant to article 973b of the Swiss Federal Code of Obligations (“SCO”) (“**Global Securities**”). If Swiss Securities are to be issued in the form of uncertificated securities, they are created in accordance with article 973c SCO by registration in the register of uncertificated securities (*Wertrechtbuch*) of the Issuer (“**Uncertificated Securities**”). According to article 973c SCO, Uncertificated Securities have the same function as physical securities (*Wertpapiere*). By registering the Uncertificated Securities in the main register (*Hauptregister*) of, or depositing the Global Securities with SIX SIS Ltd, Olten, Switzerland (“SIS”) and crediting them to a securities account (*Effektenkonto*) in terms of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) (“FISA”), intermediated securities (*Bucheffekten*) (“**Intermediated Securities**”) in accordance with the provisions of the FISA are created.”.

#### 2 Amendment to Condition 1.3 of the Base Conditions

Condition 1.3(a) of the Base Conditions (*Form, Title and Transfer – Title – General*) shall be amended by addition of the following paragraph at the end of such Base Condition in case of Swiss Securities:

“If Swiss Securities are issued in the form of a Global Security, the quotal co-ownership interest (*Miteigentumsanteil*) of each Securityholder in the Global Security in accordance with his claim

against the Issuer shall be suspended upon creation of Intermediated Securities and remain suspended as long as the Global Security remains deposited with SIS. For Swiss Securities which are issued in the form of Uncertificated Securities, the register of uncertificated securities of the Issuer specifies number and denomination of the Uncertificated Securities and the first holders. Uncertificated Securities exist in accordance with such register. In the case of Swiss Securities which constitute Intermediate Securities, the holder and legal owner of such Swiss Securities will be the person holding them in a securities account in his own name and for his own account with his depository (*Verwahrungsstelle*) in accordance with the terms of the FISA. The records of such depository determine the number of Swiss Securities held by such securities account holder. The FISA grants each account holder the right to ask his depository for information about Intermediated Securities that are credited to his account. The respective disclosure document (*Ausweis*) does not constitute a security.”

### **3 Amendment to Condition 1.4 of the Base Conditions**

The following paragraph (m) shall be added after paragraph (l) of Condition 1.4 of the Base Conditions (*Form, Title and Transfer – Transfers – Cessation of CREST Eligibility*) in case of Swiss Securities:

“(m) *Transfer and conversion of Swiss Securities*

As long as Swiss Securities constitute Intermediated Securities, they may solely be transferred and otherwise disposed of in accordance with the FISA. Intermediated Securities are transferred and otherwise disposed of by instruction of the account holder to his depository to transfer the Intermediated Securities and crediting the Intermediated Securities to the account of the transferee’s depository. The Securityholders shall at no time have the right to demand the conversion of Uncertificated Securities into, or the delivery of, a Global Security or physical securities. By contrast, the Issuer shall have the right to effect the conversion of the Uncertificated Securities into a Global Security and physical securities and *vice versa*.”

### **4 Amendment to Condition 5.2 of the Base Conditions**

The second line of the first paragraph of Condition 5.2(a) of the Base Conditions (*Redemption of Securities that are Notes or Certificates – Early Redemption at the Option of Securityholders*) shall be amended by deleting the word “Issuer” and replacing it with the following words in case of Swiss Securities:

“Issuer and the Swiss Paying Agent”.

### **5 Amendment to Condition 6.3 of the Base Conditions**

The following paragraph shall be added at the end of Condition 6.3(a) of the Base Conditions (*Exercise or Cancellation of Securities that are Warrants or Exercisable Certificates – Exercise and Cancellation Procedure – Exercise*) in case of Swiss Securities:

“The Issuer and the Swiss Paying Agent may assume that the bank or financial intermediary who submits a Security Exercise Notice has been duly authorised by the respective Securityholder.”

## 6 Amendment to Condition 9 of the Base Conditions

The following paragraph shall be added at the end of Condition 9.8 of the Base Conditions (*Payments and Deliveries – Payment and deliveries subject to Laws*) in case of Swiss Securities:

“Payments of principal and interest as well as deliveries in respect of Swiss Securities shall be made, subject to applicable fiscal and other laws and regulations of the Relevant Clearing System(s), to the Relevant Clearing System(s) or to its/their order for credit to the account(s) of the relevant account holder(s) in accordance with the rules and regulations of the Relevant Clearing System(s). The Issuer and the Swiss Paying Agent shall be discharged by payment or delivery to, or to the order of, such account holders. Swiss Securities shall not be physically delivered as long as no definitive securities (*Wertpapiere*) are printed. Swiss Securities may be printed in whole but not in part in the Issuer’s and the relevant Agent’s sole and absolute discretion.”

## 7 Amendment to Condition 12 of the Base Conditions

The following paragraph (g) shall be added after paragraph (f) of Condition 12 of the Base Conditions (*Taxation*) in case of Swiss Securities:

“if such Security is a Swiss Security subject to Swiss withholding tax (*Schweizerische Verrechnungssteuer*).”

## 8 Amendment to Condition 13 of the Base Conditions

The following paragraph shall be added at the end of Condition 13 of the Base Conditions (*Prescription*) in case of Swiss Securities:

“In accordance with Swiss law, claims of any kind against the Issuer arising under Swiss Securities will be prescribed 10 years after the earlier of (a) the date on which the early redemption or (b) the date on which the ordinary redemption of Swiss Securities has become due, except for claims for interests which will be prescribed five years after maturity of such interest claims.”

## 9 Amendment to Condition 16 of the Base Conditions

Sub-paragraph (e) of Condition 16.1 of the Base Conditions (*Notices – To Securityholders*) shall be amended by deleting “.” and adding “; and/or” at the end thereof.

The following sub-paragraph (f) shall be added after sub-paragraph (e) of Condition 16.1 of the Base Conditions:

“(f) in case of a public distribution of Swiss Securities in Switzerland, all notices to holders of Swiss Securities will be valid if published on the Internet on the website [www.barx-is.com](http://www.barx-is.com) or any successor webpage thereto. Any such notice shall be deemed to have been given on the day of publication of the website.”

## 10 Amendment to Condition 18.1 of the Base Conditions

Condition 18.1 of the Base Conditions (*Governing Law and Jurisdiction – Governing Law*) shall be amended and replaced by the following paragraph in case of Swiss Securities:

“The Swiss Securities, Coupons and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with Swiss law.”

## 11 Amendment to Condition 18.2 of the Base Conditions

Condition 18.2 of the Base Conditions (*Governing Law and Jurisdiction – Jurisdiction*) shall be amended and replaced by the following paragraph in case of Swiss Securities:

“The Courts of Zurich are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Swiss Securities, Coupons and/or the Agency Agreement and, accordingly, any legal action or proceedings arising out of or in connection with them (“**Proceedings**”) shall be brought in such courts.”

**Part C**  
**Definitions Applicable to Swiss Securities**

**1 Definitions**

The following definitions set out in Condition 24 of the Base Conditions (*Definitions*) shall be amended and restated as follows in relation to Securities:

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

“**Rules**” means the Clearstream Rules, the Euroclear Rules, the SIS Rules and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System, as may be specified in the Final Terms relating to a particular issue of securities.

The following definitions shall be added to Condition 24 of the Base Conditions (*Definitions*):

“**SIS Rules**” means the rules and regulations, manuals and operating procedures as well as any agreements between the Issuer and SIS governing the use of SIS, as may be amended, supplemented or modified from time to time.

“**Swiss Paying Agent**” means the issue and paying agent appointed in respect of any Series of Swiss Securities as specified in the applicable Final Terms.

“**Swiss Securities**” means Securities governed by Swiss law.

## FRENCH SECURITIES ANNEX

### Table of Contents

#### PART A – BRIEF DESCRIPTION OF FRENCH SECURITIES

#### PART B – INTERPRETATION

#### PART C – RISK FACTORS

1. Settlement Risk
2. Entitlement Substitution
3. Adjustment to or early redemption or cancellation of the Securities and reinvestment risk following an Additional Disruption Event
4. Determination Agent and Conflicts of Interest
5. French Securities – Modifications of the Base Conditions

#### PART D – PRO FORMA FINAL TERMS

#### PART E – BASE CONDITIONS

1. Additional Terms and Conditions for French Securities
  - 1.1 Condition 1.1 (*Form*)
  - 1.2 Condition 1.2 (*Denomination and Number*)
  - 1.3 Condition 1.3 (*Title*)
  - 1.4 Condition 1.4 (*Transfers*)
  - 1.5 Condition 4 (*Interest*)
  - 1.6 Condition 4.2(a) (*ISDA Determination for Floating Rate Securities*)
  - 1.7 Condition 5.2 (*Early Redemption at the Option of Securityholders*)
  - 1.8 Condition 5.3 (*Early Redemption at the Option of the Issuer or following the occurrence of a Nominal Call Event*)
  - 1.9 Condition 5.4(a) (*Early Redemption or Adjustment following the occurrence of an Additional Disruption Event*)
  - 1.10 Condition 5.6(b) (*Daily Maximum Amount*)
  - 1.11 Condition 7.1 (*Settlement at the Option of Securityholder*)
  - 1.12 Condition 7.2 (*Physical Settlement by delivery of the Entitlement*)
  - 1.13 Condition 7.3 (*Conditions to Settlement*)
  - 1.14 Condition 8.3(b) (*Calculation Amount per Security*)
  - 1.15 Condition 9.9 (*Payments and deliveries in respect of French Securities*)

- 1.16 Condition 10 (*Events of Default*)
  - 1.17 Condition 11.1 (*Appointment of Agents*)
  - 1.18 Condition 11.2 (*Modification of Agency Agreement*)
  - 1.19 Condition 11.3 (*Responsibility of the Issuer, the Guarantor and the Agents*)
  - 1.20 Condition 12 (*Taxation*)
  - 1.21 Condition 14 (*Replacement of Securities*)
  - 1.22 Condition 15 (*Unlawfulness or impracticability*)
  - 1.23 Condition 16.1 (*To Securityholders*)
  - 1.24 Condition 16.3 (*Validity of Notices*)
  - 1.25 Condition 18 (*Governing Law and Jurisdiction*)
  - 1.26 Condition 20.1 (*Modifications to the Conditions*)
  - 1.27 Condition 20.2(c) (*Representation of French Securityholders*)
  - 1.28 Condition 21 (*Further Issues*)
  - 1.29 Condition 23 (*Contracts (Rights of Third Parties) Act 1999*)
2. Definitions Applicable to French Securities

## **PART F – BOND LINKED ANNEX**

- 1. Description and Risk Factors
  - 1.1 Independent Review and Advice
  - 1.2 Risks related to the structure of a particular issue of Bond Linked Securities – Risk of Loss of Principal
  - 1.3 Exposure to Reference Entities and Reference Obligations – Call Option Events
  - 1.4 Exposure to Reference Entities and Reference Obligations – Issuer and Determination Agent Discretion
  - 1.5 Cash and Physical Settlement – Fractions of Reference Obligations
  - 1.6 Exchange Rate Risk
- 2. Additional Terms and Conditions for Bond Linked Securities
  - 2.1 Condition 1.1 (*Interest Amount*)
  - 2.2 Condition 3.1 (*Adjustment Provisions*)
  - 2.3 Condition 3.2 (*Early Redemption at the Option of the Issuer following the Occurrence of a Call Option Event*)
  - 2.4 Condition 4 (*Reference Obligation Adjustments*)
  - 2.5 Condition 6.1 (*Inconvertibility Event Settlement*)

- 2.6 Condition 6.2 (*Credit Event Settlement*)
  - 2.7 Condition 6.3 (*Settlement Disruption Event following a Credit Event or a Credit Event and an Inconvertibility Event*)
  - 2.8 Condition 6.4 (*Settlement Disruption Event in the case of an Inconvertibility Event*)
  - 2.9 Condition 7 (*Securityholder Failure to Act*)
  - 2.10 Condition 9 (*Consequences of the occurrence of FX Disruption Events*)
3. Definitions and Interpretation Applicable to Bond Linked Securities

#### **PART G – COMMODITY LINKED ANNEX**

1. Description and Risk Factors
- 1.1 The Issuer is not responsible for the public disclosure of information relating to a Commodity Index, which may change over time.
  - 1.2 The policies of the sponsor of a Commodity Index and changes that affect the composition and valuation of a Commodity Index or the components included in a Commodity Index could affect the amount payable or deliverable on the Commodity Linked Securities and their market value.
  - 1.3 If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities.
2. Additional Terms and Conditions for Commodity Linked Securities
- 2.1 Condition 4 (*Correction to Published Prices*)
  - 2.2 Condition 8 (*Physical Settlement*)
3. Definitions and Interpretation Applicable to Commodity Linked Securities

#### **PART H – CREDIT LINKED ANNEX**

1. Description and Risk Factors
- 1.1 Independent Review and Advice
  - 1.2 Risks relating to the Credit Derivatives Definitions and the Credit Derivatives Determinations Committees
  - 1.3 Risk of Loss of Principal
  - 1.4 Issuer Discretion
  - 1.5 Securityholder Obligations
2. Additional Terms and Conditions for Credit Linked Securities
- 2.1 Condition 2.1 (*Credit Event Determination*)

- 2.2 Condition 2.3.3 (*Credit Event Notice after Restructuring*)
- 2.3 Condition 4.3 (*Delivery of Deliverable Obligation Portfolio*)
- 2.4 Condition 4.9.5 (“*CLS Valuation Time*”)
- 2.5 Condition 5 (*Redemption Failure Event*)
- 2.6 Condition 6 (*Determination Agent*)
- 2.7 Condition 7.1 (*Notices required to be delivered*)
- 2.8 Condition 8.1.5 (*Provisions for determining a Successor*)
- 2.9 Condition 11 (*Additional Provisions for Reference CDS*)
- 2.10 Condition 12 (*Representations*)
- 3. Definitions and Interpretation Applicable to Credit Linked Securities
  - 3.1 Certain general definitions relating to Credit Linked Securities
  - 3.2 Reference entities and obligations
  - 3.3 General terms relating to Redemption and Settlement
  - 3.4 Terms relating to Cash Settlement
  - 3.5 Terms relating to Auction Settlement

#### **PART I – EQUITY LINKED ANNEX**

- 1. Additional Terms and Conditions for Equity Linked Securities
  - 1.1 Condition 1.1 (*Index Adjustment Events*)
  - 1.2 Condition 1.4 (*Error in Index Calculation*)
  - 1.3 Condition 1.5 (*Futures Price Valuation*)
  - 1.4 Condition 2.1 (*Potential Adjustment Events*)
  - 1.5 Condition 2.2 (*Merger Events*)
  - 1.6 Condition 2.3 (*Nationalisation, Insolvency and Delisting*)
  - 1.7 Condition 2.4 (*Tender Offers*)
  - 1.8 Condition 2.5 (*Substitution of Shares*)
  - 1.9 Condition 4 (*Adjustments*)
  - 1.10 Conditions 5.1.1 and 5.1.2 (*FX Disruption Event*)
  - 1.11 Condition 6.4.5 (*General*)
- 2. Definitions Applicable to Equity Linked Securities
  - 2.1 Various definitions
  - 2.2 Futures or Options Exchange

## **PART J – FX LINKED ANNEX**

1. Description and Risk Factors
2. Additional Terms and Conditions for FX Linked Securities
  - 2.1 Condition 2 (*Consequences of the occurrence of FX Disruption Events*)
  - 2.2 Condition 5.3 (*Index Adjustment Events*)
  - 2.3 Condition 5.4 (*Error in Index Calculation*)
  - 2.4 Condition 5.5 (*Correction to Published Prices*)

## **PART K – INFLATION LINKED ANNEX**

1. Additional Terms and Conditions for Inflation Linked Securities
  - 1.1 Condition 1.3.1 (*Successor Index*)
  - 1.2 Condition 1.3.2 (*Substitute Index Level*)
  - 1.3 Condition 1.3.3 (*Index Level Adjustment Correction*)
  - 1.4 Condition 1.3.4 (*Rebasing*)
  - 1.5 Condition 1.3.5 (*Index Modification*)

## **PART L – FUND LINKED ANNEX**

1. Description and Risk Factors
2. Additional Terms and Conditions for Fund Linked Securities
  - 2.1 Condition 1.5 (*Miscellaneous*)
  - 2.2 Condition 2 (*Consequences of a Fund Event*)
  - 2.3 Condition 3 (*Potential Adjustment of Payment Events*)
  - 2.4 Condition 4 (*Consequences of a Potential Adjustment of Payment Event*)

## **PART M – BARCLAYS CAPITAL INDEX, US WARRANTS PRODUCT, DANISH, DUTCH, FINNISH, ITALIAN, NORWEGIAN, SPANISH AND SWEDISH SECURITIES ANNEXES**

## Part A

### Brief Description of French Securities

French Securities are Notes that are in dematerialised form. Such Notes shall constitute *obligations* within the meaning of Article L.213–5 of the French *Code monétaire et financier*.

French Securities will only be issued by the Bank.

French Securities will at all times be in book-entry form in compliance with Articles L.211–3 and R.211–1 of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the French Securities. Therefore, no Global Securities or Definitive Securities will be issued in respect of French Securities and the terms and conditions of such Securities shall be construed accordingly.

French Securities may, at the option of the Issuer, be in bearer dematerialised form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (as defined in Part E –2 (Definitions) of this Annex) (acting as central depository) which shall credit the accounts of Account Holders (as defined in Part E –2 (Definitions) of this Annex), including Euroclear and the depository bank for Clearstream or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Securityholder, in either fully registered form (*nominatif pur*) or in administered registered form (*nominatif administré*).

French Securities may be offered to the public in France and in any other Member State of the European Economic Area specified in the Final Terms.

## Part B Interpretation

French Securities will only be issued by the Bank. BCCL will not issue French Securities. Any reference in this Base Prospectus to the “Issuer”, “Issuers”, “relevant Issuer”, “an Issuer” or “any Issuer”, as the case may be, shall be construed accordingly.

French Securities are Securities that are Notes. No Certificates and/or Warrants will be issued under this French Securities Annex and the Base Prospectus shall be construed accordingly in respect of French Securities.

French Securities are dematerialised Securities in book-entry form and shall not be represented by Global Securities. The other provisions of this Base Prospectus shall be construed accordingly.

Any references in the other provisions of this Base Prospectus to Accession Deed, Actual Exercise Date, Additional Disruption Event Cancellation Notice, Automatic Exercise Date, Automatic Exercise Notice, BCCL Jurisdiction, Bearer Instruments, Bearer Securities, CBF Security, CDIs, C Rules, Call Security, Cash Settlement Multiplier, Certificates, Certificateholder, CGN Form, Common Depositary, Common Safekeeper, Cleared Securities, CREST, CREST Agent, CREST Business Day, CREST Cut-off time, CREST Deed Poll, CREST Depository, CREST Requirements, CREST Security, Coupons, D rules, Deed of Covenant, Definitive Bearer Securities, Definitive Registered Securities, Definitive Securities, Dematerialised Instruction, Distribution Compliance Period, DTC, DTC business day, Daily Maximum Number, Early Cancellation Date, Early Cancellation Notice Period, Early Physical Cancellation Date, Early Physical Cancellation Entitlement, Exchange Date, Exchange Event, Eligible Exercise Date, Exercise Cash Settlement Amount, Exercise Cash Settlement Date, Exercisable Certificates, Exercise Date(s), Exercise Notice, Exercise Notice Period, Exercise Parameters, Exercise Period, Exercise Physical Settlement Date, Exercise Physical Settlement Entitlement, Exercise Price, Expiration Automatic Exercise Date, Expiration Date, Extraordinary Resolution, Global Bearer Securities, Global Registered Securities, Global Securities, Guarantee, Guarantor, Guarantor Tax Event, In-the-Money, Luxembourg Agent, Luxembourg Registrar, Master Deed of Guarantee, Multiple Automatic Exercise Date, New Bank Issuer, New BCCL Issuer, New Guarantee, NGN Form, Nominal Call Cancellation Notice, Nominal Call Cancellation Notice Period, NSS, New York Agent, NY Registrar, Operator, Operator register of corporate securities, participating security, Permanent Global Securities, Potential Exercise Business Dates, Put Security, QIBs, Record, Record Date, record of uncertified corporate securities, Register, Registered Securities, relevant system, Restricted Securities, Settlement Price, Security Exercise Notice, Specified Early Cancellation Event, Specified Early Cash Cancellation Date, Specified Early Cancellation Entitlement, Specified Early Cancellation Notice, Specified Early Cancellation Notice Period, Specified Early Physical Cancellation Date, Talons, Temporary Global Security, Temporary Global Securities, Permanent Global Security, Registrar, TEFRA, Regulation S Global Security, Transfer Agent, Underlying Securities, Uncertificated Regulations, Unrestricted Securities, Units or Warrants, Warrantholder as the case may be, shall not apply to French Securities.

Any references to “cancel”, “cancelled”, or “cancellation”, as the case may be, in the other provisions of this Base Prospectus where they relate to Securities which are Exercisable Certificates and/or Warrants shall not apply to French Securities.

## Part C Risk Factors

In respect of French Securities, the sub-section “Risks Relating to the Securities” in the section “Risk Factors” shall be amended as follows:

### 1 Settlement Risk

In the second sentence of paragraph “Settlement Risk” of the Risk Factors section, the expression “in its sole and absolute discretion” shall not apply to French Securities.

### 2 Entitlement Substitution

In the second line of paragraph “Entitlement Substitution” of the Risk Factors section, the expression “in its sole and absolute discretion” shall not apply to French Securities.

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

In the first sentence of paragraph “Adjustment to or early redemption or cancellation of the Securities and reinvestment risk following an Additional Disruption Event” of the Risk Factors section, the expression “(without the prior consent of the Securityholders)” shall be replaced by “(with the prior consent of the General Meeting of the Securityholders)”.

### 4 Determination Agent and Conflicts of Interest

In the first sentence of paragraph “Determination Agent and Conflicts of Interest” of the Risk Factors section, the expression “including with respect to the exercise of the very broad discretionary powers of the Determination Agent” shall not apply to French Securities.

In the third sentence of paragraph “Determination Agent and Conflicts of Interest” of the Risk Factors section, the expression “Any such discretion exercised by, or” shall not apply to French Securities.

### 5 French Securities – Modifications of the Base Conditions

The following paragraph shall be added before the paragraph “Additional Risk Factors, Disclaimers and Considerations Associated with Certain Securities” of the Risk Factors section:

“French Securities – Modifications of the Base Conditions

Holders of French Securities will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *Masse*, as defined in Condition 20.2(c) of the Base Conditions (*Representation of French Securityholders*). Decisions passed by the General Meeting of Securityholders will bind all Securityholders, including Securityholders who did not attend and vote at the relevant General Meeting and Securityholders who voted in a manner contrary to the majority. The General Meeting may deliberate on any proposal relating to the modification of the Base Conditions, including any proposal, whether for arbitration or settlement, relating to rights in controversy or which

were the subject of judicial decisions, as more fully described in Condition 20.2(c) of the Base Conditions (*Representation of French Securityholders*).”

**Part D**  
**Pro Forma Final Terms**

**PRO FORMA FINAL TERMS FOR FRENCH SECURITIES**

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

**Final Terms**

**BARCLAYS BANK PLC**

*(Incorporated with limited liability in England and Wales)*

**BARCLAYS CAPITAL (CAYMAN) LIMITED**

*(Incorporated with limited liability in the Cayman Islands)*

**GLOBAL STRUCTURED SECURITIES PROGRAMME**

for the issue of Securities

**BARCLAYS BANK PLC**

[Amount][*title of the Securities*]

under the Global Structured Securities Programme

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

This document constitutes the final terms of the French Securities (the “**Final Terms**”) described herein for the purposes of Article 5.4 of the Directive 2003/71/EC (the “**Prospectus Directive**”) and is prepared in connection with the Global Structured Securities Programme established by Barclays Bank PLC (the “**Bank**”) and Barclays Capital (Cayman) Limited and is supplemental to and should be read in conjunction with the Base Prospectus dated [ ] 2011, as supplemented and amended from time to time, which constitutes a base prospectus (the “**Base Prospectus**”) for the purpose of the Prospectus Directive. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent, for the time being in Paris, and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

[Subject as provided below,] the Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information. [The information relating to [ ] and contained herein has been accurately extracted from [*insert information source(s)*]. [The Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by [ ] and, no facts have been omitted which would render the reproduced information inaccurate or misleading.]

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

This document constitutes the final terms of the Securities (the “**Final Terms**”) described herein for the purposes of Article 5.4 of the Prospectus Directive and is prepared in connection with the Global Structured Securities Programme, established by Barclays Bank PLC (the “**Bank**”) and Barclays Capital (Cayman) Limited (“**BCCL**”) and is supplemental to and should be read in

conjunction with the Base Prospectus dated [ ] 2011, as supplemented and amended from time to time, which constitutes a base prospectus (the “**Base Prospectus**”) for the purpose of the Prospectus Directive, save in respect of the Conditions which are extracted from the [Base Prospectus] dated [original date] (the “**Original Offering Document**”), as incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Conditions extracted from the Original Offering Document. The Base Prospectus and the Original Offering Document are available for viewing during normal business hours at the registered office of the Issuer and the specified office of the Issue and Paying Agent, for the time being in Paris, and copies may be obtained from such office. Words and expressions defined in the Base Prospectus and not defined in this document shall bear the same meanings when used herein.

[Subject as provided below,] the Issuer accepts responsibility for the information contained in these Final Terms. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in these Final Terms is in accordance with the facts and does not contain anything likely to affect the import of such information. [The information relating to [ ] and contained herein has been accurately extracted from [insert information source(s)]. [The Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by [ ] and, no facts have been omitted which would render the reproduced information inaccurate or misleading.]]

Investors should refer to the section headed “Risk Factors” in the Base Prospectus for a discussion of certain matters that should be considered when making a decision to invest in the Securities.

### **Barclays Capital**

Final Terms dated [Issue Date]

The distribution of this document and the offer of the Securities in certain jurisdictions [(other than in [ ])] may be restricted by law. Persons into whose possession these Final Terms come are required by the Bank to inform themselves about and to observe any such restrictions. Details of selling restrictions for various jurisdictions are set out in “Purchase and Sale” in the Base Prospectus. In particular, the Securities have not been, and will not be, registered under the US Securities Act of 1933, as amended, and are subject to US tax law requirements. Trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the US Commodity Exchange Act of 1936, as amended. Subject to certain exceptions, the Securities may not at any time be offered, sold or delivered in the United States or to US persons, nor may any US persons at any time trade or maintain a position in such Securities.

## Part A

### Terms and Conditions of the Securities

The Securities shall have the following terms and conditions, which shall complete, modify and/or amend the Base Conditions and/or any applicable Relevant Annex(ex) set out in the Base Prospectus dated [ ] 2011.

**These Securities are French Securities. Securityholders should refer to the provisions of the French Securities Annex of the Base Prospectus which shall apply to the Securities.**

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

#### Parties

Issuer:	Barclays Bank PLC
Manager[s]:	[Barclays Bank PLC] [and] [Barclays Capital Inc.] [and] [Other ( <i>specify</i> )]
Determination Agent:	[Barclays Capital Securities Limited] [Barclays Bank PLC]
Issue and Paying Agent:	[BNP Paribas Securities Services]
Stabilising Manager:	[N/A] [ ]
Additional Agents:	[ ] [N/A]

#### Provisions relating to the Securities

1	[(i)] Series:	[ ]
	[(ii)] Tranche:	[ ]
2	Currency:	[ ]
3	Notes:	Applicable
	(i) Aggregate Nominal Amount as at the Issue Date:	[ ] [For <i>Bmarkets products insert</i> : Up to authorised Aggregate Nominal Amount: [Insert] Initial Aggregate Nominal Amount issued as at the Issue Date: [Insert]]
	[(a)] Series:	[ ]
	[(b)] Tranche:	[ ]
	(ii) Specified Denomination:	[ ] ( <i>one denomination only. French Securities may not be issued in denominations of €50,000 plus 1,000, 2,000, 3,000 etc.</i> )

	(iii) Minimum Tradable Amount	[ ] [N/A]
	(iv) Calculation Amount per Security as at the Issue Date:	Specified Denomination
4	Form:	
	(i) Form of French Securities:	Dematerialised Securities [in bearer form ( <i>au porteur</i> )]/[in registered form ( <i>au nominatif</i> )]
	(ii) Registration Agent:	[N/A/if applicable give name and details] <i>(note that a Registration Agent must be appointed in relation to French Securities in registered form (au nominatif))</i>
5	Trade Date:	[ ]
6	Issue Date:	[ ]
7	Redemption Date:	[ ]
8	Issue Price:	[ ] per cent. of the [Aggregate Nominal Amount] [plus accrued interest from [insert date] ( <i>in the case of fungible issues only, if applicable</i> )]
9	Relevant Stock Exchange[s]:	[London Stock Exchange] [Other ( <i>specify</i> )] [N/A]
10	The following Relevant Annex(es) shall apply to the Securities ( <i>specify each applicable Relevant Annex</i> ):	[Barclays Capital Index Annex] [Bond Linked Annex] [Commodity Linked Annex] [Credit Linked Annex] [Danish Securities Annex] [Dutch Securities Annex] [Equity Linked Annex] [Finnish Securities Annex] [French Cleared Securities Annex] [French Securities Annex] [Fund Linked Annex] [FX Linked Annex] [Gold Settlement Annex] [Inflation Linked Annex] [Italian Securities Annex] [Norwegian Securities Annex] [Spanish Securities Annex] [Swedish Securities Annex] [Swiss Securities Annex]

[US Warrants Product Annex]  
[Warrant Linked Securities Annex]  
[Other (*specify*)]  
[N/A]

**Provisions relating to interest (if any) payable on the Securities**

- 11 Interest: [Applicable]  
[N/A]
- 12 Interest Amount: [Where single Interest Calculation Period which is less than one year and rate provided is not a rate per annum: [In respect of the Interest Calculation Period, shall be equal to [ ] per cent. of the Calculation Amount as at the Issue Date]]  
[As per Conditions 4 and 24 of the Base Conditions]  
[Other (*specify*)]  
[N/A]
- 13 Interest Rate[s]:
- (i) Fixed Rate: [ ] per cent. per annum  
[N/A]
- (ii) Floating Rate: [Screen Rate Determination]  
[ISDA Determination]  
[N/A]
- (iii) Variable Rate: [*specify basis/methodology/formula for Interest Rate*]  
[N/A]
- (iv) Zero Coupon: [*specify methodology/internal rate of return*]  
[N/A]
- (v) Bond Linked Securities – Fixed Coupon: [ ] per cent. per annum  
[N/A]
- (vi) Bond Linked Securities – Pass Through Interest: [Applicable]  
[N/A]
- 14 Screen Rate Determination: [Applicable]  
[N/A]  
*(if not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Reference Rate: [ ]
- (ii) Relevant Screen Page: [Reuters Screen LIBOR01 Page]  
[Reuters Screen EURIBOR01 Page]  
[Other (*specify*)]

15	ISDA Determination:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Floating Rate Option:	[ ]
	(ii) Designated Maturity:	[ ]
	(iii) Reset Date:	[ ]
16	Margin:	[Plus/Minus] [ ] [N/A]
17	Minimum/Maximum Interest Rate:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Minimum Interest Rate:	[ ] per cent. per annum [N/A]
	(ii) Maximum Interest Rate:	[ ] per cent. per annum [N/A]
18	Interest Commencement Date:	[Issue Date] [Other <i>(specify)</i> ] [N/A]
19	Interest Determination Date:	[As per Conditions 4 and 24 of the Base Conditions] [Arrears Setting applicable] [Other <i>(specify)</i> ]
20	Interest Calculation Periods:	[As defined in Condition 24 of the Base Conditions] [Other <i>(specify)</i> ] [N/A]
	(i) Interest Period End Dates:	[Each Interest Payment Date] [Other <i>(specify)</i> ] [N/A]
	(ii) Interest calculation method for short or long Interest Calculation Periods:	[Linear Interpolation] [Other <i>(specify)</i> ] [N/A]
21	Interest Payment Dates:	[[ ] in each year] [Redemption Date] [Other <i>(specify)</i> ] [N/A] [[ ] Business Days after the corresponding Valuation Date]

- 22 Day Count Fraction: [Actual/Actual (ICMA)]  
 [Act/Act (ICMA)]  
 [Actual/Actual]  
 [Actual/Actual (ISDA)]  
 [Actual/365 (Fixed)]  
 [Actual/360]  
 [30/360]  
 [360/360]  
 [Bond Basis]  
 [30E/360]  
 [Eurobond Basis]  
 [30E/360 (ISDA)]

- 23 Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest, if different from those set out in the Base Conditions: [ ]  
 [N/A]

**Provisions relating to Redemption**

- 24 Settlement Method: [For each relevant Base Condition specify the Settlement Method to apply to that Condition. Note that a different Settlement Method may apply to different Conditions –
- (i) For the purposes of Condition [5.1] of the Base Conditions:  
 [Cash Settlement]/[Physical Settlement]/[Cash Settlement or Physical Settlement: The Securities shall be cash settled if [ ] and physically settled if [ ]]/[Issuer Settlement Option]/[Securityholder Settlement Option]; and
- (ii) For the purposes of Condition[s] [5.2]/[5.3]/[5.5] of the Base Conditions:  
 [Cash Settlement]/[Physical Settlement]/[Issuer Settlement Option]/[Securityholder Settlement Option]

- 25 [(a)] Settlement Currency: Euro  
 [payments to be made in France under the Securities must be made in euro exclusively].
- [(b)] Resultant figure(s) in euro of amount(s) specified herein denominated in a currency other [delete if not relevant.]  
 [The Aggregate Nominal Amount, Specified Denomination and any other amount(s) specified

	than euro:	herein have been translated into euro at the exchange rate of [ ] [ <i>specify currency other than euro</i> ] equal to €1.00, producing a sum of: € [ ].]
	[Method for translating into euro any amount(s) denominated in a currency other than euro payable under the Securities:	<i>[delete this item if payments to be made under the Securities are to be made in euro or delete if not relevant.]</i> [The [ <i>specify relevant amount(s) specified herein denominated in a currency other than euro</i> ] will be translated into euro at the [ <i>specify currency other than euro</i> ]/€ exchange rate (spot/bid) prevailing at the date of settlement of such amount(s) at the time or times as the Determination Agent deems appropriate and the resultant figure will be rounded to the nearest euro 0.01 (with euro 0.005 being rounded upwards).]
26	Settlement Number:	[As defined in Condition 24 of the Base Conditions][ <i>Specify</i> ]
27	Terms relating to Cash Settled Securities:	
	(i) Final Cash Settlement Amount:	[[ ] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [[ ] per cent. of the Calculation Amount per Security as at the Redemption Date] [Other ( <i>specify methodology or formula for calculation</i> )] [N/A]
	(ii) Early Cash Settlement Amount:	[[ ] ( <i>specify formula or methodology for calculation</i> )] [As defined in Condition 24 of the Base Conditions] [[ ] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [[ ] per cent. of the relevant Calculation Amount per Security] [ <i>Specify whether Early Cash Settlement Amount is or is not to include accrued interest (if applicable)</i> ]
	(iii) Early Cash Redemption Date:	[As defined in Condition 24 of the Base Conditions] [ ]
28	Terms relating to Physically Delivered Securities:	
	(i) Final Physical Redemption	[[ ] per Calculation Amount per Security as at the

	Entitlement:	Issue Date, subject to Condition 8.3 of the Base Conditions] [Other ( <i>specify methodology or formula for calculation</i> )] [N/A]
	(ii) Final Physical Redemption Date:	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(iii) Physical Delivery Date(s):	[Final Physical Redemption Date] [Optional Physical Redemption Date] [Specified Early Redemption Date] [Other ( <i>specify</i> )] [N/A]
	(iv) Entitlement Substitution:	[Applicable] [N/A]
	(v) [Relevant Settlement Day]:	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )]
	(vi) Disruption Cash Settlement Price:	[ ] ( <i>specify methodology or formula for calculation</i> ) [N/A]
29	Nominal Call Event:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Nominal Call Threshold Amount:	[As defined in Condition 24 of the Base Conditions] [ ] [N/A]
	(ii) Nominal Call Threshold Percentage:	[As defined in Condition 24 of the Base Conditions] [ ] [N/A]
	(iii) Cash Settled Securities:	
	(a) Optional Cash Settlement Amount:	[ ] ( <i>specify formula or methodology for calculation</i> ) [ ] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [As defined in Condition 24 of the Base Conditions] [N/A]
	(b) Optional Cash Redemption Date:	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]

- (iv) Physically Delivered Securities:
- (a) Optional Physical Redemption Entitlement: [[ ] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]  
[Other (*specify methodology or formula for calculation*)]  
[N/A]
- (b) Optional Physical Redemption Date(s): [As defined in Condition 24 of the Base Conditions]  
[Other (*specify*)]  
[N/A]
- (v) Issuer Notice Period: [As per Condition 5.3 of the Base Conditions]  
[Other (*specify*)]  
[N/A]
- 30 Call Option: [Applicable]  
[N/A] (Not applicable where Call Option provisions of the Bond Linked Annex apply)  
(*if not applicable, delete the remaining subparagraphs of this paragraph*)
- (i) Cash Settled Securities:
- (a) Optional Cash Settlement Amount: [[ ] (*specify formula or methodology for calculation*)]  
[[ ] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]  
[As defined in Condition 24 of the Base Conditions]  
[N/A]
- (b) Optional Cash Redemption Date: [As defined in Condition 24 of the Base Conditions]  
[Other (*specify*)]  
[N/A]
- (ii) Physically Delivered Securities:
- (a) Optional Physical Redemption Entitlement: [[ ] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]  
[Other (*specify methodology or formula for calculation*)]  
[N/A]
- (b) Optional Physical Redemption Date(s): [As defined in Condition 24 of the Base Conditions]  
[Other (*specify*)]  
[N/A]
- (iii) Issuer Option Exercise Date(s): [As defined in Condition 24 of the Base Conditions]

		[ ]
		[N/A]
	(iv) Issuer Option Exercise Period:	[As defined in Condition 24 of the Base Conditions]
		[ ]
		[N/A]
	(v) Issuer Notice Period:	[As per Condition 5.3 of the Base Conditions]
		[Other ( <i>specify</i> )]
		[N/A]
31	Put Option:	[Applicable]
		[N/A]
		<i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Cash Settled Securities:	
	(a) Optional Cash Settlement Amount:	[ ] ( <i>specify formula or methodology for calculation</i> )
		[ ] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]
		[As defined in Condition 24 of the Base Conditions]
	(b) Optional Cash Redemption Date(s):	[As defined in Condition 24 of the Base Conditions]
		[Other ( <i>specify</i> )]
		[N/A]
	(ii) Physically Delivered Securities:	
	(a) Optional Physical Redemption Entitlement:	[ ] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions]
		[Other ( <i>specify methodology or formula for calculation</i> )]
	(b) Optional Physical Redemption Date(s):	[As defined in Condition 24 of the Base Conditions]
		[Other ( <i>specify</i> )]
		[N/A]
	(iii) Put Option Exercise Date(s):	[As defined in Condition 24 of the Base Conditions]
		[Other ( <i>specify</i> )]
		[N/A]
	(iv) Put Option Exercise Period:	[As defined in Condition 24 of the Base Conditions]
		[Other ( <i>specify</i> )]
		[N/A]
	(v) Put Notice Period:	[As per Condition 5.2 of the Base Conditions]
		[Other ( <i>specify</i> )]

32	Specified Early Redemption Event:	[Applicable ( <i>specify</i> ): [ ]] [N/A]
	(i) Automatic Early Redemption:	[Applicable] [N/A]
	(ii) Cash Settled Securities:	
	(a) Specified Early Cash Settlement Amount:	[As defined in Condition 24 of the Base Conditions] [ ] ( <i>specify formula or methodology for calculation</i> ) [ ] per Calculation Amount per Security as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(b) Specified Early Cash Redemption Date(s):	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(iii) Physically Delivered Securities:	
	(a) Specified Early Physical Redemption Entitlement:	[ ] per Calculation Amount as at the Issue Date, subject to Condition 8.3 of the Base Conditions] [Other ( <i>specify methodology or formula for calculation</i> )]
	(b) Specified Early Physical Redemption Date(s):	[As defined in Condition 24 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
	(iv) Specified Early Redemption Notice Period:	[As defined in Condition 5.5 of the Base Conditions] [Other ( <i>specify</i> )] [N/A]
33	Maximum and Minimum Redemption Requirements:	
	(v) Minimum Number/Minimum Nominal Amount:	[ ] [N/A]
	(vi) Daily Maximum Number/Daily Maximum Amount:	[ ] [N/A]
34	Additional Disruption Events in addition to those specified in Condition 24 of the Base Conditions and any applicable Relevant Annex:	
	(i) Affected Jurisdiction Hedging Disruption:	[Applicable] [N/A]

	(ii) Affected Jurisdiction Increased Cost of Hedging:	[Applicable] [N/A]
	(iii) Affected Jurisdiction:	[N/A]
	(iv) Other Additional Disruption Events:	[Applicable ( <i>specify</i> )] [N/A]
	(v) The following shall not constitute an Additional Disruption Event:	[Applicable ( <i>specify</i> )] [N/A]
35	Share Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Share(s) (each a “ <b>Reference Asset</b> ”):	[define and specify details of each share or basket and the related Share Company]
	(ii) Exchange[s]:	[ ]
	(iii) Related Exchange[s]:	[ ] [All Exchanges] [N/A]
	(iv) Exchange Rate[s]:	[specify] [N/A]
	(v) Weighting for each Reference Asset comprising the Basket of Reference Assets:	[specify] [N/A]
	(vi) Initial Price of each Reference Asset:	[ ]
	(vii) Number of Shares:	[ ] [N/A]
	(viii) Substitution of Shares:	[Substitution of Shares – Standard is applicable] [Substitution of Shares – ETF underlying, is applicable] [N/A]
	(ix) Valuation Date:	[ ]
	(x) Valuation Time:	[ ]
	(xi) Averaging:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(a) Averaging Dates:	[ ]
	(b) Consequence of an	[Omission]

	Averaging Date being a Disrupted Day:	[Postponement] [Modified Postponement]
(xii)	Additional Disruption Event in respect of Share Linked Securities:	[Foreign Ownership Event] [Insolvency Filing] [Increased Cost of Stock Borrow: [ ]] Initial Stock Loan Rate: [ ]] [Loss of Stock Borrow: [ ]] Maximum Stock Loan Rate: [ ]] [Fund Disruption Event] [Other ( <i>specify</i> )] [N/A]
(xiii)	FX Disruption Event:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(a) Specified Currency:	[ ] <i>(which, for the avoidance of doubt, shall be the euro, if pursuant to Condition 5.1.1 of the Additional Terms and Conditions for Equity Linked Securities, the Issuer elects to pay the Settlement Amount and/or any other amount payable under the Securities in the Specified Currency)</i>
	(b) Specified Jurisdiction:	[ ]
(xiv)	Market Access Dividend and Rights Issue Provisions:	[Applicable] [N/A]
(xv)	Dividend Exchange Rate:	[ ] [N/A]
(xvi)	Other adjustments:	[ <i>specify</i> ] [N/A]
36	Index Linked Securities ( <i>Equity indices only</i> ):	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Index/Indices (each a “ <b>Reference Asset</b> ”):	<i>[Define and specify details of each index or basket, the related Index Sponsor and whether the Index is a Multi-exchange Index]</i>
	(ii) Future Price Valuation:	[Applicable] [N/A]
	(iii) Exchange-traded Contract:	<i>[Specify whether Future Price Valuation is applicable]</i>

	[N/A]
(iv) Exchange[s]:	[ ]
(v) Related Exchange[s]:	[ ] [All Exchanges]
	[N/A]
(vi) Exchange Rate:	[specify] [N/A]
(vii) Weighting for each Reference Asset comprising the Basket of Reference Assets:	[specify] [N/A]
(viii) Index Level[s] of each Reference Asset:	[ ]
(ix) Valuation Date:	[ ]
(x) Valuation Time:	[ ]
(xi) Averaging:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(a) Averaging Dates:	[ ]
(b) Consequence of an Averaging Date being a Disrupted Day:	[Omission] [Postponement] [Modified Postponement]
(xii) Additional Disruption Event in respect of Index Linked Securities:	[Foreign Ownership Event] [Insolvency Filing] [Increased Cost of Stock Borrow: [ ]] [Initial Stock Loan Rate: [ ]] [Loss of Stock Borrow: [ ]] [Maximum Stock Loan Rate: [ ]] [Fund Disruption Event] [Other (specify)] [N/A]
(xiii) FX Disruption Event:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(a) Specified Currency:	[ ]
(b) Specified Jurisdiction:	[ ]
(xiv) Other adjustments:	[(specify)]

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

	[Other ( <i>specify</i> )]
(vii) Elective FX Disruption Event:	[Applicable – [As per the FX Linked Annex.]/[The following event shall also constitute an Elective FX Disruption Event: [ <i>specify</i> ]]] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(a) Benchmark Obligation Default:	[Applicable ( <i>specify</i> )] [N/A]
(b) Price Materiality:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
– Primary Rate:	[ ]
– Secondary Rate:	[ ]
– Price Materiality Percentage:	[ ]
(viii) FX Disruption Events:	[Applicable – [As per the FX Linked Annex.]/[The following event shall also constitute an FX Disruption Event: [ <i>specify</i> ]]] [N/A]
(ix) Valuation Date:	[ ]
(x) Valuation Time:	<i>[please specify] [if not applicable please delete]</i>
(xi) Averaging:	<i>[insert methodology]</i> [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(a) Averaging Dates:	[ ] [or, if Specified Early Redemption Event applies, [ ]]
(b) Business Day Convention:	[Modified Following Business Day Convention] [Other]
(xii) Rate Calculation Date:	[ ] [or, if Specified Entity Redemption Event applies, [ ]]
(xiii) Business Day Convention relating to Valuation Date:	[Specify]
39 Credit Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>

- (i) Type of Credit Linked Security: [Single Name CLS]  
 [Nth-to-Default CLS]  
 [Portfolio CLS]  
 [Index CLS]  
 [Other (*specify*)]
- (ii) Determination Agent City: [As set out in the Credit Linked Conditions]  
 [As set out in respect of the applicable Transaction Type in Annex 2]  
 [Other (*specify*)]
- (iii) Credit Event Accrued Interest: [Applicable]  
 [N/A]
- (iv) Extension Interest: [Applicable]  
 [N/A]  
 (*Specify for Credit Linked Securities only*)

*Credit Provisions*

- (v) Reference Entit[y][ies] (together with the related Reference Obligation(s), Obligation(s) and/or Deliverable Obligation(s) thereof, as applicable, each a “Reference Asset”): [ ]  
 [*for Portfolio CLSs, set out the Reference Portfolio (Reference Entity, Reference Obligation, Transaction Type, Reference Entity Notional Amount, whether Monoline Provisions applicable) in an annex – As set out in Annex 1*]
- (vi) Specified Reference Obligation[s]: [As set out in Annex 1]  
 (*if using Annex 1 delete rest of sub-paragraph*)
- The obligation[s] identified as follows: [ ]
- Primary Obligor: [ ]
- Guarantor: [ ]
- Maturity: [ ]
- Coupon: [ ]
- CUSIP/ISIN: [ ]
- Deliverable Obligations: [As set out in respect of the applicable Transaction Type in Annex 2]
- Deliverable Obligation Category: [As set out in respect of the applicable Transaction Type in Annex 2]  
 (*select one only*)  
 [Payment]  
 [Borrowed Money]  
 [Reference Obligations Only]

	[Bond]
	[Loan]
	[Bond or Loan]
Deliverable Obligation Characteristics: (select all of which apply)	[As set out in respect of the applicable Transaction Type in Annex 2]
	[Not Subordinated]
	[Specified Currency: Standard Specified Currencies]
	[Not Contingent]
	[Assignable Loan]
	[Consent Required Loan]
	[Transferable]
	[Maximum Maturity: [30] years]
	[Not Bearer]
	[Not Sovereign Lender]
	[Not Domestic Currency]
	[Domestic Currency means: (specify currency if different from Credit Linked Conditions)]
	[Not Domestic Law]
	[Domestic Law means: (specify law if different from Credit Linked Conditions)]
	[Listed]
	[Not Domestic Issuance]
	[Direct Loan Participation]
	[Accelerated or Matured]
Excluded Deliverable Obligations:	[ ]
	[None]
(vii) Reference CDS:	[N/A]
	[As set out in Annex [ ]. For such purpose the Termination Currency shall be [EUR/GBP/USD]]
(viii) All Guarantees:	[Applicable]
	[N/A]
	[As set out in respect of the applicable Transaction Type in Annex 2]

*Terms relating to Credit Events*

- (ix) Credit Events: [As set out in respect of the applicable Transaction Type in Annex 2]  
[Bankruptcy]  
[Failure to Pay]  
[Grace Period Extension: [Applicable/N/A]]  
[Grace Period: [ ] (*specify if not the fallback definition in the Credit Linked Conditions*)]  
[Obligation Default]  
[Obligation Acceleration]  
[Repudiation/Moratorium]  
[Restructuring]  
(a) [Restructuring Maturity Limitation and Fully Transferable Obligation [Applicable/N/A]]  
(b) [Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation [Applicable/N/A]]  
[Other (*specify*)]
- (x) For Nth-to-Default Securities only, specify N: [ ]
- (xi) Default Requirement: [ ]  
(*specify if not the fallback definition in the Credit Linked Conditions*)
- (xii) Payment Requirement: [ ]  
(*specify if not the fallback definition in the Credit Linked Conditions*)
- (xiii) Conditions to Settlement: [Credit Event Notice]  
[Notice of Publicly Available Information]  
(*if applicable*)  
Specified Number: [Two]  
[Notice of Physical Settlement]
- (xiv) Obligation(s):  
Obligation Category: [As set out in respect of the applicable Transaction Type in Annex 2]  
(*select one only*)  
[Payment]  
[Borrowed Money]  
[Reference Obligations Only]  
[Bond]  
[Loan]

	[Bond or Loan]
Obligation Characteristics: (select all of which apply)	[As set out in respect of the applicable Transaction Type in Annex 2]
	[Not Subordinated]
	[Specified Currency: [Standard] [Other (specify)]]
	[Not Sovereign Lender]
	[Not Domestic Currency:]
	[Domestic Currency means: [ ] (specify currency if different from Credit Linked Conditions)]
	[Not Domestic Law]
	[Domestic Law means: (specify law if different from Credit Linked Conditions)]
	[Listed]
	[Not Domestic Issuance]
(xv) Additional Obligation(s):	[ ]
(xvi) Excluded Obligation(s):	[None]
	[Other (specify)]
<i>Terms relating to settlement following a Credit Event</i>	
(xvii) CLS Settlement Method:	[Cash Settlement]
	[Physical Settlement]
	[Auction Settlement]
(xviii) Fallback CLS Settlement Method:	[Cash Settlement]
	[Physical Settlement]
(xix) Issuer CLS Settlement Option:	[Applicable]
	[N/A]
(xx) Terms relating to Cash Settlement:	[Applicable]
	[N/A]
	<i>(if not applicable, delete the rest of this subparagraph)</i>
(a) Credit Event Redemption Amount:	[ [ ] (specify amount, formula or method for determination)]
(b) Credit Event Redemption Date:	[Five] Business Days
(c) CLS Valuation Date:	[Single CLS Valuation Date]
	[Multiple CLS Valuation Dates:
	[ ] Business Days; and each
	[ ] Business Days thereafter.]
(d) CLS Valuation Time:	[As specified in the Credit Linked Conditions]

		[Other ( <i>specify</i> )]
	(e) Quotation Method:	[Bid/Offer/Mid-market]
	(f) Quotation Amount:	[As specified in the Credit Linked Conditions] [Other ( <i>specify</i> )]
	(g) Minimum Quotation Amount:	[As specified in the Credit Linked Conditions] [Other ( <i>specify</i> )]
	(i) Valuation Method:	[Highest/Lowest/Market]
	(xxi) Terms relating to Physical Settlement:	[Applicable] [N/A] <i>(if not applicable, delete the rest of this sub-paragraph)</i>
	(a) Physical Settlement Period:	[ <input type="checkbox"/> ] Business Days [As set out in the Credit Linked Conditions]
	(b) Partial Cash Settlement due to Impossibility or Illegality:	[Applicable] [N/A]
	(c) Partial Cash Settlement of Consent Required Loans:	[Applicable] [N/A]
	(d) Partial Cash Settlement of Assignable Loans:	[Applicable] [N/A]
	(e) Partial Cash Settlement of Participations:	[Applicable] [N/A]
	(f) Delivery provisions for Entitlement if different from stated above:	[ <input type="checkbox"/> ] [N/A]
	(xxii) Valuation Date:	[ <input type="checkbox"/> ] [N/A]
	(xxiii) Valuation Time:	[ <input type="checkbox"/> ] [N/A]
	(xxiv) 60 Business Day Cap on Settlement:	[Applicable] [N/A]
40	Commodity Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Relevant Commodity, Commodity Index, Basket of Commodities/Commodity Indices (including weighting of	[Relevant Commodity: [ <input type="checkbox"/> ]] [Commodity Index: [ <input type="checkbox"/> ]] [Basket of Commodities/Commodity Indices: [ <input type="checkbox"/> ]] <i>(include weighting)</i>

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

41	(a) Barclays Capital Commodity Index Linked Securities ( <i>Section 2 of the Barclays Capital Index Annex</i> ):	[Applicable (Further information on the Barclays Capital Commodity Index Linked Securities is set out in paragraph 41)] [N/A]
	(b) Barclays Capital Equity Index Linked Securities (Section 3 of the Barclays Capital Index Annex):	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(i) Barclays Capital Index:	[insert index name], as described in Part A of Section 3 of the Barclays Capital Index Annex
	(ii) Barclays Capital Index Disruption:	[Applicable] [N/A]
	(iii) Component Fallback:	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
	(iv) Index Components:	
	(a) Share(s) (each a “Reference Asset”):	[ ] [N/A]
	(I) Exchange[s]:	[ ] [N/A]
	(II) Related Exchange[s]:	[ ] [N/A]
	(b) Index/Indices (each a “Reference Asset”):	[ ] [N/A]
	(c) Exchange[s]:	[ ] [N/A]
	(d) Related Exchange[s]:	[ ] [N/A]
	(e) Relevant Annex for purposes of Index Component and/or Share Component:	[Equity Linked Annex (as amended by Section 3 of the Barclays Capital Index Annex/[ ])]
	(f) Commodity Index (each a “Reference Asset”):	[ ] [N/A]
	(I) Commodity Reference Price:	[ ] [N/A]
	(II) Specified Price:	[ ]

	[N/A]
(III) Relevant Commodity:	[ ] [N/A]
(IV) Price Source:	[As per the Commodity Linked Annex] [ ] [N/A]
(V) Exchange(s):	[ ] [N/A]
(VI) Pricing Date:	[ ] [N/A]
(VII) Commodity Market Disruption Events:	[As per the Commodity Linked Annex] [ ] [N/A]
(VIII) Market Disruption of connected Futures Contract(s):	[As per the Commodity Linked Annex] [ ] [N/A]
(IX) Disruption Fallback(s):	[ ] [N/A]
(X) Commodity Business Day Convention:	[ ] [N/A]
(g) Relevant Annex for purposes of Commodity Index Component:	[Commodity Linked Annex (as amended by Section 3 of the Barclays Capital Index Annex)]
(h) Bonds:	[ ] [N/A]
(i) Cash:	[ ] [N/A]
(j) Other components:	[ ] [N/A]
(k) Valuation Date(s):	[ ] [N/A]
(l) Valuation Time:	[ ] [N/A]
(m) Averaging:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub- paragraphs of this paragraph)</i>
(l) Averaging Dates:	[ ]

(II) Consequence of an Averaging Date being a Disrupted Day:	[Omission] [Postponement] [Modified Postponement]
(c) Barclays Capital FX Index Linked Securities ( <i>Section 4 of the Barclays Capital Index Annex</i> ):	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i) Barclays Capital Index:	<i>[insert index name, currency and whether Excess Return or Total Return]</i> , as described in Part A of Section 4 of the Barclays Capital Index Annex
(ii) Index Components:	<i>[describe additional Index Components]</i>
(iii) Additional Index Fixing Page:	[N/A] <i>[provide BBG/Reuters page]</i>
(iv) FX Disruption Events:	[Applicable] [N/A]
(v) Averaging Dates:	<i>[specify]</i> [N/A]
(vi) Valuation Date(s):	<i>[specify]</i> [N/A]
(vii) Strike Date:	<i>[specify]</i> [N/A]
(viii) Index Fee:	<i>[specify]</i> [N/A]
(ix) Fee Level:	<i>[specify]</i> [N/A]
Barclays Capital Interest Rate Index Linked Securities ( <i>Section 5 of the Barclays Capital Index Annex</i> ):	[Applicable] [N/A] <i>(if not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i) Barclays Capital Index:	<i>[insert index name]</i> , as described in Part A of Section 5 of the Barclays Capital Index Annex
(ii) Additional Index Fixing Page(s):	[N/A] <i>[insert BBG/Reuters page]</i>
(iii) Currency in which the Index Level is published:	<i>[Specify]</i>
(iv) Index Fixing Date(s):	<i>[Specify]</i>
(e) Barclays Capital Emerging Market Index Linked Securities ( <i>Section 6 of the Barclays Capital Index Annex</i> ):	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-</i>

		<i>paragraphs of this paragraph)</i>
	(i) Barclays Capital Emerging Market Index:	[Specify]
	(ii) Exchange:	[Specify]
	(iii) Related Exchange:	[All Exchanges] [Specify]
	(iv) Multi-Exchange Index:	[Specify]
	(v) Averaging:	[Applicable] [N/A]
	(a) Averaging Dates:	[Specify]
	(b) Omission:	[Applicable] [N/A]
	(c) Postponement:	[Applicable] [N/A]
	(d) Modified Postponement:	[Applicable] [N/A]
	(vi) Adjustment Events:	[Market Disruption Event] [Residual Risk Event] [Custodial Event] [Tax Event] [Inconvertibility Event]
	(vii) Valuation Dates:	[Specify]
	(viii) Valuation Time:	[Specify]
	(ix) Settlement Currency:	[Specify]
	(x) Index Sponsor:	[As specified in Section 6, Part A][Specify]
42	Bond Linked Securities:	[Applicable] [N/A] <i>(if not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Payments in respect of the Securities (including the Final Cash Settlement Amount):	[Settlement Currency] [Reference Currency]
	(ii) Reference Entit(y)(ies):	[Specify]
	(iii) Reference Obligation(s):	[Specify]
	(iv) Substitute Reference Obligations:	[Applicable] [N/A] <i>(specify any guidelines)</i>

	(v) Reference Obligation Jurisdiction:	[ ] [As defined in the Bond Linked Annex]
	(vi) Reference Currency:	[ ]
	(vii) Reference Obligation Principal Amount:	[ ]
	(viii) Call Option:	[Applicable] <i>(If “Call Option” is specified to apply in this section of the Final Terms, the Call Option provisions set out in the Base Conditions shall not apply, and Condition 5.3 shall, to the extent necessary, be deemed amended by Bond Linked Condition 3.2.)</i> [N/A]
	(ix) Coupon Amount Deduction:	[Applicable] [N/A]
	(x) Custody Charge:	[ ] per cent. [N/A]
	(xi) Expense Amount Fee:	[Applicable] [N/A]
	(xii) Valuation Date:	[ ] [As defined in the Bond Linked Annex] [N/A]
	(xiii) FX Disruption Event:	[Applicable] [N/A]
43	Fund Linked Securities:	[Applicable] [N/A]
	(i) Fund(s) (each a “ <b>Reference Asset</b> ”):	[ ]
	(ii) Fund Administrator(s):	[ ]
	(iii) Fund Custodian(s):	[ ]
	(iv) Fund Manager(s):	[ ]
	(v) Fund Services Provider(s) (additional):	[ ]
	(vi) Key person(s):	[ ]
	(vii) Fund Share(s):	[ ]
	(viii) Weighting for each Reference Asset comprising the Basket of Reference Assets:	[Specify] [N/A]
	(ix) Final Redemption Dealing Date:	[ ]

(x) Expected Redemption Date:	[Specify]
(xi) NAV Deadline Date:	[ ] [As per the Fund Linked Annex]
(xii) NAV:	[ ] [As per the Fund Linked Annex]
(xiii) Receipt Deadline:	[ ] [As per the Fund Linked Annex]
(xiv) Adjusted Redemption Date:	[ ] of Business Days [As per the Fund Linked Annex]
(xv) Strike:	[Applicable, [ ]] [N/A]
(xvi) Strike Date:	[ ] [As per the Fund Linked Annex]
(xvii) Dealing Date:	[ ] [As per the Fund Linked Annex]
(xviii) Fund Events:	[Applicable] [N/A, in relation to [specify Fund Events]]
(xix) Additional Fund Event(s):	[Specify] [N/A]
(xx) Consequences of a Fund Event:	[Fund Linked Condition[s] 2.1.1, 2.1.2, 2.1.3 and 2.1.4 [is][are] applicable] <i>(If Fund Linked Condition 2.1.3 is applicable, specify actions of the Issuer and any provisions governing such action.)</i>
(xxi) Potential Adjustment of Payment Events:	[Applicable] [N/A]
(xxii) Additional Adjustment Event(s):	[Specify] [N/A]
(xxiii) Valuation Date:	[ ] [N/A]
(xxiv) Averaging Date:	[ ] [N/A]

#### Provisions relating to Settlement

44	Additional provisions relating to Taxes and Settlement Expenses:	[[ ] (specify)] [N/A]
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#### Definitions

- 45 Business Day: [As defined in Condition 24 of the Base Conditions]  
[Other (*specify*)]
- 46 Additional Business Centre(s): [ ]  
[N/A]

**Selling restrictions and provisions relating to certification**

- 47 Non-US Selling Restrictions: [As described in the Base Prospectus]  
[Other (*specify*)]  
[N/A]

**General**

- 48 Business Day Convention: [Following]  
[Modified Following]  
[Nearest]  
[Preceding]
- 49 Central Depository: Euroclear France
- 50 Relevant Clearing System[s]: Euroclear France  
[Euroclear]  
[Clearstream]  
[Other (*specify*)]  
[*specify details, including address if different*]
- 51 If syndicated, names [and addresses] of Managers [and underwriting commitments]: [N/A]  
[*give names and addresses and underwriting commitments*]
- 52 Non-Exempt Offer: [N/A]  
[An offer to the public of the Securities will be made in France by the Manager[s] [and [*specify, if applicable*] during the period from [*specify date*] until [*specify date*] (the “Offer Period”).]  
[An offer to the public of the Securities may also be made by the Manager[s] [and [*specify, if applicable*] in [*specify relevant Member State(s) – which must be jurisdictions where the Prospectus and any supplements have been passported*] (“Public Offer Jurisdictions”) during the period from [*specify date*] until [*specify date*] (the “Offer Period”).]  
[See further Paragraph 11 of Part B below.]
- 53 Details relating to Partly Paid Securities: [*specify amount of each payment comprising the Issuer Price and the date on which payments are to be made and consequences (if any) of failure to pay*]  
[N/A]

- 54 Relevant securities codes: ISIN: [ ]  
Common Code: [ ]  
[Other (*specify*)]
- 55 Representation of holders of French Securities – Masse: The initial Representative is: [ ], the alternate Representative is: [ ]. The Representative [will not be remunerated]/[will receive euro [ ] per year]
- 56 Additional Conditions and/or modification to the Conditions of the Securities: [*specify details*]  
[N/A]

**Part B**  
**Other Information**

**1 Listing and Admission to Trading**

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

**2 Ratings**

- Ratings: [The Securities have not been individually rated.]  
[Upon issuance, the Securities are expected to be rated:  
[S&P: [ ]]  
[The credit rating[s] referred to above will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the "**CRA Regulation**") as having been issued by Standard & Poor's Credit Market Services Europe Limited, which is established in the European Union and has applied through its respective London office to be registered under the CRA Regulation, although the result of such applications has not yet been determined.]  
[[Other]: [ ]]  
[The credit rating referred to above will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the "**CRA Regulation**") as

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

having been issued by [Other], which is a [registered rating agency established in the EU] / [unregistered rating agency established outside the EU] / [rating agency established in the EU and is applying to be registered but has not yet been registered] / [third country rating agency that is endorsed by an EU registered agency] / [third country rating agency that has not applied to be registered but is certified] in accordance with the CRA Regulation.]

### 3 Notification

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

[N/A]

### 4 Interests of Natural and Legal Persons involved in the [Issue/Offer]

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

Save as discussed in [“Purchase and Sale”], so far as the Issuer is aware, no person involved in the offer of the Securities has an interest material to the offer.

[N/A]

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

### 5 Reasons for the Offer, Estimated Net Proceeds and Total Expenses

(i) Reasons for the offer:

[General funding]

[specify if other reasons]

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

[(ii)] Estimated net proceeds:

[ ]

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

*amount and sources of other funding.)*

[(iii)] Estimated total expenses:

[ ]

*[include breakdown of expenses]*

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

## 6 Fixed Rate Securities Only – Yield

[Indication of yield:

[ ]

[N/A]

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

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

## 7 Floating Rate Securities Only – Historic Interest Rates

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

[N/A]

## 8 [Performance of Reference Asset(s) or Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information Concerning the Reference Asset(s) and/or Other Underlying]

[Applicable]

[N/A]

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

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

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

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

## 9 Performance of Rate[s] of Exchange and Explanation of Effect on Value of Investment

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

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

## 10 Operational Information

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> (together with their addresses) and the relevant identification number(s):	[N/A] [insert name(s) and number(s) and/or amendments to the Conditions]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agents(s) (if any):	[ ] [N/A]

## 11 Offer Information

*[If applicable, the following details should be included:]*

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

which the Securities are offered and whether tranche(s) have been reserved for certain countries:

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

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

## Part E Base Conditions

### 1 Additional Terms and Conditions for French Securities

*The terms and conditions applicable to French Securities shall comprise the Base Conditions and the additional terms and conditions set out below (the “French Securities Conditions”), in each case as amended, supplemented or varied in accordance with the applicable Final Terms and any other Relevant Annex specified to be applicable in such Final Terms. In the event of any inconsistency between the Base Conditions and the French Securities Conditions set out below, the French Securities Conditions shall prevail. This French Securities Annex is a Foreign Law Annex for the purposes of the Base Conditions and any Securities specified to be French Securities in the applicable Final Terms. Capitalised terms used herein but not otherwise defined shall have the meanings given to them in the Base Conditions or the applicable Final Terms.*

*In the case of French Securities, the text of the Base Conditions will not be endorsed on physical documents of title but will be constituted by the following text as amended, supplemented or varied in accordance with the applicable Final Terms.*

French Securities will only be issued by the Bank. BCCL will not issue French Securities, and references in the Base Conditions to the “Issuer”, “Issuers”, “relevant Issuer” or “an Issuer”, as the case may be, shall refer only to the Bank.

French Securities are Securities that are Notes. Such Notes constitute *obligations* within the meaning of Article L.213–5 of the French *Code monétaire et financier*. No Certificates or Warrants will be issued under the French Securities Conditions.

References to “Note”, “Notes”, “Security” or “Securities” in the Base Conditions shall be interpreted as references to “French Security” or “French Securities”.

An agency agreement dated 5 August 2011 has been agreed between the Issuer, BNP Paribas Securities Services as issue and paying agent and the other agents named in it in connection with the issue of French Securities (the “**French Securities Agency Agreement**”). For the purposes of the Base Conditions and any French Securities, the French Securities Agency Agreement shall constitute the “**Agency Agreement**”. The issue and paying agent and the paying agents for the time being (if any) are referred to below respectively as the “**Issue and Paying Agent**” and the “**Paying Agents**”. In respect of French Securities, the “**Agents**” means the Determination Agent, the Issue and Paying Agent and the Paying Agents (if any).

Copies of the French Securities Agency Agreement are available for inspection at the registered office of the Issuer and the specified office(s) of the Issue and Paying Agent and the Paying Agents for the time being (if any).

The “**Determination Agent**” shall be the Bank or Barclays Capital Securities Limited, as specified in the applicable Final Terms.

In connection with any issue of French Securities, the Issuer may appoint agents other than, or additional to, the Agents specified above. Such other or additional Agents shall be specified in the applicable Final Terms. References in the Base Conditions or the French Securities Annex to Agents

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

### 1.1 Condition 1.1 (*Form*)

Condition 1.1 of the Base Conditions (*Form*) shall be amended by the addition of the following paragraph (e) at the end of such Condition:

“(e) *French Securities*

#### *Form*

Notwithstanding the above, the Issuer may issue Securities in dematerialised book-entry form that shall constitute *obligations* within the meaning of Article L.213–5 of the French *Code monétaire et financier* (“**French Securities**”).

Title to French Securities will be evidenced in accordance with Articles L.211–3 and R.211–1 of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article R.211–7 of the French *Code monétaire et financier*) will be issued in respect of the French Securities.

French Securities are issued, at the option of the Issuer, in either bearer dematerialised form (*au porteur*), which will be inscribed in the books of Euroclear France (acting as central depository) which shall credit the accounts of Account Holders, or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Securityholder in either administered registered form (*au nominatif administré*) inscribed in the books of an Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account held by Euroclear France and in the books maintained by the Issuer or the registration agent (designated in the relevant Final Terms) acting on behalf of the Issuer (the “**Registration Agent**”).

#### *Conversion of French Securities*

French Securities in bearer form (*au porteur*) may not be converted for French Securities in registered form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).

French Securities issued in registered form (*au nominatif*) may not be converted for French Securities in bearer form (*au porteur*).

French Securities issued in fully registered form (*au nominatif pur*) may, at the option of the Securityholder, be converted into Securities in administered registered form (*au nominatif administré*), and *vice versa*. The exercise of any such option by such holder shall be made in accordance with Article R.211–4 of the French *Code monétaire et financier*. Any such conversion shall be effected at the cost of such holder.”

### 1.2 Condition 1.2 (*Denomination and Number*)

The first, second and third paragraphs of Condition 1.2 of the Base Conditions (*Denomination and Number*) shall not apply to French Securities.

The following paragraph shall be added after the third paragraph of Condition 1.2 of the Base Conditions (*Denomination and Number*):

“In respect of French Securities, the applicable Final Terms will specify a Specified Denomination in which such Securities are issued, together with the Calculation Amount (which shall be equal to the Specified Denomination) that applies to the Securities. French Securities of a Series shall be issued in one Specified Denomination only. The applicable Final Terms shall also specify the Aggregate Nominal Amount and Currency of such Securities and any Relevant Annexes that apply to the Securities.”

### **1.3 Condition 1.3 (Title)**

The following paragraph shall be added at the end of Condition 1.3(a) of the Base Conditions (*General*):

“In respect of French Securities, the holder of a French Security will be the person whose name appears in the account of the relevant Account Holder or of the Issuer or of the Registration Agent (as the case may be) as being entitled to such Securities and the term “holder” or “Securityholder” shall be construed accordingly.”

### **1.4 Condition 1.4 (Transfers)**

The following Condition 1.4(m) (Transfer of French Securities) of the Base Conditions shall be added after Condition 1.4(l) of the Base Conditions (*Cessation of CREST Eligibility*):

*“(m) Transfer of French Securities*

Title to French Securities in bearer dematerialised form (*au porteur*) and in administered registered form (*au nominatif administré*) will pass upon, and transfer of such Securities may only be effected through, registration of the transfer in the accounts of Account Holders. Title to French Securities in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Securities may only be effected through, registration of the transfer in the accounts of the Issuer or of the Registration Agent.”

### **1.5 Condition 4 (Interest)**

The following paragraphs shall be added after the first five paragraphs of Condition 4 of the Base Conditions (*Interest*):

“For the avoidance of doubt, in respect of French Securities, any Interest Amount shall, where applicable, (to the extent permitted by law) bear interest accruing only, in accordance with Article 1154 of the French Code civil, after such interest has been due for a period of at least one year.”

### **1.6 Condition 4.2(a) (ISDA Determination for Floating Rate Securities)**

The expression “at its sole and absolute discretion” at the end of the second sentence of Condition 4.2(a) of the Base Conditions (*ISDA Determination for Floating Rate Securities*) shall not apply to French Securities.

### **1.7 Condition 5.2 (Early Redemption at the Option of Securityholders)**

The following paragraph shall be added at the end of Condition 5.2 of the Base Conditions (*Early Redemption at the Option of Securityholders*):

“In respect of French Securities, to exercise such option the Securityholder must transfer, or cause to be transferred, such Security to the account of the Registration Agent (in the case of French Securities in registered form) or the Issue and Paying Agent (in the case of French Securities in bearer form) and, in all cases, deposit a duly completed Option Exercise Notice in the form obtainable from any Paying Agent, within the Put Option Exercise Period. No Security so transferred and option exercised may be withdrawn (except as provided in the French Securities Agency Agreement) without the prior consent of the Issuer.”

**1.8 Condition 5.3 (Early Redemption at the Option of the Issuer or following the occurrence of a Nominal Call Event)**

The following paragraphs shall be added at the end of Condition 5.3 of the Base Conditions (*Early Redemption at the Option of the Issuer or following the occurrence of a Nominal Call Event*):

“In respect of French Securities, if the Issuer elects to redeem some (but not all) of the Securities in whole (but not in part), the choice between those Securities that will be redeemed in whole and those Securities that will not be redeemed shall be made in accordance with Article R.213–16 of the French *Code monétaire et financier* and the provisions of the relevant Final Terms, subject to compliance with any other applicable laws and requirements of the stock exchange(s) on which the Securities are listed (as the case may be).

So long as the Securities are listed and admitted on a Regulated Market and the rules of that stock exchange or applicable French Law and/or regulations so require, the Issuer shall cause to be published, in accordance with the rules of that stock exchange and applicable French Law and regulations, a notice specifying the aggregate nominal amount of Securities outstanding.”

**1.9 Condition 5.4(a) (Early Redemption or Adjustment following the occurrence of an Additional Disruption Event)**

Condition 5.4(a) of the Base Conditions (*Early Redemption or Adjustment following the occurrence of an Additional Disruption Event*) shall be replaced by the following paragraph:

“(a) request that the Determination Agent determines whether an appropriate adjustment can be made to these Base Conditions and any other provisions relating to the Securities to account for the economic effect of such event on the Securities and to preserve substantially the economic effect to the Securityholders of a holding of the relevant Security. If the Determination Agent determines that such adjustment(s) can be made and subject to the prior consent of the General Meeting of the Securityholders on such adjustment(s) and their effective date, the Issuer shall take the necessary steps to effect such adjustment(s). If the Determination Agent determines that no adjustment that could be made would produce a commercially reasonable result and preserve substantially the economic effect to the Securityholders of a holding of the relevant Security it shall notify the Issuer of such determination and no adjustment(s) shall be made; or”

#### **1.10 Condition 5.6(b) (*Daily Maximum Amount*)**

In the first paragraph of Condition 5.6(b) of the Base Conditions (*Daily Maximum Amount*), the expression “in its sole and absolute discretion” shall not apply to French Securities.

The expression “at the Issue and Paying Agent’s sole discretion” in Condition 5.6(b)(i) of the Base Conditions (*Daily Maximum Amount*) shall be replaced by “determined by the Issue and Paying Agent”.

In the last paragraph of Condition 5.6(b) of the Base Conditions (*Daily Maximum Amount*), the expression “at its sole discretion” shall not apply to French Securities.

#### **1.11 Condition 7.1 (*Settlement at the Option of Securityholder*)**

The following paragraph shall be added at the end of Condition 7.1(a) of the Base Conditions (*Settlement at Option of Securityholder*):

“In respect of French Securities, to exercise such option the Securityholder must transfer, or cause to be transferred, such Security to the account of the Registration Agent (in the case of French Securities in registered form) or the Paying Agent (in the case of French Securities in bearer form).”

The following paragraph shall be added at the end of Condition 7.1 of the Base Conditions (*Settlement at Option of Securityholder*):

“In respect of French Securities, no Security so transferred and Settlement Election Notice so deposited may be withdrawn (except as provided in the French Securities Agency Agreement) without the prior consent of the Issuer.”

#### **1.12 Condition 7.2 (*Physical Settlement by Delivery of the Entitlement*)**

The expression “in its sole discretion” at the end of paragraph (ii) of Condition 7.2(a) of the Base Conditions (*Delivery of Entitlement*) shall not apply to French Securities.

The expression “and no liability in respect thereof shall attach to the Issuer, the Guarantor and/or the Determination Agent” at the end of Condition 7.2(b) of the Base Conditions (*Settlement Disruption Event*) shall not apply to French Securities.

The expression “in its sole and absolute discretion” in the first sentence of Condition 7.2(c) of the Base Conditions (*Substitute Assets*) shall not apply to French Securities.

The expression “in its sole and absolute discretion” in paragraph (i) of Condition 7.2(c) of the Base Conditions (*Substitute Assets*) shall not apply to French Securities.

#### **1.13 Condition 7.3 (*Conditions to Settlement*)**

The expression “in its sole and absolute discretion” in the first sentence of Condition 7.3 of the Base Conditions (*Conditions to Settlement*) shall not apply to French Securities.

#### **1.14 Condition 8.3(b) (*Notes and Calculation Amount per Security*)**

Condition 8.3(b) of the Base Conditions (*Notes and Calculation Amount per Security*) shall not apply to French Securities.

### 1.15 Condition 9.9 (*Payments and Deliveries in respect of French Securities*)

The following Condition 9.9 (*Payments and Deliveries in respect of French Securities*) shall be added after Condition 9.8 of the Base Conditions (*Payments and Deliveries subject to Laws*):

#### **“9.9 Payments and Deliveries in respect of French Securities**

Payments of principal and interest in respect of French Securities shall (in the case of French Securities in bearer dematerialised form (*au porteur*) or administered registered form (*au nominatif administré*)) be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the holders of such Securities and (in the case of French Securities in fully registered form (*au nominatif pur*)) to an account denominated in the relevant currency with a Receiving Bank designated by the relevant holder of such Securities. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.

For the purpose of this Condition 9.9, “**Receiving Bank**” means a bank in the principal financial centre of the relevant currency or, in the case of euro, in a city in which banks have access to the TARGET System.

Deliveries of any Entitlement will be made pursuant to Condition 7.2.”

### 1.16 Condition 10 (*Events of Default*)

The first paragraph of Condition 10 of the Base Conditions (*Events of Default*) shall be replaced by the following:

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

Paragraph (b)(vi) of Condition 10 of the Base Conditions (*Events of Default*) shall not apply to French Securities.

The following paragraph (vii) shall be added after paragraphs (v) and (vi) of Condition 10 of the Base Conditions (*Events of Default*):

“(vii) in the case of Securities issued by the Bank, an order is made or an effective resolution is passed for the winding-up of the Bank (otherwise than in connection with a scheme of reconstruction, merger or amalgamation, the terms of which have previously been approved by a resolution passed by a General Meeting of Securityholders in accordance with Condition 20.2).”

### 1.17 Condition 11.1 (*Appointment of Agents*)

The following paragraph shall be added at the end of Condition 11.1 of the Base Conditions (*Appointment of Agents*):

**“French Securities – Appointment of Agents**

In respect of French Securities, the Issue and Paying Agent, the Paying Agents, the Registration Agent and the Determination Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency for or with any Securityholder or holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Issue and Paying Agent, any other Paying Agent(s), the Registration Agent or the Determination Agent and to appoint additional or other Agents, provided that the Issuer shall at all times maintain (i) an Issue and Paying Agent, (ii) in the case of Securities in fully registered form, a Registration Agent, (iii) one or more Determination Agent(s) where the Conditions so require, (iv) Paying Agents having specified offices in at least two major European cities, one of which being Paris, and (v) such other agents as may be required by any other stock exchange on which the Securities may be listed. Notice of any termination of appointment and of any changes to the specified office of any Agent will be given to Securityholders in accordance with Condition 16.

The Determination Agent shall act as an independent expert in the performance of its duties hereunder.”

**1.18 Condition 11.2 (*Modification of Agency Agreement*)**

Condition 11.2 of the Base Conditions (*Modification of Agency Agreement*) shall not apply to French Securities.

**1.19 Condition 11.3 (*Responsibility of the Issuer, the Guarantor and the Agents*)**

The first two paragraphs of Condition 11.3 of the Base Conditions (*Responsibility of the Issuer, the Guarantor and the Agents*) shall not apply to French Securities.

**1.20 Condition 12 (*Taxation*)**

Paragraph (b) of Condition 12 of the Base Conditions (*Taxation*) shall be replaced by the following:

“to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place of residence of the Securityholder; or”.

Paragraphs (c) and (e) of Condition 12 of the Base Conditions (*Taxation*) shall not apply to French Securities.

**1.21 Condition 14 (*Replacement of Securities*)**

Condition 14 of the Base Conditions (*Replacement of Securities*) shall not apply to French Securities.

**1.22 Condition 15 (*Unlawfulness or Impracticability*)**

The words “or cancel”, “or cancels” and the expression “in its sole and absolute discretion” in Condition 15 of the Base Conditions (*Unlawfulness or Impracticability*) shall not apply to French Securities.

### 1.23 Condition 16.1 (*To Securityholders*)

The following paragraph (f) (Notices in respect of French Securities) shall be added after Condition 16.1(e) of the Base Conditions (*To Securityholders*):

“or (f) Notices in respect of French Securities:

- (i) Notices to the holders of French Securities in registered form (*au nominatif*) shall be valid either (I) if mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or (II) at the option of the Issuer, if published and so long as such Securities are listed on a Relevant Stock Exchange or admitted to trading by another relevant authority in a leading daily newspaper with general circulation in the city where the Relevant Stock Exchange on which such Securities are listed is located or in the city where the relevant authority is located and on the website of the competent authority or Relevant Stock Exchange where the Securities are listed and admitted to trading.
- (ii) Notices required to be given to the holders of French Securities (whether in registered (*au nominatif*) or in bearer (*au porteur*) form) pursuant to these Base Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream and any other clearing system through which the Securities are for the time being cleared in substitution for the mailing and publication as required by Condition 16(f)(i) above; except that so long as such Securities are listed on any Relevant Stock Exchange(s) and the rules applicable to such Relevant Stock Exchange(s) so require, notices shall also be published in a daily newspaper with general circulation in the city/ies where the Relevant Stock Exchange(s) on which such Securities is/are listed.”

### 1.24 Condition 16.3 (*Validity of Notices*)

The last sentence of Condition 16.3 of the Base Conditions (*Validity of Notices*) shall not apply to French Securities.

### 1.25 Condition 18 (*Governing Law and Jurisdiction*)

Paragraphs 18.1, 18.2 and 18.3 of Condition 18 of the Base Conditions (*Governing Law and Jurisdiction*) shall not apply to French Securities.

The following paragraph 18.4 shall be added to Condition 18 of the Base Conditions (*Governing Law and Jurisdiction*):

“In respect of French Securities, any contractual or non-contractual obligation arising out of or in connection with such Securities is governed by, and shall be construed in accordance with, French law. Any claim against the Issuer in connection with the Securities may be brought before any competent court in Paris.”

### 1.26 Condition 20.1 (*Modifications to the Conditions*)

Condition 20.1 of the Base Conditions (*Modifications to the Conditions*) shall not apply to French Securities.

### 1.27 Condition 20.2(c) (*Representation of French Securityholders*)

The following paragraph (c) (Representation of French Securityholders) shall be added after Condition 20.2(b) of the Base Conditions (*Global Securities in Bearer or Registered Form*):

#### “(c) *Representation of French Securityholders*

In respect of French Securities, Securityholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a masse (in each case, the “**Masse**”). The Masse will be governed by the provisions of the French *Code de commerce*.

#### (i) Legal Personality

The Masse will be a separate legal entity and will act in part through a representative (the “**Representative**”) and in part through a general meeting of the Securityholders (the “**General Meeting**”).

The Masse alone, to the exclusion of all individual Securityholders, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Securities.

#### (ii) Representative

The office of Representative may be conferred only on a person of French nationality or on European Community nationals, in each case residing in France or to a company or association having its registered office in France.

The following persons may not be chosen as Representative:

- (I) the Issuer, the members of its Management Board (Directoire) or Supervisory Board (Conseil de Surveillance), its statutory auditors, its employees and their ascendants, descendants and spouse; or
- (II) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (gérants), general managers (directeurs généraux), members of their Board of Directors, Executive Board or Supervisory Board, their statutory auditors, employees and their ascendants, descendants and spouse; or
- (III) companies holding 10 per cent. or more of the share capital of the Issuer or companies having 10 per cent. or more of their share capital held by the Issuer; or
- (IV) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The names and addresses of the initial Representative of the Masse and its alternate will be set out in the Final Terms.

The remuneration of the Representative, and date(s) of payment thereof, will be set out in the relevant Final Terms. The alternate Representative will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the names and addresses of the initial Representative and the alternate Representative at the head office of the Issuer and the specified offices of the Paying Agent(s).

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by the alternate Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, another alternate Representative will be elected by the General Meeting of Securityholders.

(iii) Powers of Representative

The Representative shall, in the absence of any decision to the contrary of the General Meeting, have the power to take all acts of management necessary in order to defend the common interests of the Securityholders.

All legal proceedings against the Securityholders or initiated by them, must be brought by or against the Representatives.

The Representative may not be involved in the management of the affairs of the Issuer.

(iv) General Meeting

A General Meeting may be held at any time on convocation either by the Issuer or by the Representative. One or more Securityholders, holding together at least one-thirtieth of the principal amount of the Securities outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months of such demand, the Securityholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published in accordance with Article R.228–67 of the French *Code de commerce*.

Each Securityholder has the right to participate in a General Meeting in person or by proxy, correspondence, or, if the by-laws of the Issuer so specify, videoconference or any other means of telecommunication allowing the identification of the participating Securityholders.

Under current law, each Security carries the right to one vote. General Meetings may deliberate validly on first convocation only if Securityholders present or represented hold at least one-fifth of the principal amount of the Securities then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a two-third majority of votes cast by Securityholders attending such General Meetings or represented thereat.

In accordance with Article R.228–71 of the French *Code de commerce*, the rights of each Securityholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Securityholder on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at 12:00 midnight, Paris time.

(v) Powers of the General Meetings

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Securities, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions, including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase amounts payable to Securityholders, nor authorise or accept a postponement of the date of payment of interest on or a modification of the terms of repayment of or the rate of interest on the Securities, nor establish any unequal treatment between the Securityholders.

(vi) Expenses

The Issuer will bear the cost of compensating the representative of the Masse as well as the expenses of calling and holding the General Meetings, publishing its decisions, the fees relating to the appointment of the representative of the Masse under Article L.228–50 of the French *Code de commerce*, where applicable, and, more generally, all costs arising from the administration and operation of the Masse of Securityholders.

(vii) Information to the Securityholders

General Meetings shall be held at the registered office of the Issuer or any other place specified in the notice convening the meeting. Each Securityholder shall have the right, during the 15-day period preceding the general meeting of the Masse, to examine or make copies of the text of the proposed resolutions, as well as any reports to be presented to the General Meeting, at the registered office or administrative headquarters of the Issuer or at such other place as may be specified in the notice convening the meeting, or to cause an agent to do the foregoing on its behalf.

(viii) Single Masse

In the event that subsequent issues of Securities give subscribers rights identical to those under the Securities, and if the terms and conditions of such subsequent Securities so provide, the holders of all of such Securities shall be grouped together in a single masse.”

### 1.28 Condition 21 (*Further Issues*)

The following sentence shall be added to the end of Condition 21 of the Base Conditions (*Further Issues*):

“Such further Securities shall be assimilated (assimilables) to Securities as regards their financial services.”

### 1.29 Condition 23 (*Contracts (Rights of Third Parties) Act 1999*)

Condition 23 of the Base Conditions (*Contracts (Rights of Third Parties) Act 1999*) shall not apply to French Securities.

## 2 Definitions Applicable to French Securities

The following definitions set out in Condition 24 of the Base Conditions (*Definitions*) shall be amended and restated as follows in relation to French Securities:

“**Alternate Cash Amount Settlement Date**” means such date as determined by the Issuer.

“**Change in Law**” means that, on or after the Trade Date (a) due to the adoption or announcement of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (i) it has become illegal for the Issuer and/or any of its Affiliates to hold, acquire, deal in or dispose of the Hedge Positions relating to the Securities or contracts in securities, options, futures, derivatives or foreign exchange relating to such Securities, (ii) the Issuer or any of its Affiliates will incur a materially increased cost in performing their obligations under such Securities (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on their tax position), or (iii) such regulatory change or promulgation would subject the Issuer or any of its Affiliates to materially less favourable regulatory capital treatment with respect to the Securities and any related Hedge Positions, as compared with the regulatory capital treatment applicable to the Securities and any related Hedge Positions as at the Trade Date. For the avoidance of doubt, for purposes of the foregoing, “any applicable law or regulation” shall include the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, any rules and regulations promulgated thereunder and any similar law or regulation (collectively the “**Wall Street Act**”), and any consequences of a Change in Law as set out herein shall apply to any Change in Law arising from any such act, rule or regulation. Furthermore, any additional capital charges or other regulatory capital requirements imposed in connection with the Wall Street Act, if material, shall constitute “a materially increased cost in performing its obligations under such Transaction” for purposes of (b)(ii) of this definition.

“**Currency Disruption Event**” means, with respect to a Series of Securities, the occurrence or official declaration of an event impacting one or more Currencies that the Issuer determines would materially disrupt or impair its ability to meet its obligations in the Settlement Currency or otherwise settle, clear or hedge such Series of Securities.

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

**“Payment Day”** means any day which is:

- (i) a day on which Euroclear France is open for business;
- (ii) 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 any Additional Business Centre specified in the applicable Final Terms; and
- (iii) a day on which the TARGET System is open.

**“Relevant Clearing System”** means, as appropriate, Euroclear, Clearstream, Euroclear France and/or such other clearing system specified in any applicable Relevant Annex or in the applicable Final Terms, as the case may be, through which interests in Securities are to be held and/or through an account at which the Securities are to be cleared.

**“Rules”** means the Clearstream Rules, the Euroclear Rules, the Euroclear France Rules and/or the terms and conditions and any procedures governing the use of such other Relevant Clearing System as may be specified in the Final Terms relating to a particular issue of Securities.

**“Settlement Expenses”** means, in respect of any Security or Securities, any costs, fees and expenses or other amounts (other than in relation to Taxes) payable by a Securityholder per Calculation Amount on or in respect of or in connection with the redemption, exercise or settlement of such Security or Securities as determined by the Determination Agent.

**“Successor”** means, in relation to any Agent or such other or further person as may from time to time be appointed by the Issuer in respect of Securities, the person identified as the successor to such Agent or other person by the Determination Agent (or if the successor relates to the Determination Agent, the Issuer). Notice of any Successor identified shall be given to Securityholders as soon as reasonably practicable after such identification in accordance with Condition 16.

The following definitions shall be added to Condition 24 of the Base Conditions (*Definitions*):

**“Account Holder”** means any intermediary institution entitled to hold accounts directly or indirectly on behalf of its customers with Euroclear France, and includes Euroclear and the depositary bank for Clearstream.

**“Euroclear France”** means Euroclear France S.A., 115 rue Réaumur, 75081 Paris Cedex 02, France.

## Part F Bond Linked Annex

In respect of French Securities, Part A “Description and Risk Factors”, Part B “Additional Terms and Conditions for Bond Linked Securities” and Part C “Definitions and Interpretation Applicable to Bond Linked Securities” of the Bond Linked Annex shall be amended as follows:

### 1 Description and Risk Factors

#### 1.1 Independent Review and Advice

The third and fourth paragraphs of “Independent Review and Advice” of the Risk Factors section shall not apply to French Securities.

#### 1.2 Risks related to the structure of a particular issue of Bond Linked Securities – Risk of Loss of Principal

In the second paragraph of “Risks related to the structure of a particular issue of Bond Linked Securities – Risk of Loss of Principal” of the Risk Factors section, the expression “in its sole and absolute discretion” shall not apply to French Securities.

#### 1.3 Exposure to Reference Entities and Reference Obligations – Call Option Events

In the second paragraph of “Exposure to Reference Entities and Reference Obligations – Call Option Events” of the Risk Factors section, the expression “is at the sole and absolute discretion of” shall be replaced by “pertains solely to”.

#### 1.4 Exposure to Reference Entities and Reference Obligations – Issuer and Determination Agent Discretion

The title of the paragraph “Issuer and Determination Agent Discretion” of the Risk Factors section shall be replaced by “Issuer and Determination Agent Decision”.

The first two paragraphs of “Exposure to Reference Entities and Reference Obligations – Issuer and Determination Agent Discretion” of the Risk Factors section shall be replaced by the following:

“The decision of the Issuer and/or the Determination Agent to redeem the Securities and/or make any adjustments (subject to the prior consent of the General Meeting of the Securityholders) in respect thereof is intended to preserve the risk profile of the Issuer (including, but not limited to, the Issuer’s hedging arrangements (if any) in respect of the Securities) but are not intended to protect any performance of the Securities. Neither the Issuer nor the Determination Agent has any obligation to actively monitor whether or not any events relevant to the Securities have occurred.

The decision when and whether to redeem the Bond Linked Securities following the occurrence of a Call Option Event, an Additional Disruption Event or an Adjustment Event pertains solely to the Issuer.”

The last paragraph “Exposure to Reference Entities and Reference Obligations – Issuer and Determination Agent Discretion” of the Risk Factors section shall not apply to French Securities.

## 1.5 Cash and Physical Settlement – Fractions of Reference Obligations

In the paragraph “Cash and Physical Settlement – Fractions of Reference Obligations” of the Risk Factors section, the expression “in its sole discretion” shall not apply to French Securities.

## 1.6 Exchange Rate Risk

The first two sentences of the fourth paragraph of “Exchange Rate Risk” of the Risk Factors section shall be replaced by the following paragraph:

“Where the Bond Linked Securities are denominated in an emerging market currency or linked to one or more Reference Obligations denominated in emerging market currencies, prospective investors should note that it is a general feature of emerging markets that they are subject to rapid change and high volatility and that the risks involved also may change rapidly. Emerging market currencies are highly exposed to the risk of a currency crisis happening in the future and this could trigger the need for the Determination Agent to make adjustments, subject to the prior consent of the General Meeting of the Securityholders, to the terms and conditions of the Securities or a redemption of the Securities.”

## 2 Additional Terms and Conditions for Bond Linked Securities

### 2.1 Condition 1.1 (*Interest Amount*)

The expression “in its sole discretion” in Condition 1.1 of the Additional Terms and Conditions for Bond Linked Securities (*Interest Amount*) shall not apply to French Securities.

### 2.2 Condition 3.1 (*Adjustment Provisions*)

The expressions “in its sole discretion” and “in its sole and absolute discretion” in Condition 3.1 of the Additional Terms and Conditions for Bond Linked Securities (*Adjustment Provisions*) shall not apply to French Securities.

### 2.3 Condition 3.2 (*Early Redemption at the Option of the Issuer following the Occurrence of a Call Option Event*)

The expressions “in its sole discretion” and “in its sole and absolute discretion” in Condition 3.2 of the Additional Terms and Conditions for Bond Linked Securities (*Early Redemption at the Option of the Issuer following the Occurrence of a Call Option Event*) shall not apply to French Securities.

### 2.4 Condition 4 (*Reference Obligation Adjustments*)

Condition 4 of the Additional Terms and Conditions for Bond Linked Securities (*Reference Obligation Adjustments*) shall be replaced by the following:

“If the Reference Obligation is subdivided, consolidated, reclassified or altered, or any other similar event occurs as determined by the Determination Agent, then the Determination Agent will make (subject to the prior consent of the General Meeting of the Securityholders) such adjustments to the Conditions of the Securities (including, without limitation, the Reference Obligation Principal Amount, the identity of the Reference Obligation and the principal amount of the Reference Obligation) as it determines appropriate to preserve the economics of the Securities to account for such

event. If the Reference Obligation is converted into other securities in accordance with the terms of any voluntary or involuntary exchange or restructuring programme following the occurrence of a Credit Event, such securities shall become the Reference Obligation(s) (it being understood that any elections under the terms of any such exchange or restructuring shall be made by the Determination Agent).

If “Substitute Reference Obligations” is specified as being applicable in the applicable Final Terms, at any time following the occurrence of a Credit Event, the Issuer or any of its agents or affiliates may replace all or some of the Reference Obligation with a Substitute Reference Obligation selected by it. If the Substitute Reference Obligation has replaced, in whole or in part, the Reference Obligation, the principal amount of the Reference Obligation that comprises the Substitute Reference Obligation in respect of each Security shall be calculated by the Determination Agent as the equivalent of the number of Substitute Reference Obligations that could have been purchased with the proceeds from the sale of such Reference Obligation, assuming that the Reference Obligation had been sold at its Final Price on the date of the substitution (determined as if such day was the Optional Early Redemption Date), and the Determination Agent will make (subject to the prior consent of the General Meeting of the Securityholders) such adjustments to the Conditions of the Securities (including, without limitation, the Reference Obligation Principal Amount and principal amount per Security) as it determines appropriate to preserve the economics of the Securities to account for such substitution.”

**2.5 Condition 6.1 (*Inconvertibility Event Settlement*)**

The expression “in its sole discretion” in Condition 6.1 of the Additional Terms and Conditions for Bond Linked Securities (*Inconvertibility Event Settlement*) shall not apply to French Securities.

**2.6 Condition 6.2 (*Credit Event Settlement*)**

The expression “in its sole discretion” in Condition 6.2 of the Additional Terms and Conditions for Bond Linked Securities (*Credit Event Settlement*) shall not apply to French Securities.

**2.7 Condition 6.3 (*Settlement Disruption Event following a Credit Event or a Credit Event and an Inconvertibility Event*)**

The expression “in its sole discretion” and the phrase “no liability in respect thereof shall attach to the Issuer, the Guarantor and/or the Determination Agent” in Condition 6.3 of the Additional Terms and Conditions for Bond Linked Securities (*Settlement Disruption Event following a Credit Event or a Credit Event and an Inconvertibility Event*) shall not apply to French Securities.

**2.8 Condition 6.4 (*Settlement Disruption Event in the case of an Inconvertibility Event*)**

In the last paragraph of Condition 6.4 of the Additional Terms and Conditions for Bond Linked Securities (*Settlement Disruption Event in the case of an Inconvertibility Event*), the phrase “no liability in respect thereof shall attach to the Issuer, the Guarantor and/or the Determination Agent” shall not apply to French Securities.

### **2.9 Condition 7 (*Securityholder Failure to Act*)**

The expression “in its sole and absolute discretion” in Condition 7 of the Additional Terms and Conditions for Bond Linked Securities (*Securityholder Failure to Act*) shall not apply to French Securities.

### **2.10 Condition 9 (*Consequences of the occurrence of FX Disruption Events*)**

The expressions “in its sole and absolute discretion” and “in its sole discretion” in Condition 9 of the Additional Terms and Conditions for Bond Linked Securities (*Consequences of the occurrence of FX Disruption Events*) shall not apply to French Securities.

## **3 Definitions and Interpretation Applicable to Bond Linked Securities**

The expressions “in its sole and absolute discretion” and “in its sole discretion” in the definitions of “Adjustment Event”, “Call Option Event”, “Custodial Event”, “FX Fixing”, “Inconvertibility Event” and “Market Disruption Event” in the “Definitions and Interpretation Applicable to Bond Linked Securities” shall not apply to French Securities.

## Part G

### Commodity Linked Annex

In respect of French Securities, Part A “Description and Risk Factors”, Part B “Additional Terms and Conditions for Commodity Linked Securities” and Part C “Definitions and Interpretation Applicable to Commodity Linked Securities” of the Commodity Linked Annex shall be amended as follows:

#### 1 Description and Risk Factors

- 1.1 The Issuer is not responsible for the public disclosure of information relating to a Commodity Index, which may change over time.

The expression “in its sole discretion” in paragraph 2.1.11 of the Risk Factors relating to Commodity Linked Securities (*The Issuer is not responsible for the public disclosure of information relating to a Commodity Index, which may change over time*) shall not apply to French Securities.

- 1.2 The policies of the sponsor of a Commodity Index and changes that affect the composition and valuation of a Commodity Index or the components included in a Commodity Index could affect the amount payable or deliverable on the Commodity Linked Securities and their market value.

The expression “in its sole discretion” in paragraph 2.1.12 of the Risk Factors relating to Commodity Linked Securities (*The policies of the sponsor of a Commodity Index and changes that affect the composition and valuation of a Commodity Index or the components included in a Commodity Index could affect the amount payable or deliverable on the Commodity Linked Securities and their market value*) shall not apply to French Securities.

- 1.3 If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities.

The expression “in its sole discretion” in paragraph 2.1.13 of the Risk Factors relating to Commodity Linked Securities (*If a Commodity Market Disruption Event has occurred or exists on a pricing date, the determination of the value of a Relevant Commodity or Commodity Index may be delayed or postponed and as a consequence the redemption or exercise of the Commodity Linked Securities*) shall not apply to French Securities.

#### 2 Additional Terms and Conditions for Commodity Linked Securities

##### 2.1 Condition 4 (*Correction to Published Prices*)

The expression “in its sole discretion” in Condition 4 of the Additional Terms and Conditions for Commodity Linked Securities (*Correction to Published Prices*) shall not apply to French Securities.

In the last sentence of the first paragraph of Condition 4 of the Additional Terms and Conditions for Commodity Linked Securities (*Correction to Published Prices*), the sentence “and shall have

no liability to any person for any determination made or not made under this Commodity Linked Condition” shall not apply to French Securities.

## **2.2 Condition 8 (*Physical Settlement*)**

The expression “at the sole discretion of” in Condition 8 of the Additional Terms and Conditions for Commodity Linked Securities (*Physical Settlement*) shall be replaced by “as determined by”.

## **3 Definitions and Interpretation Applicable to Commodity Linked Securities**

The expression “in its sole discretion” in the definition of “Determination Agent Determination” of the Definitions and Interpretation Applicable to Commodity Linked Securities shall not apply to French Securities.

## Part H Credit Linked Annex

In respect of French Securities, Part A “Description and Risk Factors”, Part B “Additional Terms and Conditions for Credit Linked Securities” and Part C “Definitions and Interpretation Applicable to Credit Linked Securities” of the Credit Linked Annex shall be amended as follows:

### 1 Description and Risk Factors

#### 1.1 Independent Review and Advice

In the third paragraph of “Independent Review and Advice” of the Risk Factors section, the sentence “Securityholders should be aware that none of the Issuer, the Guarantor nor any Manager has any duty to conduct or accepts any responsibility for conducting or failing to conduct any investigation into the business, financial condition, prospects, creditworthiness, status and/or affairs of any Reference Entity and its Obligations, Underlying Obligations, Underlying Obligors, Reference Obligations and Deliverable Obligations.” shall not apply to French Securities.

#### 1.2 Risks relating to the Credit Derivatives Definitions and the Credit Derivatives Determinations Committees

In the second sentence of the third paragraph of “Risks relating to the Credit Derivatives Definitions and the Credit Derivatives Determinations Committees” of the Risk Factors section, the expression “(acting through a General Meeting of the Securityholders)” shall be added between the words “if the Issuer and the Securityholders” and “agree to amend the Credit Linked Securities”.

#### 1.3 Risk of Loss of Principal

In the second paragraph of “Risk of Loss of Principal” of the Risk Factors section, the expression “in its sole and absolute discretion” shall not apply to French Securities.

#### 1.4 Issuer Discretion

The title of the paragraph “Issuer Discretion” of the Risk Factors section shall be replaced by “Issuer Decision”.

In the first sentence of the paragraph “Issuer Discretion” of the Risk Factors section, the expression “is at the sole and absolute discretion of” shall be replaced by “pertains solely to”.

#### 1.5 Securityholder Obligations

In the third sentence of the paragraph “Securityholder Obligations” of the Risk Factors section the expression “delivered and surrendered” shall be replaced by “transferred”.

### 2 Additional Terms and Conditions for Credit Linked Securities

#### 2.1 Condition 2.1 (*Credit Event Determination*)

In Condition 2.1 of the Additional Terms and Conditions for Credit Linked Securities (*Credit Event Determination*), the last sentence shall not apply to French Securities.

**2.2 Condition 2.3.3 (*Credit Event Notice after Restructuring*)**

The last paragraph of Condition 2.3.3 of the Additional Terms and Conditions for Credit Linked Securities (*Credit Event Notice after Restructuring*) shall be replaced by the following paragraph:

“Upon redemption of part of each such Credit Linked Security, the nominal amount of each relevant Credit Linked Security shall be reduced to reflect such partial redemption.”

**2.3 Condition 4.3 (*Delivery of Deliverable Obligation Portfolio*)**

The items (iii) and (iv) in the last paragraph of Condition 4.3 of the Additional Terms and Conditions for Credit Linked Securities (*Delivery of Deliverable Obligation Portfolio*) shall not apply to French Securities.

**2.4 Condition 4.9.5 (“*CLS Valuation Time*”)**

The expression “in its sole and absolute discretion” in Condition 4.9.5 of the Additional Terms and Conditions for Credit Linked Securities (“*CLS Valuation Time*”) shall not apply to French Securities.

**2.5 Condition 5 (*Redemption Failure Event*)**

The expression “in its sole discretion” in Condition 5 of the Additional Terms and Conditions for Credit Linked Securities (*Redemption Failure Event*) shall not apply to French Securities.

The expression “surrender” in item (b) of the first paragraph of Condition 5 of the Additional Terms and Conditions for Credit Linked Securities (*Redemption Failure Event*) shall be replaced by “transfer”.

The expression “for cancellation” in item (b) of the first paragraph of Condition 5 of the Additional Terms and Conditions for Credit Linked Securities (*Redemption Failure Event*) shall not apply to French Securities.

The phrase “, provided that, the Issuer first receives an irrevocable and unconditional release and indemnity in respect of liabilities arising therefrom to its sole and absolute satisfaction” in the second paragraph of Condition 5 of the Additional Terms and Conditions for Credit Linked Securities (*Redemption Failure Event*) shall not apply to French Securities.

**2.6 Condition 6 (*Determination Agent*)**

The first paragraph of Condition 6 of the Additional Terms and Conditions for Credit Linked Securities (*Determination Agent*) shall be replaced by the following:

“In respect of any calculation or determination made pursuant to these Credit Linked Conditions, neither the Issuer nor the Determination Agent assume any relationship of agency with any Securityholders or any other person. Furthermore, each Securityholder agrees that none of the Issuer or Determination Agent is acting as an adviser to such Securityholder in respect of its duties as Issuer or Determination Agent.”

**2.7 Condition 7.1 (*Notices required to be delivered*)**

The title of Condition 7.1 of the Additional Terms and Conditions for Credit Linked Securities (*Notices required to be delivered*) shall be replaced by “*Notices required to be published or delivered*”.

In the first paragraph of Condition 7.1 of the Additional Terms and Conditions for Credit Linked Securities (*Notices required to be delivered*) the words “in accordance with Condition 16” shall be added between “give notice” and “to Securityholders”.

In item (iv) of Condition 7.1 of the Additional Terms and Conditions for Credit Linked Securities (*Notices required to be delivered*), the expression “publish or” shall be added between the expressions “the failure of the Issuer to” and “deliver a notice”.

The expression “(a) no such notice shall be required following a determination by a Credit Derivatives Determinations Committee of a Substitute Reference Obligation has occurred and (b)” in item (vii) of Condition 7.1 of the Additional Terms and Conditions for Credit Linked Securities (*Notices required to be delivered*) shall not apply to French Securities.

In item (vii) of Condition 7.1 of the Additional Terms and Conditions for Credit Linked Securities (*Notices required to be delivered*), the expression “publish or” shall be added between the expressions “the failure of the Issuer to” and “deliver a notice”.

In item (viii) of Condition 7.1 of the Additional Terms and Conditions for Credit Linked Securities (*Notices required to be delivered*), the expression “publish or” shall be added between the expressions “the failure of the Issuer to” and “deliver a notice”.

In item (x) of Condition 7.1 of the Additional Terms and Conditions for Credit Linked Securities (*Notices required to be delivered*), the expression “publication or” shall be added between the expressions “Following” and “delivery of a Notice”.

## **2.8 Condition 8.1.5 (*Provisions for determining a Successor*)**

Item (v) of Condition 8.1.5 of the Additional Terms and Conditions for Credit Linked Securities (*Provisions for determining a Successor*) shall be replaced by:

“(v) subject to the prior consent of the General Meeting of Securityholders, the Determination Agent shall make any modifications to the terms of the Securities required to preserve the economic effects of the Securities prior to the Succession Event (considered in the aggregate)”.

## **2.9 Condition 11 (*Additional Provisions for Reference CDS*)**

The expression “in its sole and absolute discretion” in Condition 11 of the Additional Terms and Conditions for Credit Linked Securities (*Additional Provisions for Reference CDS*) shall not apply to French Securities.

## **2.10 Condition 12 (*Representations*)**

Paragraphs (vi) (a) and (b) of Condition 12 of the Additional Terms and Conditions for Credit Linked Securities (*Representations*) shall not apply to French Securities.

Paragraph (vii) of Condition 12 of the Additional Terms and Conditions for Credit Linked Securities (*Representations*) shall not apply to French Securities.

### **3 Definitions and Interpretation Applicable to Credit Linked Securities**

#### **3.1 Certain general definitions relating to Credit Linked Securities**

The expression “in its sole and absolute discretion” in the definition “Swap Costs” in Section 1 of the Definitions and Interpretation Applicable to Credit Linked Securities (*Certain general definitions relating to Credit Linked Securities*) shall not apply to French Securities.

#### **3.2 Reference entities and obligations**

The expression “in its sole discretion” in the definition “Reference Obligation” in Section 2 of the Definitions and Interpretation Applicable to Credit Linked Securities (*Reference entities and obligations*) shall not apply to French Securities.

#### **3.3 General terms relating to Redemption and Settlement**

The expression “in its sole and absolute discretion” in the definition “Extension Notice” in Section 6 of the Definitions and Interpretation Applicable to Credit Linked Securities (*General terms relating to Redemption and Settlement*) shall not apply to French Securities.

#### **3.4 Terms relating to Cash Settlement**

The expression “in its sole and absolute discretion” in the definition “CLS Valuation Time” in Section 7 of the Definitions and Interpretation Applicable to Credit Linked Securities (*Terms relating to Cash Settlement*) shall not apply to French Securities.

#### **3.5 Terms relating to Auction Settlement**

The expression “in its sole and absolute discretion” in the definition “Auction Final Price” in Section 8 of the Definitions and Interpretation Applicable to Credit Linked Securities (*Terms relating to Auction Settlement*) shall not apply to French Securities.

## Part I Equity Linked Annex

In respect of French Securities, Part B “Additional Terms and Conditions for Equity Linked Securities” and Part C “Definitions Applicable to Equity Linked Securities” of the Equity Linked Annex shall be amended as follows:

### 1 Additional Terms and Conditions for Equity Linked Securities

#### 1.1 Condition 1.1 (*Index Adjustment Events*)

The expression “in its sole discretion” in the last paragraph of Condition 1.1 of the Additional Terms and Conditions for Equity Linked Securities (*Index Adjustment Events*) shall not apply to French Securities.

#### 1.2 Condition 1.4 (*Error in Index Calculation*)

The third paragraph of Condition 1.4 of the Additional Terms and Conditions for Equity Linked Securities (*Error in Index Calculation*) shall be replaced by the following:

“If the Index Sponsor continues to calculate the Index with manifest error for more than three Scheduled Trading Days, then the Determination Agent may make, subject to the prior consent of the General Meeting of the Securityholders, such adjustments to the terms of the Security as it may determine, including, without limitation, selecting an alternative index to replace the Index and/or replicating the constituents of the relevant Index and/or calculating the relevant Index in accordance with the formula for and method of calculating that Index last in effect prior to the relevant event and/or adjusting the constituents and weightings of the Index.”

#### 1.3 Condition 1.5 (*Futures Price Valuation*)

Condition 1.5.4 of the Additional Terms and Conditions for Equity Linked Securities (*Futures Price Valuation*) shall be replaced by the following:

“Corrections of the Official Settlement Price. If the Official Settlement Price for any Valuation Date is corrected and the correction is published by the relevant exchange within one settlement cycle for the related Exchange-traded Contract after the original publication, either party may notify the other party of that correction and the Determination Agent will determine the amount that is payable as a result of that correction and, to the extent necessary, will adjust, subject to the prior consent of the of the General Meeting of the Securityholders, the terms of the Index-linked Security to account for such correction.”

#### 1.4 Condition 2.1 (*Potential Adjustment Events*)

At the end of the item (i) in the first paragraph of Condition 2.1 of the Additional Terms and Conditions for Equity Linked Securities (*Potential Adjustment Events*), the following expression shall be added in respect of French Securities:

“(provided that any amendment to the Conditions shall be subject to the prior consent of the General Meeting of the Securityholders)”.

### **1.5 Condition 2.2 (*Merger Events*)**

The expression “in its sole discretion” in Condition 2.2 of the Additional Terms and Conditions for Equity Linked Securities (*Merger Events*) shall not apply to French Securities.

### **1.6 Condition 2.3 (*Nationalisation, Insolvency and Delisting*)**

The expression “in its sole discretion” in Condition 2.3 of the Additional Terms and Conditions for Equity Linked Securities (*Nationalisation, Insolvency and Delisting*) shall not apply to French Securities.

### **1.7 Condition 2.4 (*Tender Offers*)**

The expressions “in its absolute discretion” and “in its sole discretion” in Condition 2.4 of the Additional Terms and Conditions for Equity Linked Securities (*Tender Offers*) shall not apply to French Securities.

### **1.8 Condition 2.5 (*Substitution of Shares*)**

The expression “the discretion” in Condition 2.5 of the Additional Terms and Conditions for Equity Linked Securities (*Substitution of Shares*) shall be replaced by “the option” in respect of French Securities.

The expression “in its sole discretion” in Condition 2.5 of the Additional Terms and Conditions for Equity Linked Securities (*Substitution of Shares*) shall not apply to French Securities.

### **1.9 Condition 4 (*Adjustments*)**

The expression “and none of the Determination Agent, the Issuer or any other party shall be liable for the Issuer making or failing to make any such adjustment” in the first paragraph of Condition 4 of the Additional Terms and Conditions for Equity Linked Securities (*Adjustments*) shall not apply to French Securities.

### **1.10 Conditions 5.1.1 and 5.1.2 (*FX Disruption Event*)**

The expression “in its sole and absolute discretion” in Conditions 5.1.1 and 5.1.2 of the Additional Terms and Conditions for Equity Linked Securities (*FX Disruption Event*) shall not apply to French Securities.

### **1.11 Condition 6.4.5 (*General*)**

The expression “in its sole and absolute discretion” in Condition 6.4.5 of the Additional Terms and Conditions for Equity Linked Securities (*General*) shall not apply to French Securities.

## **2 Definitions Applicable to Equity Linked Securities**

### **2.1 Various definitions**

The expression “in its sole and absolute discretion” in the definitions of “Cash Amount”, “Distributed Amount”, “Dividend Date”, “Ex-Dividend Date”, “Expected Dividend Date”, “Expected Rights Delivery Date”, “Expected Stock Delivery Date”, “New Security Amount”, “Rights Cash Amount”, “Rights Date”, “Rights Delivery Date”, “Rights Security Amount”, “Rights Share Number”, “Share Number”, “Stock Delivery Date” and “Subscription Price” in Section 1 of the Definitions Applicable to Equity Linked Securities (Definitions Relating to Equity Linked Securities) shall not apply to French Securities.

## 2.2 Futures or Options Exchange

The expression “in its absolute discretion” in the definition of “Futures or Options Exchange” in Section 1 of the Definitions Applicable to Equity Linked Securities (Definitions Relating to Equity Linked Securities) shall not apply to French Securities.

**Part J**  
**FX Linked Annex**

In respect of French Securities, Part A “Description and Risk Factors” and Part B “Additional Terms and Conditions for FX Linked Securities” of the FX Linked Annex shall be amended as follows:

**1 Description and Risk Factors**

**Risk Factors relating to FX Linked Securities**

At the end of the third paragraph of “Risk Factors relating to FX Linked Securities” of the Risk Factors section, the following expression shall be added in respect of French Securities:

“(provided that any amendment to the Conditions shall be subject to the prior consent of the General Meeting of the Securityholders)”.

**2 Additional Terms and Conditions for FX Linked Securities**

**2.1 Condition 2 (*Consequences of the occurrence of FX Disruption Events*)**

The expression “subject to the prior consent of the General Meeting of the Securityholders” shall be inserted after “adjust” in item (ii) in Condition 2 of the Additional Terms and Conditions for FX Linked Securities (*Consequences of the occurrence of FX Disruption Events*).

The expression “at its sole discretion” in item (iii) (l) in Condition 2 of the Additional Terms and Conditions for FX Linked Securities (*Consequences of the occurrence of FX Disruption Events*) shall not apply to French Securities.

**2.2 Condition 5.3 (*Index Adjustment Events*)**

The expression “in its sole discretion” in the last paragraph of in Condition 5.3 of the Additional Terms and Conditions for FX Linked Securities (*Index Adjustment Events*) shall not apply to French Securities.

**2.3 Condition 5.4 (*Error in Index Calculation*)**

The expression “in its sole discretion” in the last paragraph of in Condition 5.4 of the Additional Terms and Conditions for FX Linked Securities (*Error in Index Calculation*) shall not apply to French Securities.

**2.4 Condition 5.5 (*Correction to Published Prices*)**

The expression “in its sole discretion” in Condition 5.5 of the Additional Terms and Conditions for FX Linked Securities (*Correction to Published Prices*) shall not apply to French Securities.

In the last sentence of the first paragraph of Condition 5.5 of the Additional Terms and Conditions for FX Linked Securities (*Correction to Published Prices*), the sentence “and shall have no liability to any person for any determination made or not made under this FX Linked Condition” shall not apply to French Securities.

## Part K Inflation Linked Annex

In respect of French Securities, Part B “Additional Terms and Conditions for Inflation Linked Securities” of the Inflation Linked Annex shall be amended as follows:

### 1 Additional Terms and Conditions for Inflation Linked Securities

#### 1.1 Condition 1.3.1 (*Successor Index*)

The expression “without limitation” in Condition 1.3.1 of the Additional Terms and Conditions for Inflation Linked Securities (*Successor Index*) shall be replaced by “, subject to the prior consent of the General Meeting of the Securityholders,”.

#### 1.2 Condition 1.3.2 (*Substitute Index Level*)

The expression “without limitation” in Condition 1.3.2 of the Additional Terms and Conditions for Inflation Linked Securities (*Substitute Index Level*) shall be replaced by “, subject to the prior consent of the General Meeting of the Securityholders,”.

#### 1.3 Condition 1.3.3 (*Index Level Adjustment Correction*)

The expression “, subject to the prior consent of the General Meeting of the Securityholders,” shall be added after the words “the Determination Agent may make any adjustment” at the end of the first sentence in paragraph (b) in Condition 1.3.3 of the Additional Terms and Conditions for Inflation Linked Securities (*Index Level Adjustment Correction*).

The expression “, subject to the prior consent of the General Meeting of the Securityholders,” shall be added after the words “(B) request the Issuer to make any adjustment” at the end of the first sentence in paragraph (c) in Condition 1.3.3 of the Additional Terms and Conditions for Inflation Linked Securities (*Index Level Adjustment Correction*).

#### 1.4 Condition 1.3.4 (*Rebasing*)

The second sentence of Condition 1.3.4 of the Additional Terms and Conditions for Inflation Linked Securities (*Rebasing*) shall be replaced by the following:

“If the rebased index is to be used, notwithstanding the foregoing, the Determination Agent may make (A) if “Related Bond” is specified as applicable in the applicable Final Terms, any adjustments as are made pursuant to the terms and conditions of the Related Bond, if any, to the Rebased Index Levels so that the Rebased Index Levels reflect the same rate of inflation as the Index before the rebasing and/or (B) if “Related Bond” is specified as not applicable in the applicable Final Terms or a Related Bond Redemption Event has occurred, the Determination Agent may make adjustments, to the levels of the Rebased Index so that the Rebased Index Levels reflect the same rate of inflation as the Index before it was rebased, and in each case the Issuer may make, subject to the prior consent of the General Meeting of the Securityholders, any adjustments to any amount payable under the Securities and/or any other term of the Securities as the Determination Agent may deem necessary.”

### 1.5 Condition 1.3.5 (*Index Modification*)

Paragraph (a) in Condition 1.3.5 of the Additional Terms and Conditions for Inflation Linked Securities (*Index Modification*) shall be replaced by the following:

“If, on or prior to the Cut-off Date in respect of any Payment Date, the Determination Agent determines that an Index Modification has occurred, the Determination Agent may (i) if “Related Bond” is specified as applicable in the applicable Final Terms, make any adjustments, subject to the prior consent of the General Meeting of the Securityholders, to the Index, any Relevant Level and/or any other relevant term of the Securities (including, without limitation, any amount payable under the Securities) consistent with any adjustments made to the Related Bond as the Determination Agent deems necessary or (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, subject to the prior consent of the General Meeting of the Securityholders, to the relevant Index, any Relevant Level and/or any other term of the Securities (including, without limitation, any amount payable under the Securities) as the Determination Agent deems necessary for the modified Index to continue as the Index and to account for the economic effect of the Index Modification.”

## Part L Fund Linked Annex

In respect of French Securities, Part A “Description and Risk Factors” and Part B “Additional Terms and Conditions for Fund Linked Securities” of the Fund Linked Annex shall be amended as follows:

### 1 Description and Risk Factors

#### Hedging Provider

In Section 2.3.13 “Hedging Provider” of the Description and Risk Factors section, the expression “is in the sole discretion of” shall be replaced by “pertains solely to”.

### 2 Additional Terms and Conditions for Fund Linked Securities

#### 2.1 Condition 1.5 (*Miscellaneous*)

The paragraph following Condition 1.5 of the Additional Terms and Conditions for Fund Linked Securities (*Miscellaneous*) shall be replaced by the following:

“The determination as to the occurrence of a Fund Event shall be made by the Determination Agent. If an event or factual circumstance is capable of constituting either a Fund Event or a Potential Adjustment of Payment Event, the Determination Agent will determine whether such event or circumstance shall constitute a Fund Event or a Potential Adjustment of Payment Event.”

#### 2.2 Condition 2 (*Consequences of a Fund Event*)

In sub-paragraph 2.1.1 of Condition 2 of the Additional Terms and Conditions for Fund Linked Securities (*Consequences of a Fund Event*), the expression “in its sole discretion” shall not apply to French Securities.

In paragraph 2.3 of Condition 2 of the Additional Terms and Conditions for Fund Linked Securities (*Consequences of a Fund Event*), the expression “and accepts no liability therefor” shall not apply to French Securities.

#### 2.3 Condition 3 (*Potential Adjustment of Payment Events*)

The expression “at the sole discretion of” in the last paragraph of Condition 3 of the Additional Terms and Conditions for Fund Linked Securities (*Potential Adjustment of Payment Events*) shall be replaced by “made by”.

The expression “acting in its sole discretion” in the last paragraph of Condition 3 of the Additional Terms and Conditions for Fund Linked Securities (*Potential Adjustment of Payment Events*) shall not apply to French Securities.

#### 2.4 Condition 4 (*Consequences of a Potential Adjustment of Payment Event*)

The expressions “in its sole discretion” and “and accepts no liability therefor” in the last paragraph of Condition 4 of the Additional Terms and Conditions for Fund Linked Securities (*Consequences of a Potential Adjustment of Payment Event*) shall not apply to French Securities.



## **Part M**

### **Barclays Capital Index, US Warrants Product, Danish, Dutch, Finnish, Italian, Norwegian, Spanish and Swedish Securities Annexes**

In respect of French Securities, the sections “Barclays Capital Index Annex”, “US Warrants Product Annex”, “Danish Securities Annex”, “Dutch Securities Annex”, “Finnish Securities Annex”, “Italian Securities Annex”, “Norwegian Securities Annex”, “Spanish Securities Annex” and “Swedish Securities Annex” shall not apply.

## BOOK-ENTRY PROCEDURES FOR RULE 144A GLOBAL SECURITIES DEPOSITED WITH DTC

The Rule 144A Global Securities will be issued in the form of Global Registered Securities, without Coupons or Talons. Upon issuance, one or more Global Securities will be deposited with either (i) a custodian for DTC and registered in the name of Cede & Co., as nominee of DTC, or (ii) a common depositary on behalf of Euroclear and Clearstream.

Ownership of beneficial interests in a Global Security deposited with DTC will be limited to persons who have accounts with DTC (“DTC Participants”) or persons who hold interests through DTC Participants. The Issuers expect that, under procedures established by DTC:

- upon deposit of a Global Security with DTC’s custodian, DTC will credit portions of the nominal amount, calculation amount or number of Securities, as applicable, represented by the Global Security to the accounts of the DTC Participants designated by the Manager; and
- ownership of beneficial interests in a Global Security will be shown on, and transfer of ownership of those interests will be effected only through, records maintained by DTC (with respect to interests of DTC Participants) and the records of DTC Participants (with respect to other owners of beneficial interests in the Global Security).

Beneficial interests in a Global Security may not be exchanged for Definitive Securities except in the limited circumstances described below.

Any Global Security and beneficial interests in the Global Security will be subject to restrictions on transfer as described under “Clearance, Settlement and Transfer Restrictions – Transfer Restrictions for Registered Securities”.

### Book-Entry Procedures for Global Securities

All interests in Global Securities will be subject to the operations and procedures of DTC. The following summary of those operations and procedures are provided solely for the convenience of investors. The operations and procedures of DTC are controlled by DTC and may be changed at any time. Neither the Issuers nor the Manager is responsible for those operations or procedures.

DTC has advised the Issuers that it is:

- a limited purpose trust company organised under the New York Banking Law;
- a “banking organisation” within the meaning of the New York Banking Law;
- a member of the Federal Reserve System;
- a “clearing corporation” within the meaning of the New York Uniform Commercial Code; and
- a “clearing agency” registered pursuant to the provisions of section 17A of the US Securities Exchange Act of 1934, as amended (the “Exchange Act”).

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between its participants through electronic book-entry changes to the accounts of its participants, thereby eliminating the need for physical transfer and delivery of

certificates. DTC's Participants include securities brokers and dealers, including the initial purchasers; banks and trust companies; and clearing corporations and other organisations. Indirect access to DTC's system is also available to others such as banks, brokers, dealers and trust companies; these indirect participants clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly. Investors who are not DTC Participants may beneficially own securities held by or on behalf of DTC only through DTC Participants or indirect participants in DTC.

So long as DTC's nominee is the registered owner of a Registered Global Security, that nominee will be considered the sole owner or holder of the Securities represented by that Registered Global Security for all purposes under the Master Agency Agreement (as amended from time to time). Except as provided below, owners of beneficial interests in a Registered Global Security:

- will not be entitled to have Securities represented by a Registered Global Security registered in their names;
- will not receive or be entitled to receive Definitive Securities; and
- will not be considered the owners or holders of the Securities under the Master Agency Agreement (as amended from time to time) for any purpose, including with respect to the giving of any direction, instruction or approval to the Agent under the Master Agency Agreement (as amended from time to time).

As a result, each investor who owns a beneficial interest in a Registered Global Security must rely on the procedures of DTC to exercise any rights of a holder of Securities under the Master Agency Agreement (as amended from time to time) (and, if the investor is not a participant or an indirect participant in DTC, on the procedures of the DTC Participant through which the investor owns its interest).

Payments of principal, premium (if any), additional amounts (if any) and interest (if any) with respect to the Securities represented by a Registered Global Security will be made by the New York Agent to DTC's nominee as the registered holder of the Registered Global Securities. Neither the Issuers nor the New York Agent will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a Global Security, for any aspect of the records relating to or payments made on account of those interests by DTC, or for maintaining, supervising or reviewing any records of DTC relating to those interests.

Payments by DTC Participants and indirect participants in DTC to the owners of beneficial interests in a Registered Global Security will be governed by standing instructions and customary industry practice and will be the responsibility of those DTC Participants or indirect participants and DTC.

Transfers between DTC Participants will be effected under DTC's procedures and will be settled in same-day funds.

### **Registered Definitive Securities**

Registered Definitive Securities will be issued and delivered to each person that DTC identifies as a beneficial owner of the related Securities only on the occurrence of one of the following events:

- DTC notifies the relevant Issuer at any time that it is unwilling or unable to continue as depositary for the Registered Global Securities and a successor depositary is not appointed within 90 days;
- DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days; or
- the relevant Issuer, at its option, notifies the New York Agent that it elects to cause the issuance of Registered Definitive Securities.

The laws of some countries and some states in the US require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Registered Global Security to such persons may be limited to that extent. Because DTC can act only on behalf of DTC Participants, the ability of a person having beneficial interests in a Registered Global Security deposited with DTC to pledge such interests to persons or entities that do not participate in the relevant clearing system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

## CLEARANCE, SETTLEMENT AND TRANSFER RESTRICTIONS

### Book-Entry Ownership

#### *Bearer Securities*

The Issuers may make applications to Euroclear and/or Clearstream and/or Clearstream Frankfurt for acceptance in their respective book-entry systems in respect of any Series of Bearer Securities. In respect of Bearer Securities, a Temporary Global Security and/or a Permanent Global Security in bearer form without Coupons may be deposited with a common depository for Euroclear and/or Clearstream (or with Clearstream Frankfurt in the case of CBF Securities) or an alternative clearing system as agreed between the Issuers and the Managers. Transfers of interests in such Temporary Global Securities or Permanent Global Securities will be made in accordance with the normal Euromarket debt securities operating procedures of Euroclear and Clearstream or, if appropriate, the alternative clearing system.

#### *Registered Securities*

The Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of the Securities to be represented by a Regulation S Global Security. Each Regulation S Global Security deposited with a common depository for, and registered in the name of, a nominee of Euroclear and/or Clearstream will have an ISIN and a Common Code.

The Issuer, and the NY Registrar appointed for such purpose that is an eligible DTC participant, may make application to DTC for acceptance in its book-entry settlement system of the Registered Securities represented by a Rule 144A Global Security. Each such Rule 144A Global Security will have a CUSIP number. Each Rule 144A Global Security will be subject to restrictions on transfer contained in a legend appearing on the front of such Rule 144A Global Security, as set out under “Transfer Restrictions for Registered Securities”. In certain circumstances, as described below in “Transfer Restrictions for Registered Securities”, transfers of interests in a Rule 144A Global Security may be made as a result of which such legend may no longer be required.

In the case of a Tranche of Registered Securities to be cleared through the facilities of DTC, the Custodian, with whom the Rule 144A Global Securities are deposited, and DTC, will electronically record the aggregate nominal amount or number of Securities, as applicable, represented by the Rule 144A Global Securities held within the DTC system. Investors may hold their beneficial interests in a Rule 144A Global Security directly through DTC if they are participants in the DTC system, or indirectly through organisations which are participants in such system.

Payments of the principal of, and interest on, each Rule 144A Global Security registered in the name of DTC’s nominee will be to, or to the order of, its nominee as the registered owner of such Rule 144A Global Security. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants’ accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount, calculation amount or number of the Securities, as applicable, represented by the relevant Rule 144A Global Security as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of beneficial interests in such Rule 144A Global Security held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the

accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. None of the Issuers, the Guarantor, the Issue and Paying Agent, any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, ownership interests in any Rule 144A Global Security or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Securities will initially be in the form of Regulation S Global Securities and/or Rule 144A Global Securities. Definitive Securities will only be available, in the case of Securities in the form of Notes or Exercisable Certificates initially represented by a Regulation S Global Security, in amounts or numbers specified in the applicable Final Terms, and, in the case of Securities initially represented by a Rule 144A Global Security, in minimum amounts of US\$100,000 (or its equivalent rounded upwards as agreed between the Issuer and the relevant Manager(s)), or higher integral multiples of US\$1,000, in certain limited circumstances described below.

#### *Payments through DTC*

Payments in US dollars of principal and interest in respect of a Rule 144A Global Security registered in the name of a nominee of DTC will be made to the order of such nominee as the registered holder of such Security. Payments of principal and interest in a currency other than US dollars in respect of Securities evidenced by a Rule 144A Global Security registered in the name of a nominee of DTC will be made or procured to be made by the Paying Agent in such currency in accordance with the following provisions. The amounts in such currency payable by the Paying Agent or its agent to DTC with respect to Notes held by DTC or its nominee will be received from the Company by the Paying Agent who will make payments in such currency by wire transfer of same day funds to the designated bank account in such currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of payments of interest, on or prior to the third business day in New York City after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 business days in New York City prior to the relevant payment date, to receive that payment in such currency. The Paying Agent will convert amounts in such currency into US dollars and deliver such US dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such currency. The Master Agency Agreement (as amended from time to time) sets out the manner in which such conversions are to be made.

#### *Transfers of Registered Securities*

Transfers of interests in Global Securities within Euroclear, Clearstream and DTC will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Rule 144A Global Security to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Rule 144A Global Security to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in a Regulation S Global Security may only be held through Euroclear or Clearstream. In the case of Registered Securities to be cleared through Euroclear, Clearstream and/or DTC, transfers may be made at any time by a holder of an interest in a Regulation S Global Security to

a transferee who wishes to take delivery of such interest through a Rule 144A Global Security for the same Series of Securities, provided that any such transfer made on or prior to the expiration of the Distribution Compliance Period relating to the Securities represented by such Regulation S Global Security will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from Euroclear or Clearstream, as the case may be, (based on a written certificate from the transferor of such interest) to the effect that such transfer is being made to a person whom the transferor, and any person acting on its behalf, reasonably believes is a QIB within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States. Any such transfer made thereafter of the Securities represented by such Regulation S Global Security will only be made upon request through Euroclear or Clearstream by the holder of an interest in the Regulation S Global Security to the Issue and Paying Agent of details of that account at DTC to be credited with the relevant interest in the Rule 144A Global Security. Transfers at any time by a holder of any interest in the Rule 144A Global Security to a transferee who takes delivery of such interest through a Regulation S Global Security will only be made upon delivery to any Registrar or Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, as the case may be, and DTC to be credited and debited, respectively, with an interest in each relevant Global Security.

Subject to compliance with the transfer restrictions applicable to the Registered Securities described below and under “Transfer Restrictions for Registered Securities”, cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream accountholders, on the other hand, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and the Issue and Paying Agent.

On or after the Issue Date for any Series, transfers of Securities of such Series between accountholders in Euroclear and/or Clearstream and transfers of Securities of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Euroclear or Clearstream and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear and Clearstream, on the other hand, transfers of interests in the relevant Global Securities will be effected through the Issue and Paying Agent, the custodian, the relevant Registrar and any applicable Transfer Agent receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Security resulting in such transfer and (ii) two business days after receipt by the Issue and Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Securities, see “Transfer Restrictions for Registered Securities”.

DTC has advised the Issuers that it will take any action permitted to be taken by a holder of Registered Securities (including, without limitation, the presentation of Rule 144A Global Securities for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Rule 144A Global Securities are credited and only in respect of such portion of the aggregate nominal amount or aggregate number of Securities, as applicable, represented by the relevant Rule 144A Global Securities as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Rule 144A Global Securities in exchange for Definitive Securities (which will, in the case of Restricted Securities, bear the legend applicable to transfers pursuant to Rule 144A).

DTC has advised the Issuers as follows: DTC is a limited purpose trust company organised under the laws of the State of New York, a “banking organisation” under the laws of the State of New York, a member of the US Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a DTC direct participant, either directly or indirectly.

Although Euroclear, Clearstream and DTC have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Securities among participants and accountholders of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Issuer, nor any Paying Agent nor any Transfer Agent will have any responsibility for the performance by Euroclear, Clearstream or DTC or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Rule 144A Global Security is lodged with DTC or the Custodian, Restricted Securities represented by Definitive Securities will not be eligible for clearing or settlement through Euroclear, Clearstream or DTC.

#### *Definitive Securities*

Registration of title to Registered Securities in a name other than a depository or its nominee for Clearstream and Euroclear or for DTC will be permitted only in the circumstances set out in Condition 1 of the Base Conditions. In such circumstances, the Issuer will cause sufficient individual Securities to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Securityholder(s). A person having an interest in a Global Security must provide the Registrar with:

- (i) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Securities; and
- (ii) in the case of a Rule 144A Global Security only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification

that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Securities issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

#### *Pre-issue Trades Settlement*

It is expected that delivery of Securities will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 of the Exchange Act, trades in the US secondary market generally are required to settle within three business days (“T+3”), unless the parties to any such trade expressly agree otherwise. Accordingly, in the event that an Issue Date is more than three business days following the relevant date of pricing, purchasers who wish to trade Registered Securities in the United States between the date of pricing and the date that is three business days prior to the relevant Issue Date will be required, by virtue of the fact that such Securities initially will settle beyond T+3, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Securities may be affected by such local settlement practices and, in the event that an Issue Date is more than three business days following the relevant date of pricing, purchasers of Securities who wish to trade Securities between the date of pricing and the date that is three business days prior to the relevant Issue Date should consult their own adviser.

#### **Transfer Restrictions for Registered Securities**

##### *Restricted Securities*

Each purchaser of Restricted Securities, by accepting delivery of this Base Prospectus, will be deemed to have represented, agreed and acknowledged that:

- (1) It is (a) a QIB, (b) acquiring such Restricted Securities for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Securities has been advised, that the sale of such Restricted Securities to it is being made in reliance on Rule 144A.
- (2) (a) It understands that such Restricted Securities and the Guarantee (if any) have not been and will not be registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred, except (i) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB, (ii) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (iii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States and (b) it will, and each subsequent holder of the Restricted Securities is required to, notify any purchaser of the Restricted Securities from it of the resale restrictions on the restricted securities.
- (3) The Rule 144A Global Security representing such Restricted Securities will, unless the Issuer determines otherwise in accordance with applicable law, bear a legend in or substantially in the following form:

THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL SECURITY AND THE GUARANTEE (IF ANY) IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE

“SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A “QIB”) THAT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE SECURITIES ACT (“RULE 144”), IF AVAILABLE, OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR REALES OF THE SECURITIES.

A Rule 144A Global Security held by a Custodian on behalf of DTC shall also bear the following legend:

“UNLESS THIS RULE 144A GLOBAL SECURITY IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

- (4) The Issuers, the Registrar, Luxembourg Registrar, the Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Securities for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- (5) It understands that the Restricted Securities will be represented by a Rule 144A Global Security. Before any interest in a Rule 144A Global Security may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Global Security or, as the case may be, Global Security, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

For as long as any Restricted Securities are outstanding and are “restricted securities” within the meaning of Rule 144 under the Securities Act, the Bank has agreed that any holder of such Securities or prospective purchaser designated by such holder of Securities will have the right to obtain from the Bank during any period in which the Bank is neither subject to section 13 or 15(d) of the Exchange

Act, nor exempt from reporting pursuant to Rule 12g3–2(b) thereunder, upon request, the information required by Rule 144A(d)(4) under the Securities Act.

**Prospective purchasers are hereby notified that sellers of Registered Securities may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.**

*Unrestricted Securities*

Each purchaser of Unrestricted Securities and each subsequent purchaser of such Unrestricted Securities in re-sales prior to the expiration of the Distribution Compliance Period, by accepting delivery of the Base Prospectus and the Unrestricted Securities, will be deemed to have represented, agreed and acknowledged that:

- (1) It is, or at the time Unrestricted Securities are purchased will be, the beneficial owner of such Unrestricted Securities and (a) it is not a US person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer, the Guarantor, or a person acting on behalf of such an affiliate.
- (2) It understands that such Unrestricted Securities and the Guarantee (if any) have not been and will not be registered under the Securities Act and that, prior to the expiration of the Distribution Compliance Period, it will not offer, sell, pledge or otherwise transfer such Unrestricted Securities except (a) in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.
- (3) It understands that such Unrestricted Securities, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

“THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL SECURITY AND THE GUARANTEE (IF ANY) IN RESPECT HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT.”
- (4) It understands that the Issuer, the Guarantor, the Registrars, the Luxembourg Registrar, the Agents, the Manager and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.
- (5) It understands that the Unrestricted Securities will be represented by a Regulation S Global Security or, as the case may be, a Global Security. Prior to the expiration of the Distribution Compliance Period, before any interest in a Regulation S Global Security may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Restricted Security, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Master Agency Agreement (as amended from time to time)) as to compliance with the applicable securities laws.

*Global Bearer Securities that are Warrants or Exercisable Certificates*

The following legend will appear on each Global Bearer Security that is a Warrant or an Exercisable Certificate:

“THE SECURITIES REPRESENTED BY THIS GLOBAL SECURITY (THE “SECURITIES”) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS AND TRADING IN THE SECURITIES HAS NOT BEEN APPROVED BY THE COMMODITIES FUTURES TRADING COMMISSION UNDER THE UNITED STATES COMMODITY EXCHANGE ACT OF 1936, AS AMENDED. THE SECURITIES, OR INTERESTS THEREIN, MAY NOT AT ANY TIME BE OFFERED, SOLD, RESOLD, TRADED, PLEDGED, EXERCISED, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OF, ANY US PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT).”

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

## GENERAL INFORMATION APPLICABLE TO CREST SECURITIES AND CDIs

### CREST Securities

CREST Securities may be issued and held in uncertificated registered form in accordance with the Uncertificated Regulations and, as such, are dematerialised and not constituted by any physical document of title. Securities which are CREST Securities shall be specified as such in the applicable Final Terms.

CREST Securities issued under the Programme will be cleared through CREST and are participating securities for the purposes of the Uncertificated Regulations. The Operator is in charge of maintaining the Operator register of corporate securities. Title to the CREST Securities is recorded and will pass on registration in the Operator register of corporate securities. As at the date of this Supplement, the relevant Operator for the purposes of the Uncertificated Regulations is Euroclear UK & Ireland Limited.

The address of Euroclear UK & Ireland Limited is 33 Cannon Street, London EC4M 5SB, United Kingdom.

### CDI Securities

Investors may hold indirect interests in Cleared Securities issued under the Programme by holding CDIs through CREST. CDIs represent indirect interests in the Underlying Securities to which they relate and holders of CDIs will not be the legal owners of the Underlying Securities. Securities which are expected to constitute Underlying Securities for the purpose of CDIs shall be specified as such in the applicable Final Terms.

CDIs may be issued by the CREST Depository and held through CREST in dematerialised uncertificated form in accordance with the CREST Deed Poll. CDIs in respect of Underlying Securities will be constituted and issued to investors pursuant to the terms of the CREST Deed Poll.

Following their delivery into Euroclear (directly or through another clearing system using bridging arrangements with Euroclear), interests in Underlying Securities may be delivered, held and settled in CREST by means of the creation of dematerialised CDIs representing the interests in the relevant Underlying Securities. Interests in the Underlying Securities will be credited to the CREST Nominee's account with Euroclear and the CREST Nominee will hold such interests as nominee for the CREST Depository which will issue CDIs to the relevant CREST participants.

Each CDI will be treated as one Underlying Security, for the purposes of determining all rights and obligations and all amounts payable in respect thereof. The CREST Depository will pass on to holders of CDIs any interest or other amounts received by it as holder of the Underlying Securities on trust for such CDI holder. CDI holders will also be able to receive from the CREST Depository notices of meetings of holders of Underlying Securities and other relevant notices issued by the Issuer.

Transfers of interests in Underlying Securities by a CREST participant to a participant of Euroclear or another Relevant Clearing System will be effected by cancellation of the CDIs and transfer of an interest in such Securities underlying the CDIs to the account of the relevant participant with Euroclear or such other Relevant Clearing System. The CDIs will have the same securities identification number as the ISIN of the Underlying Securities and will not require a separate listing on the Official List.

The rights of the holders of CDIs will be governed by the arrangements between CREST, the Relevant Clearing System and the Issuer, including the CREST Deed Poll (in the form contained in Chapter 3 of the CREST International Manual (which forms part of the CREST Manual)) executed by the CREST Depository. These rights may be different from those of holders of Securities which are not represented by CDIs.

The attention of prospective investors in CDIs is drawn to the terms of the CREST Deed Poll, the CREST Manual and the CREST Rules, copies of which are available from Euroclear UK & Ireland Limited at 33 Cannon Street, London EC4M 5SB or by calling +442078490000 or from the Euroclear UK & Ireland Limited website at [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI).

## TAXATION

### General Taxation Information

The information provided below does not purport to be a complete summary of tax law and practice currently applicable to the Securities. Transactions involving Securities (including purchases, transfers, redemptions, cancellations and/or exercise), the accrual or receipt of any interest or premium payable on the Securities, the delivery of any Entitlement and the death of a holder of any Security may have tax consequences for potential purchasers which may depend, amongst other things, upon the tax residence and/or status of the potential purchaser. Potential purchasers of Securities are therefore advised to consult their own tax advisers as to the tax consequences of transactions involving Securities and the effect of any tax laws in any jurisdiction in which they may be tax resident or otherwise liable to tax. In particular, no representation is made as to the manner in which payments under the Securities would be characterised by any relevant taxing authority.

The following summaries do not consider the tax treatment of payments or deliveries in respect of Reference Assets. The taxation provisions applicable to such items may be different (and in some cases significantly different) from those described in the summary below.

Purchasers and/or sellers of Securities may be required to pay stamp taxes and other charges in addition to the issue price or purchase price (if different) of the Securities and in connection with the transfer or delivery of any Reference Asset(s).

Prospective investors are referred to Conditions 7 and 9.6 of the Base Conditions.

### United Kingdom Taxation

The comments are of a general nature based on current United Kingdom tax law and HM Revenue & Customs (“HMRC”) published practice and are a summary of the understanding of the Bank of current law and practice in the United Kingdom relating only to certain aspects of United Kingdom taxation. They are not intended to be exhaustive. They relate only to persons who are the beneficial owners of Securities and do not apply to certain classes of taxpayers (such as persons carrying on a trade of dealing in Securities, certain professional investors and persons connected with the Issuer or the Guarantor) to whom special rules may apply.

Prospective Securityholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

## 1 United Kingdom Taxation Relating to the Securities in the Form of Notes

### 1.1 Withholding Tax

#### (i) *Payments of interest by the Bank only*

The Bank, provided that it continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the “Act”), and provided that the interest on Securities in the form of Notes is paid in the ordinary course of its business within the meaning of section

878 of the Act, will be entitled to make payments of interest without withholding or deduction for or on account of United Kingdom tax.

(ii) *Payments of interest in respect of Securities which are listed on a recognised stock exchange*

Payments of interest under Securities in the form of Notes may be made without withholding or deduction for or on account of United Kingdom tax, provided that such Securities carry a right to interest, and are and remain listed on a “recognised stock exchange”, as defined in section 1005 of the Act. The London Stock Exchange is a recognised stock exchange. Securities in the form of Notes will satisfy this requirement if they are admitted to trading on the relevant recognised stock exchange, and are (in the case of the UK) included in the Official List or (in a country outside the UK where there is a recognised stock exchange) are officially listed in accordance with provisions corresponding to those generally applicable in EEA states.

Provided, therefore, that Securities in the form of Notes are and remain so listed, interest on such Securities will be payable without withholding or deduction for or on account of United Kingdom tax whether or not the Issuer carries on a banking business in the United Kingdom and whether or not the interest is paid in the ordinary course of its business.

(iii) *Payments of interest to certain Securityholders*

Interest on Securities in the form of Notes may also be paid without withholding or deduction for or on account of United Kingdom tax where, at the time the payment is made, the Issuer reasonably believes that either:

- (a) the person beneficially entitled to the interest payable on such Securities is within the charge to United Kingdom corporation tax as regards the payment of such interest; or
- (b) the payment is made to one of the classes of exempt bodies or persons set out in section 936 of the Act,

provided that HMRC has not given a direction (in circumstances where it has reasonable grounds to believe that such payment of interest will not be an “excepted payment” at the time the payment is made) that the interest should be paid under deduction of tax.

(iv) *Securities with a maturity of less than 365 days*

Interest on Securities in the form of Notes having a maturity of less than one year from the date of issue and which are not issued under arrangements, the effect of which is to render such Securities part of a borrowing with a total term of a year or more, may also be paid without deduction for or on account of United Kingdom income tax.

(v) *Other withholdings*

In other cases, an amount may have to be withheld from payments of interest on Securities in the form of Notes for or on account of United Kingdom income tax at the basic rate, subject to the availability of other exemptions or reliefs or to any direction to

the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

In addition, an amount for or on account of United Kingdom income tax at the basic rate may have to be withheld on payments on Securities in the form of Notes where such payments do not constitute interest for United Kingdom tax purposes but instead constitute either annual payments or, in the case of Securities in the form of Notes which are capable of physical settlement, manufactured payments for United Kingdom tax purposes, in each case subject to the availability of exemptions or reliefs or subject to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

## **1.2 Reporting Requirements**

Persons in the United Kingdom paying interest to, or receiving interest on behalf of, another person who is an individual may be required to provide certain information to HM Revenue & Customs regarding the identity of the payee or the person entitled to the interest. In certain circumstances, such information may be exchanged with tax authorities in other countries.

The provisions referred to above may also apply, in certain circumstances, to payments of amounts due on redemption of Notes that constitute “deeply discounted securities” (as defined in Chapter 8 of Part 4 of the Income Tax (Trading and Other Income) Act 2005). However, HMRC’s published practice indicates that no such information will be required in relation to such redemption amounts where they are paid before 5 April 2011.

Prospective holders of Securities in the form of Notes are also directed to the disclosure below in respect of the EU Directive on the Taxation of Savings Income.

## **2 United Kingdom Taxation Relating to the Securities in the Form of Certificates**

### **2.1 Withholding Tax**

Payments of interest under Securities in the form of Certificates issued by the Bank may be made without deduction of United Kingdom income tax where the payments are made in the ordinary course of the Bank’s business or where the Securities are listed in a recognised stock exchange (which includes the London Stock Exchange) (in each case, as further described in relation to Securities in the form of Notes above).

Payments of interest under Securities in the form of Certificates issued by BCCL may be made without deduction of United Kingdom income tax where the Securities are listed on a recognised stock exchange (which includes the London Stock Exchange) (as further described in relation to Securities in the form of Notes above).

In other cases, an amount may have to be withheld from payments which are regarded as interest for tax purposes under Securities in the form of Certificates for or on account of United Kingdom income tax at the basic rate, subject to the availability of other exemptions or reliefs or to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

In addition, an amount for or on account of United Kingdom income tax at the basic rate may have to be withheld on payments on Securities in the form of Certificates where such payments do not constitute interest for United Kingdom tax purposes but instead constitute either annual payments or, in the case of Securities in the form of Certificates which are capable of physical settlement, manufactured payments for United Kingdom tax purposes, subject to the availability of reliefs or exemptions (including exemption in a case where the Certificates fall within the derivative contract rules in Part 7 of the Corporation Tax Act 2009) or subject to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty.

## **2.2 Reporting Requirements**

Prospective holders of Securities in the form of Certificates are referred to the reporting requirements which are discussed above under “*United Kingdom Taxation Relating to the Securities in the Form of Notes – Reporting Requirements*”. The same reporting requirements may apply to Securities in the form of Certificates. Prospective holders of Securities in the form of Certificates are also directed to the disclosure below in respect of the EU Directive on the Taxation of Savings Income, which may apply in respect of such Securities.

## **3 United Kingdom Taxation Relating to the Securities in the Form of Warrants**

### **3.1 Withholding Tax**

No United Kingdom income tax should be required to be deducted or withheld from any payments made on the issue, exercise, cancellation, sale or other disposition of Securities in the form of Warrants, unless the applicable Final Terms provide that the Securities will carry a right to interest or to other payments which constitute either annual payments or, in the case of Securities in the form of Warrants which are capable of physical settlement, manufactured payments for United Kingdom tax purposes. Where Securities in the form of Warrants carry such a right to interest or to such other payments, amounts may have to be withheld from payments of interest on such Securities for or on account of United Kingdom income tax at the basic rate, subject to the availability of reliefs or exemptions (including exemption in a case where the Warrants fall within the derivative contract rules in Part 7 of the Corporation Tax Act 2009) or subject to any direction to the contrary from HMRC in respect of such relief as may be available under an applicable double taxation treaty (as further described in relation to Securities in the form of Notes above).

### **3.2 Reporting Requirements**

Prospective holders of Securities in the form of Warrants which carry a right to interest are referred to the reporting requirements which are discussed above under the section entitled “*United Kingdom Taxation Relating to the Securities in the Form of Notes – Reporting Requirements*” and to the disclosure below in respect of the EU Directive on the Taxation of Savings Income, which may apply in respect of such Securities.

## **4 United Kingdom Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)**

Depending upon the terms and conditions of the relevant Securities (including, but not limited to, whether the Securities are in bearer or registered form or whether they are CREST Securities or CDIs),

UK stamp duty or SDRT may be payable on the issue or on the subsequent transfer of such Securities. If any such stamp duty or SDRT is expected to arise, then this will generally be disclosed in the Final Terms of such Securities.

## **European Union Taxation**

### **EU Directive on the Taxation of Savings Income**

Under European Council Directive 2003/48/EC on the taxation of savings income (the “**Directive**”), each EU Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State; however, for a transitional period, Austria and Luxembourg will (unless they elect otherwise) instead apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU territories to the exchange of information relating to such payments.

A number of non-EU countries, including Switzerland, and certain dependent or associated territories of certain Member States have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual or certain other persons in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

Prospective holders of Securities should note that the European Commission has announced proposals to amend the Directive. If implemented, the proposed amendments would, *inter alia*, extend the scope of the Directive to (i) payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual, and (ii) a wider range of income similar to interest.

## **United States Taxation**

**TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS BASE PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY HOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON HOLDERS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) HOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.**

The following is a summary of certain material U.S. federal income tax consequences of the acquisition, ownership and disposition of Securities by a U.S. Holder (as defined below). This summary does not address the material U.S. federal income tax consequences of every type of Security which may be issued under the Programme, and the applicable Final Terms or Relevant Annex may contain additional or modified disclosure concerning the material U.S. federal income tax consequences

relevant to such type of Security as appropriate. This summary deals only with purchasers of Securities that are U.S. Holders and that will hold the Securities as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Securities by particular investors, and does not address state, local, foreign or other tax laws. This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the Securities as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes or investors whose functional currency is not the U.S. dollar). Moreover, the summary deals only with Securities with a term of 30 years or less. The U.S. federal income tax consequences of owning Securities with a longer term may be discussed in the applicable Final Terms or Relevant Annex.

The following summary does not discuss Securities that are not characterised as debt instruments, or that are characterised as contingent payment debt instruments for U.S. federal income tax purposes, nor does it discuss the tax consequences of the ownership, disposition or exercise of Warrants or Exercisable Certificates or the consequences of conversion or exchange of Convertible or Exchangeable Obligations. This summary also does not discuss physically-settled Securities or certain US dollar denominated inflation-linked Securities that qualify for special treatment under applicable US tax law. In the event the Issuer issues any such Securities, Warrants or Exercisable Certificates, the applicable Final Terms or Relevant Annex may describe their material U.S. federal income tax consequences.

As used herein, the term “**U.S. Holder**” means a beneficial owner of Securities that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States or any State thereof, (iii) an estate, the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust, if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in a partnership that holds Securities will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are partnerships should consult their tax adviser concerning the U.S. federal income tax consequences to their partners of the acquisition, ownership and disposition of Securities by the partnership.

The summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as at the date hereof and all subject to change at any time, possibly with retroactive effect.

Bearer Securities are not being offered to U.S. Holders. A U.S. Holder who owns a Bearer Security may be subject to limitations under United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the United States Internal Revenue Code.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE SECURITIES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

## 1 U.S. Federal Income Tax Characterisation of the Securities

The characterisation of a Series or Tranche of Securities may be uncertain and will depend on the terms of those Securities. The determination of whether an obligation represents debt, equity or some other instrument or interest is based on all the relevant facts and circumstances. There may be no statutory, judicial or administrative authority directly addressing the characterisation of some of the types of Securities that are anticipated to be issued under the Programme or of instruments similar to such Securities.

Depending on the terms of a particular Series or Tranche of Securities, such Securities may not be characterised as debt for U.S. federal income tax purposes despite the form of the Security as debt instruments. For example, Securities of a Series or Tranche may be more properly characterised as prepaid forward contracts or some other type of financial instrument. Additional alternative characterisations may also be possible. Further possible characterisations, if applicable, may be discussed in the applicable Final Terms or other Offering Documents.

The following summary applies to Securities that are properly treated as debt for U.S. federal income tax purposes. However, no rulings will be sought from the IRS regarding the characterisation of any of the Securities issued hereunder for U.S. federal income tax purposes. Each holder should consult its own tax adviser about the proper characterisation of the Securities for U.S. federal income tax purposes and consequences to such holder of acquiring, owning or disposing of the Securities.

## 2 Payments of Interest

### General

Interest on a Security, whether payable in U.S. dollars or a currency, composite currency or basket of currencies other than U.S. dollars (a “foreign currency”), other than interest on a “Discount Security” that is not “qualified stated interest” (each as defined below under “*Original Issue Discount – General*”), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on the holder’s method of accounting for tax purposes. Interest paid by the Issuer on the Securities and OID, if any, accrued with respect to the Securities (as described below under “*Original Issue Discount*”) generally should constitute income from sources outside the United States. Prospective purchasers should consult their tax advisers concerning the applicability of the foreign tax credit and source of income rules to income attributable to the Securities.

## 3 Original Issue Discount

### 3.1 General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Securities issued with original issue discount (“OID”).

A Security, other than a Security with a term of one year or less (a “**Short-Term Security**”), will be treated as issued with OID (a “**Discount Security**”) if the excess of the Security’s “stated redemption price at maturity” over its issue price is equal to or more than a *de minimis* amount (0.25 per cent. of the Security’s stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an “**instalment obligation**”) will be treated as a Discount Security if the excess of the Security’s stated redemption price at maturity over its issue price is equal to or greater than 0.25 per cent. of the Security’s stated redemption price at maturity multiplied by the weighted average maturity of the Security. A Security’s weighted average maturity is the sum of the following amounts determined for each payment on a Security (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Security’s stated redemption price at maturity. Generally, the issue price of a Security will be the first price at which a substantial amount of Securities included in the issue of which the Security is a part is sold to persons other than bond houses, brokers or similar persons or organisations acting in the capacity of underwriters, placement agents or wholesalers. The stated redemption price at maturity of a Security is the total of all payments provided by the Security that are not payments of “qualified stated interest”. A qualified stated interest payment is generally any one of a series of stated interest payments on a Security that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under “*Variable Interest Rate Securities*”), applied to the outstanding principal amount of the Security. Solely for the purposes of determining whether a Security has OID, the Issuer will be deemed to exercise any call option that has the effect of decreasing the yield on the Security, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Security.

U.S. Holders of Discount Securities must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Securities. The amount of OID includible in income by a U.S. Holder of a Discount Security is the sum of the daily portions of OID with respect to the Discount Security for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Security. The daily portion is determined by allocating to each day in any “accrual period” a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Security may be of any length selected by the U.S. Holder and may vary in length over the term of the Security as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Security occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Security’s adjusted issue price at the beginning of the accrual period and the Discount Security’s yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Security allocable to the accrual period. The “adjusted issue price” of a Discount Security at the beginning of any accrual period is the issue price of the Security increased by (x) the amount of accrued OID for each prior accrual period

and decreased by (y) the amount of any payments previously made on the Security that were not qualified stated interest payments.

### 3.2 Acquisition Premium

A U.S. Holder that purchases a Discount Security for an amount less than or equal to the sum of all amounts payable on the Security after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being “**acquisition premium**”) and that does not make the election described below under “*Election to Treat All Interest as Original Issue Discount*”, is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder’s adjusted basis in the Security immediately after its purchase over the Security’s adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Security after the purchase date, other than payments of qualified stated interest, over the Security’s adjusted issue price.

### 3.3 Short-Term Securities

In general, an individual or other cash basis U.S. Holder of a Short-Term Security is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Securities on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realised on the sale or retirement of the Short-Term Security will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Securities will be required to defer deductions for interest on borrowings allocable to Short-Term Securities in an amount not exceeding the deferred income until the deferred income is realised.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Security are included in the Short-Term Security’s stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Security as if the Short-Term Security had been originally issued to the U.S. Holder at the U.S. Holder’s purchase price for the Short-Term Security. This election will apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

### 3.4 Fungible Issue

The Issuer may, without the consent of the Holders of outstanding Securities, issue additional Securities with identical terms. These additional Securities, even if they are treated for non-tax purposes as part of the same series as the original Securities, in some cases, may be treated as a separate series for U.S. federal income tax purposes. In such a case, the additional Securities may be considered to have been issued with OID even if the original Securities had no OID, or the additional Securities may have a greater amount of OID than the original Securities. These differences may affect the market value of the original Securities if the additional Securities are not otherwise distinguishable from the original Securities.

### 3.5 Market Discount

A Security, other than a Short-Term Security, generally will be treated as purchased at a market discount (a “**Market Discount Security**”) if the Security’s stated redemption price at maturity or, in the case of a Discount Security, the Security’s “revised issue price” exceeds the amount for which the U.S. Holder purchased the Security by at least 0.25 per cent. of the Security’s stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Security’s maturity (or, in the case of a Security that is an instalment obligation, the Security’s weighted average maturity). If this excess is not sufficient to cause the Security to be a Market Discount Security, then the excess constitutes “*de minimis* market discount”. For this purpose, the “revised issue price” of a Security generally equals its issue price, increased by the amount of any OID that has accrued on the Security and decreased by the amount of any payments previously made on the Security that were not qualified stated interest payments.

Under current law, any gain recognised on the maturity or disposition of a Market Discount Security (including any payment on a Security that is not qualified stated interest) will be treated as ordinary income to the extent that the gain does not exceed the accrued market discount on the Security. Alternatively, a U.S. Holder of a Market Discount Security may elect to include market discount in income currently over the life of the Security. This election will apply to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year to which the election applies. This election may not be revoked without the consent of the Internal Revenue Service (the “**IRS**”). A U.S. Holder of a Market Discount Security that does not elect to include market discount in income currently will generally be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Security that is in excess of the interest and OID on the Security includible in the U.S. Holder’s income, to the extent that this excess interest expense does not exceed the portion of the market discount allocable to the days on which the Market Discount Security was held by the U.S. Holder.

Under current law, market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Security with respect to which it is made and is irrevocable.

### 3.6 Variable Interest Rate Securities

Floating Rate Securities and certain other securities that provide for interest at variable rates (“**Variable Interest Rate Securities**”) generally will bear interest at a “qualified floating rate” and thus will be treated as “variable rate debt instruments” under Treasury regulations governing accrual of OID. However, certain “Variable Rate Securities”, as the term is used in this Base Prospectus, may not qualify as a “variable rate debt instrument”, but instead will be treated as a contingent payment debt obligation for US federal income tax purposes. A Variable Interest Rate Security will qualify as a “variable rate debt instrument” if (i) its issue price does not exceed the total non-contingent principal payments due under the Variable Interest Rate Security by more than a specified *de minimis* amount, (ii) it provides for stated interest, paid or compounded at least annually, at (a) one or more qualified floating rates, (b) a single fixed rate and one or more qualified floating rates, (c) a single objective rate, or (d) a single fixed rate and

a single objective rate that is a qualified inverse floating rate, and (iii) it does not provide for any principal payments that are contingent (other than as described in (i) above).

A “**qualified floating rate**” is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Security is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Security (e.g. two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Security’s issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e. a cap) or a minimum numerical limitation (i.e. a floor) may, under certain circumstances, fail to be treated as a qualified floating rate.

An “**objective rate**” is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g. one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of the Issuer (or a related party) or that is unique to the circumstances of the Issuer (or a related party), such as dividends, profits or the value of the Issuer’s stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the Issuer). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Security will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Security’s term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Security’s term. A “**qualified inverse floating rate**” is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Security provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Interest Rate Security’s issue date is intended to approximate the fixed rate (e.g. the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a “current value” of that rate. A “current value” of a rate is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

If a Variable Interest Rate Security that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a “variable rate debt instrument”, then any stated interest on the Security which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Security that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a “variable rate debt instrument” will generally not be treated as having been issued with OID unless the Variable Interest Rate Security is issued at a “true” discount (i.e. at a price below the Security’s stated principal amount) in excess of a specified *de minimis* amount. OID on a Variable Interest Rate Security arising from “true” discount is allocated to an accrual period using the constant-yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as at the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Security.

In general, any other Variable Interest Rate Security that qualifies as a “variable rate debt instrument” will be converted into an “equivalent” fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Security. Such a Variable Interest Rate Security must be converted into an “equivalent” fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Security with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as at the Variable Interest Rate Security’s issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Security is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Security. In the case of a Variable Interest Rate Security that qualifies as a “variable rate debt instrument” and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Security provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Security as at the Variable Interest Rate Security’s issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Security is converted into an “equivalent” fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Security is converted into an “equivalent” fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the “equivalent” fixed rate debt instrument by applying the general OID rules to the “equivalent” fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Security will account for the OID and qualified stated interest as if the U.S. Holder held the “equivalent” fixed rate debt instrument. In each accrual period, appropriate adjustments will be

made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the “equivalent” fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Security during the accrual period.

If a Variable Interest Rate Security, such as a Security, the payments on which are determined by reference to an index, does not qualify as a “variable rate debt instrument”, then the Variable Interest Rate Security will be treated as a contingent payment debt obligation. The proper U.S. federal income tax treatment of Variable Interest Rate Securities that are treated as contingent payment debt obligations will be more fully described in the applicable Final Terms or Relevant Annex.

#### **4 Securities Purchased at a Premium**

A U.S. Holder that purchases a Security for an amount in excess of its nominal amount, or for a Discount Security, its stated redemption price at maturity, may elect to treat the excess as “amortisable bond premium”, in which case the amount required to be included in the U.S. Holder’s income each year with respect to interest on the Security will be reduced by the amount of amortisable bond premium allocable (based on the Security’s yield to maturity) to that year. Any election to amortise bond premium will apply to all bonds (other than bonds, the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. See also “*Election to Treat All Interest as Original Issue Discount*” below.

#### **5 Election to Treat All Interest as Original Issue Discount**

A U.S. Holder may elect to include in gross income all interest that accrues on a Security using the constant-yield method described above under “*Original Issue Discount – General*”, with certain modifications. For purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortisable bond premium (described above under “*Securities Purchased at a Premium*”) or acquisition premium. This election will generally apply only to the Security with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Security is made with respect to a Market Discount Security, the electing U.S. Holder will be treated as having made the election discussed above under “*Original Issue Discount – Market Discount*” to include market discount in income currently over the life of all debt instruments with market discount held or thereafter acquired by the U.S. Holder. U.S. Holders should consult their tax advisers concerning the propriety and consequences of this election.

#### **6 Substitution of Issuer**

The terms of the Securities provide that, in certain circumstances, the obligations of the Issuer under the Securities may be assumed by another entity. Any such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Securities by a U.S. Holder in exchange for new securities issued by the new obligor. As a result of this deemed disposition, a U.S. Holder could be required to recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if

any, between the issue price of the new securities (as determined for U.S. federal income tax purposes), and the U.S. Holder's tax basis in the Securities. U.S. Holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of a change in obligor with respect to the Securities.

## 7 Purchase, Sale and Retirement of Securities

A U.S. Holder's tax basis in a Security will generally be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Security and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder's income with respect to the Security, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortisable bond premium applied to reduce interest on the Security.

A U.S. Holder will generally recognise gain or loss on the sale or retirement of a Security equal to the difference between the amount realised on the sale or retirement and the tax basis of the Security. The amount realised does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under "*Original Issue Discount – Market Discount*" or "*Original Issue Discount – Short-Term Securities*" or attributable to changes in exchange rates (as discussed below), gain or loss recognised on the sale or retirement of a Security will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the Securities exceeds one year. Gain or loss realised by a U.S. Holder on the sale or retirement of a Security generally will be U.S. source.

## 8 Foreign Currency Securities

### 8.1 Interest

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognised by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognised with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the

election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Security) denominated in, or determined by reference to, a foreign currency, the U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

## **8.2 OID**

OID for each accrual period on a Discount Security that is denominated in, or determined by reference to, a foreign currency will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Security or a sale or disposition of the Security), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

## **8.3 Market Discount**

Market discount on a Security that is denominated in, or determined by reference to, a foreign currency will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognise U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognise, upon the disposition or maturity of the Security, the U.S. dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

## **8.4 Bond Premium**

Bond premium (including acquisition premium) on a Security that is denominated in, or determined by reference to, a foreign currency will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income in units of the foreign currency. On the date bond premium offsets interest income, a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the amount offset multiplied by the difference between the spot rate in effect on the date of the offset, and the spot rate in effect on the date the Securities were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognise a market loss when the Security matures.

## 8.5 Sale or Retirement

As discussed above under “*Purchase, Sale and Retirement of Securities*”, a U.S. Holder will generally recognise gain or loss on the sale or retirement of a Security equal to the difference between the amount realised on the sale or retirement and its tax basis in the Security. A U.S. Holder’s tax basis in a Security that is denominated in a foreign currency will be determined by reference to the U.S. dollar cost of the Security. The U.S. dollar cost of a Security purchased with foreign currency will generally be the U.S. dollar value of the purchase price on the date of purchase, or the settlement date for the purchase, in the case of Securities traded on an established securities market, as defined in the applicable Treasury Regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects).

The amount realised on a sale or retirement for an amount in foreign currency will be the U.S. dollar value of this amount on the date of sale or retirement, or the settlement date for the sale, in the case of Securities traded on an established securities market, as defined in the applicable Treasury Regulations, sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects). Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

A U.S. Holder will recognise U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Security equal to the difference, if any, between the U.S. dollar values of the U.S. Holder’s purchase price for the Security (or, if less, the principal amount of the Security) (i) on the date of sale or retirement and (ii) on the date on which the U.S. Holder acquired the Security. Any such exchange rate gain or loss will be realised only to the extent of total gain or loss realised on the sale or retirement (including any exchange gain or loss with respect to the receipt of accrued but unpaid interest).

## 8.6 Disposition of Foreign Currency

Foreign currency received as interest on a Security or on the sale or retirement of a Security will have a tax basis equal to its U.S. dollar value at the time the foreign currency is received. Foreign currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase Securities or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss for a U.S. Holder.

## 8.7 Certain Reporting Requirements

Under recently enacted legislation, individuals that own “specified foreign financial assets” with an aggregate value in excess of \$50,000 in taxable years beginning after 18 March 2010 will generally be required to file an information report with respect to such assets with their tax returns. “Specified foreign financial assets” include any financial accounts maintained by foreign financial institutions, as well as any of the following, but only if they are not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-U.S. persons, (ii) financial instruments and contracts held for investment that have non-U.S. issuers or counterparties and (iii) interests in foreign entities. U.S. Holders that are individuals are urged to consult their tax advisers regarding the application of this legislation to their ownership of the Securities.

## **9 Backup Withholding and Information Reporting**

In general, payments of interest and accrued OID on, and the proceeds of a sale, redemption or other disposition of, the Securities, payable to a U.S. Holder by a U.S. paying agent or other U.S. intermediary, will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its U.S. federal income tax returns. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

## **10 Reportable Transactions**

A U.S. taxpayer that participates in a “reportable transaction” will be required to disclose its participation to the IRS. The scope and application of these rules is not entirely clear. A U.S. Holder may be required to treat a foreign currency exchange loss from the Securities as a reportable transaction if the loss exceeds U.S.\$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders. In the event the acquisition, holding or disposition of Securities constitutes participation in a reportable transaction for purposes of these rules, a U.S. Holder will be required to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of U.S.\$10,000 in the case of a natural person and U.S.\$50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Accordingly, if a U.S. Holder realises a loss on any Security (or, possibly, aggregate losses from the Securities) satisfying the monetary thresholds discussed above, the U.S. Holder could be required to file an information return with the IRS, and failure to do so may subject the U.S. Holder to the penalties described above. In addition, the Issuer and its advisers may also be required to disclose the transaction to the IRS, and to maintain a list of U.S. Holders, and to furnish this list and certain other information to the IRS upon written request. Prospective purchasers are urged to consult their tax advisers regarding the application of these rules to the acquisition, holding or disposition of Securities.

### **Cayman Islands Taxation**

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Securities. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor’s particular circumstances and does not consider tax consequences other than those arising under Cayman Islands law.

#### **1 Under Existing Cayman Islands Laws:**

- 1.1 Payments of interest and principal on the Securities will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal to any holder of the Securities, nor will gains derived from the disposal of the Securities be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

- 1.2 No stamp duty is payable in respect of the issue of Securities in bearer form. Securities in bearer form themselves will be stampable if they are executed in or brought into the Cayman Islands.
- 1.3 No stamp duty is payable in respect of the issue of Securities in registered form. An instrument of transfer in respect of a Security in registered form is stampable if executed in or brought into the Cayman Islands.

BCCL has been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, has obtained an undertaking from the Governor in Cabinet of the Cayman Islands in the following form:

**“The Tax Concessions Law  
(1999 Revision)  
Undertaking as to Tax Concessions**

In accordance with Section 6 of The Tax Concessions Law (1999 Revision) the Governor in Cabinet undertakes with:

Barclays Capital (Cayman) Limited (the “Company”)

- (a) that no Law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
- (b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable
- (i) on or in respect of the shares, debentures or other obligations of the Company; or
- (ii) by way of the withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (1999 Revision).

These Concessions shall be for a period of 20 years from the 18 August 2009.”.

### **French Taxation**

This summary is based on tax laws and taxation practice, as in effect and applied as at the date of this Base Prospectus, and is intended to provide general information only. Tax laws, taxation practices and their interpretation are constantly under change, which changes may sometimes have a retroactive effect and may change the conclusions set out in this summary.

#### *Stamp Duty*

The purchase or sale of French Securities is not subject to stamp duty in France.

#### *Income Tax and Withholding Tax*

Prospective purchasers of French Securities who are French resident for tax purposes or who would hold such French Securities through a permanent establishment or fixed base in France should be aware that transactions involving the French Securities, including any purchase or disposal of, or other dealings in, the French Securities, may have French tax consequences. The tax consequences regarding interest, premium on redemption and capital gains in particular may depend, amongst other things, upon the status of the prospective purchaser (i.e. legal entities or individuals). Prospective purchasers of French Securities should consult their own advisers about the tax implications of holding French Securities and of any transactions involving French Securities.

### *Implementation in France of the EU Savings Directive*

The EU Council Directive 2003/48/EC on taxation of savings income in the form of interest payments was implemented into French law under Article 242 ter of the French tax code, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

### **Italian Taxation**

The following is a summary of current Italian law and practice relating to the taxation of the Italian Securities. Please refer also to Annex 1 in relation to the tax treatment of certain categories of investors. The statements herein regarding taxation are based on the laws in force in Italy as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Italian Securities and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.

Prospective investors are advised to consult their own tax advisers concerning the overall tax consequences of their interest in the Italian Securities.

### ***Tax treatment of Italian Notes qualifying as debentures similar to bonds***

Legislative Decree No. 239 of 1 April 1996, as subsequently amended ("**Decree 239**"), provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) from Italian Notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, *inter alia*, by non-Italian resident issuers.

For these purposes, debentures similar to bonds are defined as debt instruments that incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value (whether or not providing for internal payments) and that do not give any right to directly or indirectly participate in the management of the issuer or of the business in relation to which they are issued nor any type of control on the management.

### ***Italian Resident investor***

Where the Italian Notes have an original maturity of at least 18 months and an Italian resident investor is (i) an individual not engaged in an entrepreneurial activity to which the Italian Notes are connected (unless he has opted for the application of the "*risparmio gestito*" regime – see "Capital Gains Tax" below), (ii) a non-commercial partnership pursuant to article 5 of the Italian Income Consolidated Code ("**TUIR**") (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, interest, premium and other income relating to the Italian Notes, accrued during the relevant holding period, are subject to a withholding tax, referred to as "*imposta sostitutiva*", levied at the rate of 12.5 per cent. In the event that the investor described under (i) and (iii) above are engaged

in an entrepreneurial activity to which the Italian Notes are connected, the *imposta sostitutiva* applies as a provisional tax.

Where an Italian resident investor is a company or similar commercial entity pursuant to article 73 of TUIR or a permanent establishment in Italy of a foreign company to which the Italian Notes are effectively connected and the Italian Notes are deposited with an authorised intermediary, interest, premium and other income from the Italian Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant investor's income tax return and are therefore subject to general Italian corporate taxation ("IRES" levied at the rate of 27.5 per cent) and, in certain circumstances, depending on the "status" of the investor, also to the regional tax on productive activities ("IRAP", generally levied at the rate of 3.90 per cent, even though regional surcharges may apply).

Pursuant to Decree No. 239, *imposta sostitutiva* is applied by banks, Società di intermediazione mobiliare ("SIMs"), fiduciary companies, Società di gestione del risparmio ("SGRs"), stockbrokers and other entities identified by a decree of the Ministry of Economics and Finance (each, an "Intermediary").

For the Intermediary to be entitled to apply the *imposta sostitutiva*, it must (i) be (a) resident in Italy or (b) resident outside Italy, with a permanent establishment in Italy or (c) an entity or a company not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Italian Ministry of Finance having appointed an Italian representative for the purposes of Decree 239; and (ii) intervene, in any way, in the collection of interest or in the transfer of the Italian Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Italian Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Italian Notes.

Where the Italian Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying interest to a investor. If interest and other proceeds on the Italian Notes are not collected through an Intermediary or any entity paying interest and as such no *imposta sostitutiva* is levied, the Italian resident beneficial owners listed above under (i) to (iv) will be required to include interest and other proceeds in their yearly income tax return and subject them to a final substitute tax at a rate of 12.5 per cent.

If the Italian Notes are issued for an original maturity of less than 18 months, the *imposta sostitutiva* applies at the rate of 27 per cent. The 27 per cent *imposta sostitutiva* is also applied to any payment of interest or premium relating to the Italian Notes made to (i) Italian pension funds, (ii) Italian Funds and (iii) Italian SICAVs.

#### *Non-Italian Resident investor*

No Italian *imposta sostitutiva* is applied on payments to a non-Italian resident investor of interest or premium relating to the Italian Notes provided that, if the Italian Notes are held in Italy, the non-Italian resident investor declares itself to be a non-Italian resident according to Italian tax regulations.

#### *Early redemption*

Without prejudice to the above provisions, in the event that Italian Notes having an original maturity of at least 18 (eighteen) months are redeemed, prior to 18 (eighteen) months from their Issue Date, or, at certain conditions, if repurchased by the Issuer within this period (Resolution No. 11 of 31 January

2011 of Italian Revenue Agency (*Agenzia delle Entrate*)) Italian resident investors will be required to pay, by way of a withholding to be applied by the Italian Intermediary responsible for payment of interest or the redemption of the Italian Notes, an amount equal to 20 per cent of the interest and other amounts accrued.

### *Capital Gains Tax*

Where the Italian resident investor is (i) an individual not engaged in an entrepreneurial activity to which the Italian Notes are connected, (ii) a non-commercial partnership, pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities) (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of Italian Notes are subject to a 12.5 per cent substitute tax (*imposta sostitutiva*).

The recipient may opt for three different taxation criteria.

(1) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Italian Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any off-settable capital loss, realised by the Italian resident individual holding the Italian Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Italian Notes carried out during any given tax year. Italian resident individuals holding the Italian Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding the Italian Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Italian Notes (the "*risparmio amministrato*" regime provided for by article 6 of Decree No. 461). Such separate taxation of capital gains is allowed subject to (i) the Italian Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the *risparmio amministrato* regime being punctually made in writing by the relevant investor. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Italian Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the investor or using funds provided by the investor for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Italian Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the investor is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding the Italian Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Italian Notes, to an authorised intermediary and have validly opted for the so-

called "*risparmio gestito*" regime (regime provided for by article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the investor is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident investor is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Italian Notes are effectively connected, capital gains arising from the Italian Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant investor's income tax return and are therefore subject to Italian corporate tax and, in certain circumstances, depending on the "status" of the investor, also as a part of the net value of production for IRAP purposes.

Capital gains realised by non-Italian resident beneficial owner are not subject to Italian taxation provided that the Italian Notes (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

#### ***Tax treatment of Italian Notes qualifying as Atypical securities***

Italian Notes that cannot be qualified as securitised derivatives or instruments similar to bonds under TUIR could be considered as 'atypical' securities pursuant to article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Italian Notes may be subject to an Italian withholding tax, levied at the rate of 27 per cent.

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Italian Notes and to an Italian resident holder of the Italian Notes which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Italian Notes.

#### ***Tax treatment of Securitised derivatives***

Pursuant to the generally followed interpretation if the Italian Warrants and Certificates qualifies as securitised derivatives, where the Italian resident investor is (i) an individual not engaged in an entrepreneurial activity to which the Italian Warrants and Certificates are connected, (ii) a non-commercial partnership, pursuant to article 5 of TUIR (with the exception of general partnership, limited partnership and similar entities) (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, capital gains accrued under the sale or the exercise of Italian Warrants and Certificates are subject to a 12.5 per cent substitute tax (*imposta sostitutiva*) (article 67 of Presidential Decree No. 917 of 22 December 1986 (the "TUIR") and Legislative Decree No. 461 of 21 November 1997 ("Decree No. 461")). The recipient may opt for three different taxation criteria.

(1) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity to which the Italian Warrants and Certificates are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any off-settable capital loss, realised by the Italian resident individual holding the Italian Warrants and Certificates not in connection with an entrepreneurial activity pursuant to all sales or redemptions of Italian Warrants and Certificates carried out during any given tax year. Italian resident individuals holding Italian Warrants and Certificates not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

(2) As an alternative to the tax declaration regime, Italian resident individuals holding Italian Warrants and Certificates not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of Italian Warrants and Certificates (the "*risparmio amministrato*" regime provided for by article 6 of Decree No. 461). Such separate taxation of capital gains is allowed subject to (i) the Italian Warrants and Certificates being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express valid election for the *risparmio amministrato* regime being punctually made in writing by the relevant investor. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of Italian Warrants and Certificates (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the investor or using funds provided by the investor for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of Italian Warrants and Certificates results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the investor is not required to declare the capital gains in the annual tax return.

(3) Any capital gains realised or accrued by Italian resident individuals holding Italian Warrants and Certificates not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Italian Warrants and Certificates, to an authorised intermediary and have validly opted for the so-called "*risparmio gestito*" regime (regime provided for by article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 12.5 per cent. substitute tax, to be paid by the managing authorised intermediary. Under this *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the investor is not required to declare the capital gains realised in the annual tax return.

Where an Italian resident investor is a company or similar commercial entity, or the Italian permanent establishment of a foreign commercial entity to which the Italian Warrants and Certificates are effectively connected, capital gains arising from Italian Warrants and Certificates will not be subject to *imposta sostitutiva*, but must be included in the relevant investor's income tax return and are therefore

subject to Italian corporate tax and, in certain circumstances, depending on the "status" of the investor, also as a part of the net value of production for IRAP purposes.

Capital gains realised by non-Italian resident beneficial owner are not subject to Italian taxation provided that Italian Warrants and Certificates (i) are transferred on regulated markets, or (ii) if not transferred on regulated markets, are held outside of Italy.

The provisions of the applicable tax treaties against double taxation entered into by Italy apply if more favourable and all relevant conditions are met.

In accordance with a different interpretation of current tax law, it is possible that Italian Warrants and Certificates would be considered as "atypical securities" pursuant to article 8 of Law Decree No. 512 of 30 September 1983 as implemented by Law No. 649 of 25 November 1983. In this event, payments relating to Italian Warrants and Certificates may be subject to the tax treatment applicable to the "atypical Securities" as indicated below.

#### *Atypical Securities*

Payments relating to atypical securities may be subject to an Italian withholding tax levied at the rate of 27 per cent..

The 27 per cent. withholding tax mentioned above does not apply to payments made to a non-Italian resident holder of the Italian Warrants and Certificates and to an Italian resident holder of the Italian Warrants and Certificates which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership, or (iii) a commercial private or public institution.

The withholding is levied by the Italian intermediary appointed by the Issuer, intervening in the collection of the relevant income or in the negotiation or repurchasing of the Italian Warrants and Certificates.

#### *Inheritance and gift taxes*

Pursuant to Law Decree No. 262 of 3 October 2006, converted into Law No. 286 of 24 November 2006, the transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation are taxed as follows:

- (i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding EUR 1,000,000;
- (ii) transfers in favour of relatives to the fourth degree and relatives-in-law to the third degree, are subject to an inheritance and gift tax applied at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding EUR 100,000; and
- (iii) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

#### *Transfer Tax*

Article 37 of Law Decree No 248 of 31 December 2007, converted into Law No. 31 of 28 February 2008, published on the Italian Official Gazette No. 51 of 29 February 2008, has abolished the Italian transfer tax, provided for by Royal Decree No. 3278 of 30 December 1923, as amended and supplemented by the Legislative Decree No. 435 of 21 November 1997.

Following the repeal of the Italian transfer tax, as from 31 December 2007 contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarized deeds are subject to fixed registration tax at rate of EUR 168; and (ii) private deeds are subject to registration tax only in case of use or voluntary registration.

#### ***Implementation in Italy of the EU Savings Directive***

Italy has implemented the EU Savings Directive through Legislative Decree No. 84 of 18 April 2005 ("**Decree No. 84**"). Under Decree No. 84, subject to a number of important conditions being met, in the case of interest paid to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax and shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

#### **Swiss Taxation**

*The following is a summary only of the Issuer's understanding of current law and practice in Switzerland relating to the taxation of the Notes issued under the Programme. Because this summary does not address all tax considerations under Swiss law and as the specific tax situation of an investor cannot be considered in this context, prospective investors are recommended to consult their personal tax advisers as to the tax consequences of the purchase, ownership, sale or redemption of and the income derived from the Notes issued under the Programme including, in particular, the effect of tax laws of any other jurisdiction.*

The Swiss Federal Tax Administration has issued on 7 February 2007 a Circular Letter No. 15 regarding Certificates and Derivative Financial Instruments subject to Direct Federal Tax, Withholding Tax and Stamp Duty. The Notes issued under the Programme will be taxed in accordance with this Circular Letter No. 15 and its appendices. Depending on the qualification of the relevant Note by the competent Swiss tax authorities the taxation of each Note may be different.

#### **Income Tax**

*Notes are held as private assets (Privatvermögen) by investors resident in Switzerland*

Pursuant to the principles of Swiss income taxation, capital gains are in principle Swiss personal income tax exempt for (i) federal direct tax purposes if realised upon a disposal or exchange of movable and immovable private assets and for (ii) cantonal/municipal direct tax purposes if realised upon a disposal or exchange of movable private assets whereas investment income (such as, in particular but not limited to, interest, dividends etc.) deriving from private assets is subject to Swiss personal income tax. However, any capital losses sustained in relation to private assets are not tax deductible. Hence, (i) capital gains realised upon a sale or redemption of the Notes or (ii) income derived from the Notes stemming from capital gains are in principle Swiss personal income tax

exempt for an investor resident in Switzerland holding the Notes as private assets whereas investment income deriving from the Notes is in principle subject to Swiss personal income tax.

*Notes are held as business assets (Geschäftsvermögen) by investors resident in Switzerland*

Pursuant to the principles of Swiss income taxation, capital gains realised upon disposal, exchange or re-evaluation of business assets are in general subject to (i) either Swiss personal income tax with respect to individuals or (ii) to Swiss corporate income tax with respect to corporations in the same manner as any other commercial or investment income. This applies to both, i.e. movable and immovable, assets. However, as capital gains in relation to business assets are in principle fully taxable, it follows that capital loss in relation to business assets is tax deductible. Hence, (i) capital gains realised upon a sale, exchange, redemption or re-evaluation of the Notes or (ii) income derived from the Notes, irrespective of whether such income stems from investment income or capital gains, are in principle subject to either Swiss personal income tax with respect to an individual investor resident in Switzerland holding the Notes as business assets or subject to Swiss corporate income tax with respect to a corporate investor resident in Switzerland.

### **Withholding Tax**

The Swiss federal withholding tax is in principle levied on income (such as, but not limited to, interest, pensions, profit distributions etc.) from, amongst others, bonds and other similar negotiable debt instruments issued by a Swiss tax resident ("*Inländer*"), distributions from Swiss tax resident corporations, interest on deposits with Swiss banks as well as distributions of or in connection with Swiss tax resident collective investment schemes. For Swiss federal withholding tax purposes, an individual or corporation qualifies as a Swiss tax resident ("*Inländer*") being subject to withholding taxation if it (i) is resident in Switzerland, (ii) has its permanent abode in Switzerland, (iii) is a company incorporated under Swiss law having its statutory seat in Switzerland, (iv) is a company incorporated under foreign law but with a registered office in Switzerland, or (v) is a company incorporated under foreign law but is managed and conducts business activities in Switzerland. Hence, as long as the Notes are not issued by an issuer qualifying as a Swiss tax resident for the purposes of the Swiss withholding tax, income derived from the Notes is in principle not subject to Swiss withholding tax.

### **Stamp Duty**

Swiss stamp duty is, amongst other, either levied as Swiss issuance tax or Swiss securities transfer tax. Swiss issuance tax is levied on the issuance of certain Swiss securities, similar participating rights as well as bonds and money market securities. Swiss securities transfer tax is levied on the transfer of ownership against consideration of certain taxable securities (including, but not limited to, bonds) if a Swiss securities dealer is involved in the transaction. For Swiss federal stamp duty purposes, an individual or corporation qualifies as a Swiss tax resident ("*Inländer*") being subject to Swiss stamp duty taxation if it (i) is resident in Switzerland, (ii) has its permanent abode in Switzerland, (iii) is incorporated under Swiss law and having its statutory or legal seat in Switzerland or (v) if it is registered as an enterprise with the Swiss register of commerce. Hence, as long as the Notes are not issued by an issuer qualifying as a Swiss tax resident for the purposes of Swiss stamp duty, the issuance and renewal of the Notes is in principle not subject to Swiss issuance tax. However, secondary market transactions in the Notes are subject to Swiss securities transfer tax, calculated on the purchase price or sales proceed, if the Notes are qualified as taxable securities, provided that a Swiss securities dealer is involved in the transaction and no exemption applies.

## EU System of Tax Retention

Switzerland has introduced a tax retention (withholding tax) pursuant to the agreement between the European Community and the Swiss Confederation providing for measures equivalent to those laid down in the Council Directive 2003/48/EC on taxation of savings income in the form of interest payments effective as of 1 July 2005 (the "**Agreement**") on interest payments or similar income paid by a Swiss paying agent to an individual resident of an EU Member State, unless the interest payments are made as debt-claims issued by debtors who are residents of Switzerland or pertaining to permanent establishments in Switzerland of non-residents, of 15 per cent. during the first three years from the date of application the Agreement, 20 per cent. for the subsequent three years, and 35 per cent. thereafter. The beneficial owner may avoid the retention by expressly authorising the paying agent in Switzerland to report the interest payments to the competent authority of that state. The competent authority of Switzerland then communicates the information to the competent authority of the EU Member State of residence of the beneficial owner.

## PURCHASE AND SALE

Pursuant to the Master Subscription Agreement dated 5 August 2009 (as amended from time to time and most recently amended and restated on 5 August 2011), each Manager (being, at the date of this Base Prospectus, each of Barclays Bank PLC and Barclays Capital Inc. in their respective capacities as a Manager) has agreed with the Issuers the basis on which it may from time to time agree to purchase Securities. Any such agreement will extend to those matters stated under “Summary” and “Terms and Conditions of the Securities”. In the Master Subscription Agreement, each of the Issuers has agreed to reimburse the relevant Manager for certain of its expenses in connection with the Securities issued under the Programme.

No representation is made that any action has been or will be taken by BCCL, the Bank or the Managers in any jurisdiction that would permit a public offering of any of the Securities or possession or distribution of the Base Prospectus or any other offering material or any Final Terms in relation to any Securities in any country or jurisdiction where action for that purpose is required. No offers, sales, resales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on BCCL, the Bank and/or the Managers.

## SELLING RESTRICTIONS

### European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a “**Relevant Member State**”), each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Securities to the public in that Relevant Member State:

- (a) If the final terms in relation to the Securities specify that an offer of those Securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, 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 legal entity which is a qualified investor as defined in the Prospectus Directive;

- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Manager or Managers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Securities referred to in (b) to (d) above shall require the Issuer of any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression “**an offer of Securities to the public**” in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

## **United States of America**

### ***US Tax Selling Restrictions***

Securities issued in bearer form for US tax purposes (“**Bearer Instruments**”) may not be offered, sold or delivered within the United States or its possessions or to a United States person except as permitted under US Treasury Regulation section 1.163-5(c)(2)(i)(D) (the “**D Rules**”).

Each Issuer and Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) that in addition to the relevant US Securities Selling Restrictions set forth below:

- (a) except to the extent permitted under the D Rules, (x) it has not offered or sold, and during the restricted period it will not offer or sell, Bearer Instruments to a person who is within the United States or its possessions or to a United States person and (y) such Manager has not delivered and agrees that it will not deliver within the United States or its possessions definitive Bearer Instruments that will be sold during the restricted period;
- (b) it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Bearer Instruments are aware that Bearer Instruments may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person (except to the extent permitted under the D Rules);
- (c) if it is a United States person, it is acquiring the Bearer Instruments for purposes of resale in connection with their original issuance, and if it retains Bearer Instruments for its own account, it will do so in accordance with the requirements of the D Rules;
- (d) with respect to each affiliate or distributor that acquires Bearer Instruments from a Manager for the purpose of offering or selling such Bearer Instruments during the restricted period, the

Manager either repeats and confirms the representations and agreements contained in sub clauses (a), (b) and (c) above on such affiliate's or distributor's behalf or agrees that it will obtain from such affiliate or distributor for the benefit of each Issuer and Manager the representations and agreements contained in such sub clauses; and

- (e) it has not and agrees that it will not enter into any written contract (other than confirmation or other notice of the transaction) pursuant to which any other party to the contract (other than one of its affiliates or another Manager) has offered or sold, or during the restricted period will offer or sell, any Bearer Instruments except where pursuant to the contract the relevant Manager has obtained or will obtain from that party, for the benefit of each Issuer and Manager, the representations contained in, and that party's agreement to comply with, the provisions of sub clauses (a), (b), (c) and (d).

Terms used in this section shall have the meanings given to them by the Internal Revenue Code and the US Treasury Regulations thereunder, including the D Rules.

### ***US Securities Selling Restrictions***

#### ***Notes and Certificates***

The Notes, the Certificates, the Guarantee (if any) and in, certain cases, the Entitlements have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Manager has agreed (and each further Manager named in a set of Final Terms will be required to agree) that it will not offer or sell Notes or Certificates (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes or Certificates are part, as determined and certified to the Agent by such Manager (in the case of a non-syndicated issue) or the relevant lead Manager (in the case of a syndicated issue), within the United States or to, or for the account or benefit of, US persons, except to certain qualified institutional buyers as defined in Rule 144A ("QIBs") in reliance on Rule 144A, and it will have sent to each Manager to which it sells Notes or Certificates during the Distribution Compliance Period (other than resales pursuant to Rule 144A) a confirmation or other notice setting out the restrictions on offers and sales of the Notes or Certificates within the United States or to, or for the account or benefit of, US persons. Terms used in the preceding sentence have the meanings given to them by Regulation S. Neither such Manager nor its affiliates, nor any persons acting on its or their behalf, have engaged or will engage in any directed selling efforts (as defined in Regulation S) with respect to the Securities, and such Manager, its affiliates and all persons acting on its or their behalf have complied and will comply with the offering restrictions requirement of Regulation S.

The Notes and Certificates are being offered and sold outside the United States to non-US persons in reliance on Regulation S. The Master Subscription Agreement provides that a Manager may directly or through its US broker-dealer affiliates arrange for the offer and resale of Registered Securities within the United States to QIBs only.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes and Certificates, an offer or sale of such Notes or Certificates within the United States by any dealer

(whether or not participating in the offering of such tranche of Notes or Certificates) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

The Base Prospectus has been prepared by the Issuers for use in connection with the offer and sale of Securities outside the United States and for the resale of the Registered Securities in the United States and for the listing of Securities on the Relevant Stock Exchange. The Issuers and the Managers reserve the right to reject any offer to purchase the Securities, in whole or in part, for any reason. The Base Prospectus does not constitute an offer to any person in the United States or to any US person other than any QIB to whom an offer has been made directly by a Manager or its US broker-dealer affiliate. Distribution of the Base Prospectus by any non-US person outside the United States or by any QIB in the United States to any US person or to any other person within the United States, other than any QIB and those persons, if any, retained to advise such non-US person or QIB with respect thereto, is unauthorised, and any disclosure without the prior written consent of the Issuers of any of its contents to any of such US person or other person within the United States, other than any QIB and those persons, if any, retained to advise such non-US person or QIB, is prohibited.

Each issue of Notes or Certificates shall be subject to such additional US selling restrictions as the Issuers and the relevant Manager may agree as a term of the issue and purchase of such Notes or Certificates, which additional selling restrictions shall be set out in the applicable Final Terms.

*Warrants and Exercisable Certificates (other than Warrants or Exercisable Certificates to be sold within the United States pursuant to Rule 144A)*

No Warrants or Exercisable Certificates of any Series nor the Guarantee (if any) have been, or will be, registered under the Securities Act or any state securities laws and trading in the Securities has not been approved by the US Commodity Futures Trading Commission under the United States Commodity Exchange Act of 1936, as amended (the “**Commodity Exchange Act**”). The Warrants and/or Exercisable Certificates are only being offered and sold pursuant to the registration exemption contained in Regulation S. No Warrants or Exercisable Certificates of any Series, or interests therein, may at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or directly or indirectly offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered to, or for the account or benefit of, any US person. Terms used in the preceding sentence have the meanings given to them by Regulation S. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a US person will not be recognised.

Each Manager of an issue of Warrants or Exercisable Certificates will be required to agree that it, its affiliates and any person acting on its or their behalf will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Warrants or Exercisable Certificates of such Series in the United States or to, or for the account or benefit of, any US person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such US person. Each Manager of an issue of Warrants or Exercisable Certificates will be required to agree that it, its affiliates and any person acting on its or their behalf will not offer or sell the Warrants or Exercisable Certificates at any time except in accordance with Rule 903 of Regulation S, and that neither it, its affiliates nor any persons acting on its or their behalf will engage in any directed selling efforts with respect to the Warrants or Exercisable Certificates and that it and they will comply with the offering restrictions requirements of Regulation S.

The terms used in this paragraph have the meanings given to them by Regulation S. Any person purchasing Warrants or Exercisable Certificates of any Series must agree with the relevant Manager or the seller of such Securities that (i) it is not located in the United States and was not solicited to purchase the Securities while present in the United States, (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Securities of such Series so purchased in the United States or to, or for the account or benefit of, any US person or to others for offer, sale, resale, trade or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any US person, (iii) it is not purchasing any Securities of such Series for the account or benefit of any US person and (iv) it will not make offers, sales, resales, trades, pledges, exercises, redemptions, transfers or deliveries of any Securities of such Series (otherwise acquired), directly or indirectly, in the United States or to, or for the account or benefit of, any US person. Each Manager of an issue of Warrants or Exercisable Certificates will also be required to agree, and any person purchasing Securities of such Series must agree, to send each person who purchases any Securities of such Series from it, at or prior to confirmation of sale of any Securities, a written confirmation (which shall include the definitions of “United States” and “US persons” set forth herein) stating that the Securities and the Guarantee (if any) have not been registered under the Securities Act, or any state securities laws, and trading in the Securities and the Guarantee (if any) has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act, and stating that such purchaser agrees that it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver the Securities, directly or indirectly, in the United States or to, or for the account or benefit of, any US person. Any person exercising a Warrant or an Exercisable Certificate will be required to represent, *inter alia*, that it is not a US person, the Security is not being exercised within the United States or on behalf of a US person and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a US person in connection with any exercise thereof. See Condition 6 of the Base Conditions.

### ***US Commodities Selling Restrictions***

#### **(a) Type 1 US Commodities Restrictions**

Type 1 US Commodities Restrictions will generally apply in the case of Notes or Certificates that may implicate the US commodities laws but that may, in limited circumstances agreed between the relevant Issuer and the relevant Manager, be purchased, or redeemed when held, by or on behalf of certain persons in the United States.

If the Final Terms for Notes or Certificates of any Series indicates that “Type 1 US Commodities Restrictions” apply, the US Commodities Restrictions will be as follows:

Trading in the Notes or Certificates has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act. Except in limited circumstances agreed between the Issuer and the relevant Manager, the Notes or Certificates may not at any time be offered, sold or delivered in the United States or to, or for the account or benefit of, US persons, nor may any US person, except in limited circumstances agreed between the Issuer and the relevant Manager, at any time trade or maintain a position in the Notes or Certificates. The redemption of a Note or the payment of the relevant Settlement Amount or other similar amount on redemption of a Note or Certificate will be conditional on certification that (a) neither the person holding the Notes or Certificates that are being redeemed nor any person on whose behalf the Notes

or Certificates that are being redeemed are held is a US person or a person within the United States or (b) the person redeeming the Notes or Certificates, and each person on whose behalf the Notes or Certificates are being redeemed or who is the beneficial owner thereof, is an Eligible Contract Participant (as such term is defined in the Commodity Exchange Act), or such other form of certification as may be agreed between the Issuer or one of its affiliates and the Securityholder to equivalent effect.

Each Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) (a) that it has not, except in limited circumstances agreed between the Issuer and such Manager, acquired, and will not, except in such limited circumstances, at any time acquire, any Notes or Certificates for the account or benefit of any US person and (b) that it has not, except in limited circumstances agreed between the Issuer and such Manager, offered, sold, traded or delivered, and will not, except in such limited circumstances, at any time offer, sell, trade or deliver, any Notes or Certificates, whether acquired in connection with the distribution of the Notes or Certificates or otherwise, in the United States or to, or for the account or benefit of, US persons. Barclays Capital Inc. may act as agent for Barclays Bank PLC in respect of such offers and sales and receive certain consideration from Barclays Bank PLC in connection therewith.

Terms in the two immediately preceding paragraphs not otherwise defined have the meanings given to them by Regulation S. Thus, as used herein, the term “**United States**” includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term “**US person**” includes a resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States or an estate or trust the income of which is subject to United States federal income taxation regardless of its source.

Alternative or additional selling restrictions may apply where so indicated in the Final Terms for Notes or Certificates of any Series.

(b) Type 2 US Commodities Restrictions

Type 2 US Commodities Restrictions will generally apply in the case of Notes or Certificates that may implicate the US commodities laws, resulting in a prohibition on purchase or holding by persons in the United States.

If the Final Terms for Notes or Certificates of any Series indicates that “Type 2 US Commodities Restrictions” apply, the US Commodities Restrictions will be as follows:

Trading in the Notes or Certificates has not been approved by the US Commodity Futures Trading Commission under the Commodity Exchange Act. The Notes or Certificates may not at any time be offered, sold or delivered in the United States or to, or for the account or benefit of, US persons, nor may any US person at any time trade or maintain a position in the Notes or Certificates. The redemption of a Note or Certificate or the payment of the relevant Settlement Amount or other similar amount on redemption of a Note or Certificate will be conditional on certification as to non-US beneficial ownership.

Each Manager has represented and agreed (and each additional Manager named in a set of Final Terms will be required to represent and agree) (a) that it has not acquired, and will not at any time acquire, any Notes or Certificates for the account or benefit of any US person and (b) that it has not offered, sold, traded or delivered, and will not at any time offer, sell, trade or deliver, any Notes or Certificates, whether acquired in connection with the distribution of the Notes or Certificates or otherwise, in the United States or to, or for the account or benefit of, US persons.

Terms in the two immediately preceding paragraphs not otherwise defined have the meanings given to them by Regulation S.

### ***US Retirement Plan Selling Restrictions***

The Notes may not be sold or transferred to, and each purchaser by its purchase of the Notes shall be deemed to have represented and covenanted that it is not acquiring the Notes for or on behalf of, and will not transfer the Notes to, any pension or welfare plan, as defined in Section 3 of ERISA, that is subject to Title I of ERISA or any plan or arrangement that is subject to Section 4975 of the Internal Revenue Code, or an entity the assets of which are considered assets of such a plan, except that such purchase for or on behalf of a plan shall be permitted when, in the sole judgement of the relevant Manager, and to the extent:

- (a) such purchase is made by or on behalf of a bank collective investment fund maintained by the purchaser in which no plan (together with any other plans maintained by the same employer or employee organisation) has an interest in excess of 10 per cent. of the total assets in such collective investment fund, and the other applicable conditions of Prohibited Transaction Class Exemption (“PTCE”) 91–38 issued by the U.S. Department of Labor are satisfied;
- (b) such purchase is made by or on behalf of an insurance company pooled separate account maintained by the purchaser in which, at any time while the Notes are outstanding, no plan (together with any other plans maintained by the same employer or employee organisation) has an interest in excess of 10 per cent. of the total of all assets in such pooled separate account, and the other applicable conditions of PTCE 90–1 issued by the US Department of Labor are satisfied;
- (c) such purchase is made on behalf of a plan by (i) an investment adviser registered under the US Investment Advisers Act of 1940, as amended (the “**Investment Advisers Act**”), that had as at the last day of its most recent fiscal year total assets under its management and control in excess of \$85 million and had stockholders’ or partners’ equity in excess of \$1 million, as shown in its most recent balance sheet prepared in accordance with generally accepted accounting principles, or (ii) a bank as defined in Section 202(a)(2) of the Investment Advisers Act with equity capital in excess of \$1 million as at the last day of its most recent fiscal year or (iii) an insurance company which is qualified under the laws of more than one state to manage, acquire or dispose of any assets of a pension or welfare plan, which insurance company had as at the last day of its most recent fiscal year, net worth in excess of \$1 million and which is subject to supervision and examination by a State authority having supervision over insurance companies and, in any case, such investment adviser, bank or insurance company is otherwise a qualified professional asset manager, as such term is used in PTCE 84–14 issued by the US Department of Labor, and the assets of such plan when combined with the assets of other

plans established or maintained by the same employer (or affiliate thereof) or employee organisation and managed by such investment adviser, bank or insurance company, do not represent more than 20 per cent. of the total client assets managed by such investment adviser, bank or insurance company at the time of the transaction, and the other applicable conditions of such exemption are otherwise satisfied;

- (d) such plan is a governmental plan (as defined in Section 3(3) of ERISA) which is not subject to the provisions of Title I of ERISA or Section 4975 of the Internal Revenue Code;
- (e) such purchase is made by or on behalf of an insurance company using the assets of its general account, of which the reserves and liabilities for the general account contracts held by or on behalf of any plan, together with any other plans maintained by the same employer (or its affiliates) or employee organisation, do not exceed 10 per cent. of the total reserves and liabilities of the insurance company general account (exclusive of separate account liabilities), plus surplus as set forth in the National Association of Insurance Commissioners Annual Statement filed with the state domicile of the insurer, in accordance with PTCE 95–60, and the other applicable conditions of such exemption are otherwise satisfied;
- (f) such purchase is made by an in-house asset manager within the meaning of Part IV(a) of PTCE 96–23, such manager has made or properly authorized the decision for such plan to purchase the Notes, under circumstances such that PTCE 96–23 is applicable to the purchase and holding of the Notes; or
- (g) such purchase will not otherwise give rise to a transaction described in Section 406 of ERISA or Section 4975(c)(1) of the Internal Revenue Code for which a statutory or administrative exemption is unavailable.

## United Kingdom

Each Manager has represented and agreed, and each further Manager appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Securities which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom.

## France

Each Manager has represented and agreed that:

- (a) Offer to the public in France

it has only made and will only make an offer of any Securities to the public in France when a prospectus has been approved by the competent authority of a Member State of the European Economic Area which has implemented Directive 2003/71/EC, on the date of notification of such approval to the Autorité des marchés financiers, all in accordance with Articles L.412–1 and L.621 8 of the French *Code monétaire et financier* and the Règlement général of the AMF, and ending at the latest on the date which is 12 months after the date of the approval of the Base Prospectus; or

- (b) Private placement in France

it has not offered or sold and will not offer or sell, directly or indirectly, any Securities to the public in France and it has not distributed or caused to be distributed, and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Securities, and such offers, sales and distributions have been and will be made in France only to (i) persons providing investment services relating to portfolio management for the account of third parties and/or (ii) qualified investors (*investisseurs qualifiés*), as defined in, and in accordance with, Articles L.411–1, L.411–2 and D.411–1 to D.411–3 of the French *Code monétaire et financier*.

If necessary, these French selling restrictions will be supplemented in the relevant Final Terms.

## Republic of Italy

To the extent that an offer of Securities to be made under this Base Prospectus has not been registered in Italy, as specified in the relevant Final Terms, in accordance with the applicable laws and regulations (and, in particular, pursuant to Articles 14, 17 and 18 of the Prospectus Directive and Articles 94 and 98 of Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”), as implemented by the CONSOB Regulation 14 May 1999, n. 11971, as amended (“**Regulation No. 11971**”) (a “**Registered Offer**”), no Securities may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to the Securities be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of the Financial Services Act and Article 34–ter, first paragraph, letter b) of Regulation No. 11971; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34–ter of Regulation No. 11971.

Any Registered Offer or any offer, sale or delivery of the Securities or distribution of copies of the Base Prospectus or any other document relating to the Italian Securities in the Republic of Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation 29 October 2007, No. 16190 of (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the “**Banking Act**”); and
- (ii) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and
- (iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

Please note that in accordance with Article 100–bis of the Financial Services Act, where no exemption from the rules on public offerings applies, Securities which are initially offered and placed in Italy or abroad to qualified investors only but in the following year are continuously (*sistematicamente*) distributed on the secondary market in Italy become subject to the public offer and the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Securities being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.

## **Singapore**

THIS DOCUMENT HAS NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE. ACCORDINGLY, THIS DOCUMENT AND ANY OTHER DOCUMENT OR MATERIAL IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, OF INTERESTS MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY INTERESTS BE OFFERED OR SOLD, OR BE MADE THE SUBJECT OF AN INVITATION FOR SUBSCRIPTION OR PURCHASE, WHETHER DIRECTLY OR INDIRECTLY, TO PERSONS IN SINGAPORE OTHER THAN (I) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 274 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE (THE “SFA”), (II) TO A RELEVANT PERSON PURSUANT TO SECTION 275(1), OR ANY PERSON PURSUANT TO SECTION 275(1A), AND IN ACCORDANCE WITH THE CONDITIONS SPECIFIED IN SECTION 275, OF THE SFA, OR (III) OTHERWISE PURSUANT TO, AND IN ACCORDANCE WITH THE CONDITIONS OF, ANY OTHER APPLICABLE PROVISION OF THE SFA.

WHERE INTERESTS ARE SUBSCRIBED OR PURCHASED UNDER SECTION 275 BY A RELEVANT PERSON WHICH IS:

- (a) A CORPORATION (WHICH IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) THE SOLE BUSINESS OF WHICH IS TO HOLD INVESTMENTS AND THE ENTIRE SHARE CAPITAL OF WHICH IS OWNED BY ONE OR MORE INDIVIDUALS, EACH OF WHOM IS AN ACCREDITED INVESTOR; OR

- (b) A TRUST (WHERE THE 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 (AS DEFINED IN SECTION 239(1) OF THE SFA) OF THAT CORPORATION OR THE BENEFICIARIES' RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERRED WITHIN SIX MONTHS AFTER THAT CORPORATION OR THAT TRUST HAS ACQUIRED THE INTERESTS PURSUANT TO AN OFFER MADE UNDER SECTION 275 EXCEPT:

- (i) TO AN INSTITUTIONAL INVESTOR OR TO A RELEVANT PERSON DEFINED IN SECTION 275(2) OF THE SFA, OR TO ANY PERSON ARISING FROM AN OFFER REFERRED TO IN SECTION 275(1A) OR SECTION 276(4)(i)(B) OF THE SFA;
- (ii) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER;
- (iii) WHERE THE TRANSFER IS BY OPERATION OF LAW; OR
- (iv) AS SPECIFIED IN SECTION 276(7) OF THE SFA.

## Hong Kong

No person:

- (a) should have offered or sold or will offer or sell in Hong Kong, by means of any document, any Securities (except for Securities which are a "structured product" as defined in the Securities and Futures ordinance (Cap. 571) of Hong Kong) other than (i) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) should have issued or should have had in its possession for the purposes of issue, or will issue, or has or will have in its possession for the purposes of issue (whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Securities which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) and any rules made under that Ordinance.

## Japan

The Securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "**Financial Instruments and Exchange Law**"). Accordingly, each Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Securities in Japan or to, or for the benefit of, any resident of Japan or to others for reoffering or resale, directly or indirectly, in Japan or to any resident of Japan, except in circumstances which will result in compliance with the Financial Instruments and Exchange Law and all applicable other laws, regulations and ministerial guidelines in

Japan. As used in this paragraph, “**resident of Japan**” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

## **Korea**

Each Manager has represented, warranted and agreed, and any additional Manager or holder of Securities named in the applicable Final Terms will be required to represent, warrant and agree, that the Securities have not been and will not be registered under the Financial Investment Services and Capital Markets Act of the Republic of Korea and that the Securities have not been and will not be offered, delivered or sold directly or indirectly in Korea or to any resident of Korea (as defined under the Foreign Exchange Transactions Law of Korea and the regulations thereunder) or to others for reoffering or resale, directly or indirectly, in Korea or to any resident of Korea, except as otherwise permitted under the applicable laws and regulations of Korea. Furthermore, a holder of Securities is prohibited from offering, delivering or selling any Securities, directly or indirectly, in Korea or to any Korean resident except as otherwise permitted under the Korean laws and regulations. Each Manager has undertaken, and any additional Manager named in the applicable Final Terms will be required to undertake, to ensure that any investor to which it sells Securities confirms that it is purchasing such Securities as principal and agrees with such Manager that it will comply with the restrictions described above.

## **Taiwan**

The Securities may not be sold, offered or issued to Taiwan resident investors or in Taiwan unless they are made available (a) outside Taiwan for purchase outside Taiwan by such inventors and/or (b) in Taiwan through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the Taiwan Rules Governing Offshore Structured Products.

## **Australia**

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (“**Australian Corporations Act**”)) in relation to the Securities has been or will be lodged with the Australian Securities and Investments Commission (“**ASIC**”). Unless the applicable Final Terms (or another supplement to any Prospectus) otherwise provides, no person:

- (a) shall have offered or invited applications, and will offer or invite applications, for the issue, sale or purchase of the Securities in Australia (including, without limitation, an offer or invitation which is received by a person in Australia); and
- (b) shall have distributed or published, and will distribute or publish, any draft, preliminary or definitive offering circular or other offering material or advertisement relating to the Securities in Australia,

unless, depending upon the characterisation of the offering:

- (i) the offer or invitation is made to a “wholesale client” (as defined for the purposes of Chapter 7 of the Australian Corporations Act); or

- (ii) the offer or invitation does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Australian Corporations Act,

as appropriate, and:

- (i) such action complies with all applicable laws, regulations and directives (including, without limitation, the licensing requirements of Chapter 7 of the Australian Corporations Act); and
- (ii) such action does not require any document to be lodged with ASIC.

## **Switzerland**

The Securities may not be publicly distributed in Switzerland. This Base Prospectus shall not be despatched, copied to or otherwise made available to, and the Securities may not be offered for sale to any person in Switzerland, except to Qualified Investors as defined in article 10 of the Swiss Act on Collective Investment Schemes (the “CISA”), i.e. to (a) prudentially regulated financial intermediaries such as banks, securities dealers and fund management companies, (b) regulated insurance institutions, (c) public entities and retirement benefits institutions with professional treasury departments, (d) companies with professional treasury departments, (e) High-Net-Worth Individuals (as defined below) and (f) investors who have concluded a written discretionary management agreement with a financial intermediary as defined under lit. a) or with an independent asset manager that is governed by the Money Laundering Act of 10 October 1997 and by the code of conduct employed by a specific industry body, such code of conduct being recognised by the supervisory authority as the minimum standard. The discretionary management agreement with such independent asset manager shall comply with the recognised standards of a specific industry body. “High-Net-Worth Individual” is a private individual who confirms in writing at the time of the investment to own a minimum of CHF 2 million of financial investments, whether directly or indirectly.

This document is neither a prospectus according to article 652a or article 1156 of the Swiss Code of Obligations nor a simplified prospectus according to article 5 of the CISA nor a listing prospectus according to the Listing Rules of the SIX Swiss Exchange.

## **Cayman Islands**

No invitation will be made to the public in the Cayman Islands to subscribe for any of the Securities.

## **Russian Federation**

Each Manager is required to represent, warrant and agree (and each additional Manager named in a set of Final Terms will be required to represent and agree) that it has not offered or sold or transferred or otherwise disposed of, and will not offer, transfer or sell any Securities as part of their initial distribution or at any time thereafter to or for the benefit of any persons (including legal entities) resident, incorporated, established or having their usual residence in the Russian Federation or to any person located within the territory of the Russian Federation, unless and to the extent otherwise permitted by Russian law; it being understood and agreed that the Managers may distribute the Base Prospectus to persons in the Russian Federation in a manner that does not constitute advertisement (as defined in Russian law) of Securities and may sell Securities to Russian persons in a manner that

does not constitute “placement” or “public circulation” of the Securities in the Russian Federation (as defined in Russian law).

## **Argentina**

No offering of the securities has been registered with the Argentine Securities and Exchange Commission (*Comisión Nacional de Valores*, or the “CNV”). The CNV has neither approved nor disapproved the securities, nor has the CNV passed upon or endorsed the merits of any offering or the accuracy or adequacy of the Base Prospectus. As a result, the securities may not be publicly offered or sold within Argentina. This Base Prospectus does not constitute an offer to sell any of the securities referred to herein to any prospective purchaser of the securities in Argentina, nor does it constitute a solicitation of any prospective purchaser of the securities in Argentina of an offer to buy any of the securities referred to herein, under circumstances in which such offer or solicitation, as applicable, would be unlawful.

## **Brazil**

The securities have not been, and will not be, registered with the Brazilian Securities Commission (*Comissão de Valores Mobiliários*, or the “CVM”). The securities may not be offered or sold in Brazil, except in circumstances that do not constitute a public offering or unauthorized distribution of securities in Brazil or an undue solicitation of investors under Brazilian laws and regulations. Any documents or other materials relating to any offering of the securities, as well as the information contained herein, may not be supplied in Brazil as part of any public offering, unauthorised distribution or undue solicitation of investors, and may not be used in connection with any offer for subscription, sale or unauthorised distribution of the securities or undue solicitation of investors in Brazil.

## **Chile**

Neither Barclays Bank PLC nor the securities are registered in the Securities Registry maintained by the Chilean Securities and Insurance Superintendency (*Superintendencia de Valores y Seguros de Chile*, or the “SVS”) pursuant to the Chilean Securities Market Law 18,045, as amended and restated, and the supplemental rules enacted thereunder (“**Law 18,045**”). Accordingly, the securities may not be offered in Chile except in circumstances that do not constitute a public offer of securities in Chile within the meaning of Article 4 of Law 18,045.

The Base Prospectus is confidential and personal to each offeree and does not constitute an offer to any other person or to the general public in Chile to acquire the securities. Distribution of the Base Prospectus in Chile to any person other than an offeree is unauthorised, and any disclosure of any of the content of the Base Prospectus within Chile without our prior written consent is prohibited.

Each prospective investor in Chile, by accepting the delivery of the Base Prospectus, agrees to the foregoing and will not make photocopies or any other reproduction, either physical or electronic, of the Base Prospectus or any other documents referred to herein.

## Colombia

The securities have not been, and will not be, registered in the National Securities and Issuers Registry (*Registro Nacional de Valores y Emisores*) of Colombia or traded on the Colombian Stock Exchange (*Bolsa de Valores de Colombia*). Therefore, the securities may not be publicly offered in Colombia or traded on the Colombian Stock Exchange.

The Base Prospectus is for the sole and exclusive use of the addressee as an offeree in Colombia, and the Base Prospectus shall not be interpreted as being addressed to any third party in Colombia or for the use of any third party in Colombia, including any shareholders, administrators or employees of the addressee.

The recipient of the securities acknowledges that certain Colombian laws and regulations (specifically foreign exchange and tax regulations) are applicable to any transaction or investment made in connection with the securities being offered and represents that it is the sole party liable for full compliance with any such laws and regulations

## Costa Rica

The securities are not intended for the Costa Rican public or the Costa Rican market and are not registered, and will not be registered, with the General Superintendence of Securities (the “SUGEVAL”) as part of any public offering of securities in Costa Rica. The Base Prospectus relates to an individual, private offering that is made in Costa Rica in reliance upon an exemption from registration with the SUGEVAL pursuant to articles 7 and 8 of the Regulations on the Public Offering of Securities (*Reglamento se Oferta Pública de Valores*). The information contained in the Base Prospectus is confidential, and the Base Prospectus is not to be reproduced or distributed to third parties in Costa Rica.

## Jamaica

The Financial Services Commission of Jamaica (the “FSC”) has not approved any offering of securities nor has it passed judgement on the accuracy or adequacy of the Base Prospectus and is, therefore, not liable for any statements or omissions contained herein.

Holders in Jamaica of any security purchased pursuant to an exemption provided pursuant to the FSC Guidelines for Exempt Distributions (SR-GUID-08/05-0016), 2008 (the “Guidelines”) may not trade in such security, except to another person in Jamaica qualified to purchase the relevant security or pursuant to an exemption provided for in the Guidelines.

Pre-Notification. In accordance with the Guidelines issued by the FSC applicable to the offering of any securities deemed to be an exempt distribution within the jurisdiction of the FSC, the circulation of printed or written material related to any offering of securities (including any circulation of material by electronic means), or the solicitation of any prospective purchaser, is, to the extent practicable, prohibited prior to the registration of such offering with the FSC in Jamaica.

Post-Registration Communication. From the date of delivery of the Notice of Exempt Distribution (Form XD F-1) to the FSC, persons trading in any security purchased pursuant to an exemption provided in the Guidelines may (a) distribute the Base Prospectus, describing the securities and such

other information as may be required under the Guidelines, and (b) solicit expressions of interest from any qualified prospective purchaser, provided that, at least three days before the completion of the trade involving the prospective purchaser, a copy of the Base Prospectus describing the securities shall be delivered to such prospective purchaser.

## **Mexico**

The securities have not been, and will not be, registered with the National Securities Registry maintained by the Mexican National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores*, or the “CNBV”) and, therefore the securities may not be publicly offered or sold nor be the subject of intermediation in Mexico, publicly or otherwise, except that the securities may be offered in Mexico to institutional and qualified investors pursuant to the private placement exception set forth in Article 8 of the Mexican Securities Market Law.

## **Panama**

The securities have not been, and will not be, registered with the National Securities Commission of Panama (*Comisión Nacional de Valores*, or the “CNV”) under Decree Law No. 1 of 8 July 1999 (the “Panamanian Securities Act”) and may not be publicly offered or sold within Panama, except in certain limited transactions exempted from the registration requirements of the Panamanian Securities Act. The securities do not benefit from the tax incentives accorded to registered securities by the Panamanian Securities Act and are not subject to regulation or supervision by the CNV.

## **Paraguay**

The securities and the Base Prospectus do not constitute a public offering of securities or other financial products and services in Paraguay. You acknowledge that (a) the securities were issued outside of Paraguay, (b) any legal matter arising from any offering of the securities shall not be submitted to any Paraguayan government authority and (c) the Paraguayan Deposit Insurance legislation does not insure investments in the securities. The Paraguayan Central Bank (*Banco Central del Paraguay*), the Paraguayan National Stock Exchange Commission (*Comisión Nacional de Valores del Paraguay*) and the Paraguayan Banking Superintendency (*Superintendencia de Bancos del Banco Central del Paraguay*) do not regulate any offering of the securities or any obligations that may arise from such offering. You should make your own decision whether any offering meets your investment objectives and risk tolerance level.

Spanish translation: Ni este prospecto ni los valores constituyen el ofrecimiento público de valores u otros productos y servicios financieros en Paraguay. Ud. reconoce y acepta que (a) los valores fueron emitidos fuera del Paraguay; (b) cualquier disputa o conflicto legal que surja en virtud de cualquier oferta de valores no será sometida a autoridad pública Paraguaya alguna; y (c) la Ley de Garantía de Depósitos de su país de residencia no cubre los valores, ni los activos y fondos transferidos a estos efectos. El Banco Central del Paraguay, la Comisión Nacional de Valores del Paraguay y la Superintendencia de Bancos del Banco Central del Paraguay no regulan, ni son responsables de, cualquier oferta de los valores o de cualquier obligación que pueda surgir como resultado de tal oferta. Ud. debe hacer su propia evaluación en cuanto a si cualquier oferta cumple con sus objetivos de inversión y sus niveles de tolerancia de riesgos.

## Peru

The securities have not been, and will not be, registered with the National Supervising Commission of Companies (*Comisión Nacional Supervisora de Empresas y Valores*, or “**CONASEV**”). If through any private offering an institutional investor acquires securities that are not registered with CONASEV, such securities may not be sold or transferred by such institutional investor for a period of 12 months from their acquisition date unless (a) such transfer or sale is made to another institutional investor as defined by the Peruvian Securities Market Law (*Ley del Mercado de Valores*); (b) such securities have been registered under CONASEV’s Public Registry or (c) such transfer or sale is made pursuant to an applicable exemption from registration under the Peruvian Securities Market Law.

Notice to Private Pension Funds and Insurance Companies in Peru. Private Pension Funds (*Administradoras Privadas de Fondos de Pensiones*) and Insurance Companies (*Compañías de Seguros*) in Peru should seek their own legal advice as to the eligibility of the securities and legal, financial and technical advice as to their capacity to acquire the securities in compliance with the limits set forth by applicable Peruvian law. In particular, to acquire the securities, Peruvian Private Pension Funds should seek to register the securities with the Peruvian Bank and Insurance Superintendency (*Superintendencia de Banca, Seguros y AFP*) and, if applicable, to register the particular placement procedure through which such securities are acquired.

## Trinidad & Tobago

The securities have been or will be issued in Trinidad & Tobago on a private placement basis exempt from registration under the Securities Industry Act, 1995 of the laws of Trinidad & Tobago (the “**TTSIA**”) and may not be offered, resold, distributed or otherwise transferred to a person in Trinidad & Tobago if such offer, resale, distribution or transfer would cause or require the securities to be registered under the TTSIA.

The Base Prospectus is personal to each offeree in Trinidad & Tobago and does not constitute an offer to any other person or to the public generally in Trinidad & Tobago to subscribe for or otherwise acquire securities. Distribution of the Base Prospectus to, or access to the Base Prospectus (through the internet or through any other electronic or written means) by, any other person in Trinidad & Tobago other than the prospective investor, and any person retained to advise such prospective investor with respect to its purchase, is unauthorised, and any disclosure of its contents in Trinidad & Tobago is prohibited. Each prospective investor in Trinidad & Tobago, by accepting delivery of, or accessing, the Base Prospectus, as applicable, agrees to the foregoing and to not make photocopies, electronic copies or otherwise of the Base Prospectus or any documents referred to in the Base Prospectus.

The Trinidad & Tobago Securities and Exchange Commission (the “**TTSEC**”) has not in any way evaluated the merits of the securities described in the Base Prospectus and any representation to the contrary is an offence.

The securities are subject to restrictions on transferability and resale and may not be transferred or resold in Trinidad & Tobago except as permitted under the TTSIA and other applicable securities laws in Trinidad & Tobago. The securities will be subject to restrictions on resale and transfer as described below under “Trinidad & Tobago Transfer Restrictions”.

### **Trinidad & Tobago Transfer Restrictions.**

In this subsection, the terms “offer to the public”, “distribution”, “offer to sell”, “reporting issuer”, “prospectus”, “sale” and “Sophisticated Purchaser” shall bear the same meanings as are assigned to them in the TTSIA.

The securities shall be offered to Sophisticated Purchasers not exceeding 34 persons in the aggregate and the distribution shall be previously notified in writing to the TTSEC in accordance with Section 75(2) of the TTSIA and shall be followed by a report to the TTSEC of such distribution within 10 days of same.

The distribution of the securities in Trinidad & Tobago shall not be accompanied by an advertisement other than an announcement of its completion as prescribed by the TTSEC and no selling or promotional expenses shall be paid or incurred in connection with the distribution except for professional services or services performed by Barclays Bank PLC.

Pursuant to Section 75(2) of the TTSIA, Barclays Bank PLC is exempt from filing a prospectus with the TTSEC.

Unless a proposed sale or distribution of the securities by a purchaser is exempt from registration under the TTSIA, no purchaser in Trinidad & Tobago may distribute or offer to sell any security without the prior written consent of Barclays Bank PLC or the applicable distributor, agent or underwriter. Neither Barclays Bank PLC nor the applicable distributor, agent or underwriter shall give its consent to a purchaser to distribute or offer to sell a security:

- (a) if such distribution or offer for sale would cause or require the securities to be registered with the TTSEC as an offer to the public;
- (b) if such distribution or offer for sale would result in Barclays Bank PLC and/or or the applicable distributor, agent or underwriter having to comply with Sections 69 to 71 of the TTSIA; and
- (c) unless such consent is made conditional upon the purchaser ensuring that each purchaser of the security enters into a direct covenant with Barclays Bank PLC and/or the applicable distributor, agent or underwriter not to distribute or offer to sell any security without their prior written consent.

No purchaser may distribute or offer to sell any securities if such distribution or offer for sale would result in the purchaser of the securities not being a Sophisticated Purchaser or the number of holders to exceed 34 Sophisticated Purchasers in the aggregate.

Each purchaser of the securities offered and sold in Trinidad & Tobago will be deemed to have represented and agreed as follows: the purchaser (a) is a Sophisticated Purchaser, (b) is aware that the sale to it is being made in accordance with Section 75(2) of the TTSIA and (c) is acquiring such securities for its own account or for the account of a Sophisticated Purchaser.

Each purchaser understands and acknowledges that the securities are being offered in a transaction not involving any public offering in Trinidad & Tobago within the meaning of the TTSIA, that the securities have not been, and, except as described in the Base Prospectus, will not be, registered under the TTSIA and may not be offered, sold or otherwise transferred in Trinidad & Tobago unless exempt from registration under the TTSIA. By acquiring the securities, each purchaser agrees that (a) if in the future such purchaser decides to offer, resell, pledge or otherwise transfer any of the securities, such

securities may only be offered, sold, pledged or otherwise transferred pursuant to an exemption from registration and from the filing of a prospectus under the TTSIA, and (b) such purchaser will, and will require each subsequent holder to, notify any person to whom such purchaser or subsequent holder, as applicable, resells the securities, of the resale restrictions referred to in (a) above.

## **Uruguay**

The sale of the securities qualifies as a private placement pursuant to Section 2 of Uruguayan law 18.627. The securities must not be offered or sold to the public in Uruguay, except in circumstances which do not constitute a public offering or distribution under Uruguayan laws and regulations. The securities are not and will not be registered with the Financial Services Superintendency of the Central Bank of Uruguay.

## **Venezuela**

The securities have only been registered with the Securities and Exchange Commission of the United States of America and in accordance with the U.S. Securities Act of 1933, as amended. No public offering may be conducted in Venezuela without prior registration or authorization and in accordance with applicable laws and regulations in Venezuela.

## **General**

These selling restrictions may be modified by the agreement of the Issuer and the relevant Manager, including following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Securities to which it relates, in an applicable Relevant Annex or in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Securities, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Manager has agreed that it will comply with all relevant laws, regulations and directives, and obtain all relevant consents, approvals or permissions, in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms, and neither the Issuer nor any Manager shall have responsibility therefor.

## GENERAL INFORMATION

### Authorisation and Consents

The update of the Programme and the issue of Securities under the Programme have been duly authorised by resolutions of the Board of Directors of BCCL on 20 July 2011 and resolutions of an authorised committee of the Board of Directors of the Bank on 25 July 2011.

The Issuers have obtained all necessary consents, approvals and authorisations in connection with establishing and updating this Programme and will obtain all such consents, approvals and authorisations in connection with the issue and performance of each Security or Series of Securities issued under this Programme.

### Use of Proceeds

Each Issuer intends to apply the net proceeds from the sale of any Securities either for hedging purposes or for general corporate purposes unless otherwise specified in the Final Terms relating to a particular Security or Series of Securities. If, in respect of any particular issue of Securities, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

### Base Prospectus

This Base Prospectus may be used for a period of one year from its date in connection with a public offer of Securities in the EU, or for the listing and admission to trading of Series of Securities. A revised Base Prospectus will be prepared in connection with the listing of any Series of Securities issued after such period unless all consents necessary are obtained for an extension of such period.

If at any time the Bank or BCCL shall be required to prepare a supplement to the Base Prospectus (a “**Supplement**”) pursuant to Section 87 of the FSMA, or to give effect to the provisions of Article 16(1) of the Prospectus Directive, the Bank or BCCL will prepare and make available an appropriate amendment or supplement to this Base Prospectus or a further base prospectus which, in respect of any subsequent issue of Securities to be offered to the public or to be admitted to trading on the Regulated Market of the London Stock Exchange, or of any other Relevant Stock Exchange, shall constitute a supplemental base prospectus as required by the FSA and Section 87 of the FSMA.

### Listing

Any Series of Securities may be admitted to listing and trading on the London Stock Exchange or any other Relevant Stock Exchange as set out in the applicable Final Terms.

Unlisted Securities may also be issued under the Programme.

### Relevant Clearing Systems

The Securities issued under the Programme may be accepted for clearance through the Euroclear, Clearstream and Clearstream Frankfurt systems, DTC and any other Relevant Clearing System as set out in any applicable Relevant Annex or in the applicable Final Terms. The appropriate common code

for each Series allocated by Euroclear, Clearstream or Clearstream Frankfurt, or CINS or CUSIP number allocated by DTC, will be set out in the applicable Final Terms, together with the International Securities Identification Number (the “ISIN”) for that Series. If the Securities are to be cleared through an additional or alternative clearing system, the appropriate information will be set out in the applicable Final Terms. Transactions will normally be effected for settlement not earlier than three business days after the date of transaction.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Clearstream Frankfurt is Neue Börsestrasse 1, Frankfurt am Main, Germany. The address of The Depository Trust Company is 55 Water Street, New York, NY10041-0099, USA. The address of any additional clearing system will be set out in any applicable Relevant Annex or in the applicable Final Terms.

### **Documents Available**

For as long as this Base Prospectus remains in effect or any Securities remain outstanding, copies of the following documents will, when available, be made available during usual business hours on a weekday (Saturdays, Sundays and public holidays excepted) for inspection and, in the case of (b), (c), (h), (i) and (j) below, shall be available for collection free of charge at the registered office of the relevant Issuer and (i) in respect of Securities other than CREST Securities, at the specified office of the Issue and Paying Agent and, in the case of the Final Terms in respect of any Series, at the specified office of the relevant Paying Agents or Transfer Agents, as the case may be, and (ii) in respect of CREST Securities, at the specified office of the CREST Agent:

- (a) the constitutional documents of each of the Issuers;
- (b) the documents set out in the “Incorporation by Reference” section of this Base Prospectus;
- (c) all future annual reports and semi-annual financial statements of the Bank and of BCCL;
- (d) the Master Subscription Agreement;
- (e) the relevant Agency Agreement;
- (f) the Guarantee;
- (g) the Deed of Covenant;
- (h) the current Base Prospectus in respect of the Programme and any future supplements thereto;
- (i) any Final Terms issued in respect of Securities admitted to listing, trading and/or quotation by any listing authority, stock exchange, and/or quotation system since the most recent base prospectus was published; and
- (j) any other future documents and/or announcements issued by the Issuers.

### **Post-issuance Information**

The Issuers do not intend to provide any post-issuance information in relation to any of the Securities or the performance of any Reference Asset or any other underlying relating to Securities.

**ISSUER & GUARANTOR**

**Barclays Bank Plc**  
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 1 Churchill Place  
 London E14 5HP  
 United Kingdom

**ISSUER**

**Barclays Capital (Cayman) Limited**  
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 Cayman Islands  
 British West Indies

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 United Kingdom

**Barclays Capital Inc.**  
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 New York, NY 10019  
 United States

**ISSUE AND PAYING AGENT AND TRANSFER AGENT**

**The Bank of New York Mellon, London Branch**  
 One Canada Square  
 London E14 5AL  
 United Kingdom

**DETERMINATION AGENT**

**Barclays Bank PLC**  
 1 Churchill Place  
 London E14 5HP  
 United Kingdom

**DETERMINATION AGENT**

**Barclays Capital Securities Limited**  
 1 Churchill Place  
 London E14 5HP  
 United Kingdom

**NEW YORK AGENT  
AND NEW YORK REGISTRAR**

**The Bank of New York Mellon**  
 101 Barclay Street  
 New York NY 10286  
 United States of America

**FRANKFURT AGENT**

**The Bank of New York Mellon**  
 Westend Duo  
 Bockenheimer Landstr. 24  
 60323 Frankfurt am Main  
 Germany

**LUXEMBOURG AGENT  
AND LUXEMBOURG REGISTRAR**

**The Bank of New York Mellon (Luxembourg)  
S.A.**  
 Vertigo Building – Polaris  
 2-4 rue Eugène Ruppert  
 L-2453 Luxembourg

**ISSUE AND PAYING AGENT  
*in respect of French Securities***

**BNP Paribas Securities Services**  
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 75002 Paris  
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